



**Board Meeting Agenda
Thursday, June 20, 2024
Noon**

Call to Order

Roll Call

Approval of Minutes

Official Action

Resolution 1487 – A Resolution Amending the Existing Purchased Power Adjustment of the Electric Division, as Previously Established by Resolution No. 1065, as Heretofore Amended, to Address Changes to Wholesale Power Supply Costs Arising from Participation in the Tennessee Valley Authority's Power Supply Expanded Flexibility Program – **2nd and Final Reading**

Resolution 1488 – A Resolution Amending the Existing Rate Schedules of the Electric Division, as Previously Established by Resolution 1060, as Heretofore Amended, Providing for an Electric Vehicle Charging Pump (EVCP) Rate – **2nd and Final Reading**

Resolution 1489 – A Resolution Authorizing Participation in the Tennessee Valley Authority's PowerFlex Program and Amending the Existing Rate Schedules of the Electric Division, as Previously Established by Resolution 1060, as Heretofore Amended, Providing for a PowerFlex Rate Schedule – **2nd and Final Reading**

Resolution 1493 – A Resolution Replacing the Existing Rate Schedules of the Electric Division, Gas Division, Water Division, and Wastewater Division as Previously Established by Resolution 1060 as Heretofore Amended – **2nd and Final Reading**

This Resolution Will Replace the Existing Rate Schedules of the Electric Division By Amending Section 1 of Resolution No. 1060, Providing for an Increase in Electric Rates Effective April 1, 2025, an Increase in Electric Rates Effective April 1, 2026, and an Increase in Electric Rates Effective April 1, 2027

This Resolution Will Replace the Existing Rate Schedules of the Gas Division By Amending Section 2 of Resolution No. 1060, Providing for an Increase in Gas Rates Effective October 1, 2024, an Increase in Gas Rates Effective October 1, 2025, and an Increase in Gas Rates Effective October 1, 2026

This Resolution Will Replace the Existing Rate Schedules of the Water Division By Amending Section 3 of Resolution No. 1060, Providing for an Increase in Water Rates Effective July 1, 2025, an Increase in Water Rates Effective July 1, 2026, and an Increase in Water Rates Effective July 1, 2027

This Resolution Will Replace the Existing Rate Schedules of the Wastewater Division By Amending Section 4 of Resolution No. 1060, Providing for an Increase in Wastewater Rates Effective July 1, 2025, an Increase in Wastewater Rates Effective July 1, 2026, and an Increase in Wastewater Rates Effective July 1, 2027

President's Report

Other Business

Public Comments

Adjournment

Note: The Chair may declare a periodic recess in these proceedings as may be necessary for comfort or convenience.



June 14, 2024

Knoxville Utilities Board
445 S. Gay Street
Knoxville, Tennessee 37902-1109

Commissioners:

The June 20 Board meeting includes four official action items, all second and final readings on rate-related matters adopted on first reading at the May 16 Board meeting. Among other items, the President's Report will include an update on our Vegetation Management program, which was presented to the Board's Community Advisory Panel on June 6.

An overview of the official action items is provided below.

Resolution 1487 (Second and Final Reading)

Resolution 1487 amends KUB's Purchased Power Adjustment (PPA) for the purpose of retaining savings from participation in TVA's Power Supply Expanded Flexibility Program. Under the Expanded Flexibility Program, KUB may deploy certain renewable sources of electric generation (such as solar), which would displace a portion of the demand and energy usage TVA would have otherwise billed KUB.

Staff has recommended power cost savings realized under the Expanded Flexibility Program be used to help fund the additional cost requirements of the Inflation Response Plan (IRP) for the Electric Division. The PPA must be amended to retain the savings.

Resolution 1488 (Second and Final Reading)

Resolution 1488 adopts a new electric rate schedule establishing an electric vehicle charging pump rate.

KUB, in partnership with the City and TVA, is constructing two new electric vehicle fast charging stations in KUB's electric service territory for public use. One station is located on Central Avenue in downtown Knoxville, and the other is in the Seymour area. Both stations are projected to be in service this summer. This rate action will establish the end-use rate for electric charging at KUB owned stations.

Resolution 1489 (Second and Final Reading)

As part of its efforts to provide peak generation capacity, TVA is implementing a new demand response program. PowerFlex is an optional program for qualified large commercial and industrial customers in the TVA region with the ability to curtail power usage. PowerFlex expands TVA's interruptible power offerings to a larger base of customers.

Resolution 1489 authorizes KUB's participation in the PowerFlex Program and adopts a PowerFlex electric rate schedule.

Resolution 1493 (Second and Final Reading)

Resolution 1493 replaces the rate schedules of the Electric, Gas, Water, and Wastewater Divisions to provide for a series of three annual rate increases for each division. The proposed rate increases will help fund additional cost requirements associated with inflationary impacts and the continuation/expansion of Century II infrastructure programs.

The proposed electric rate increases include 4% effective April 2025, 3% effective April 2026, and 2% effective April 2027. The associated monthly bill impacts for the average residential electric customer are \$5.00, \$3.85, and \$2.70, respectively.

The proposed gas rate increases include 3% increases effective October 2024, October 2025, and October 2026, with monthly bill impacts of \$1.90, \$1.95, and \$2.00 for the average residential gas customer.

The proposed water rate increases include 6% increases effective July 2025, July 2026, and July 2027. Monthly bill impacts for the average residential water customer are \$2.00, \$2.15, and \$2.30, respectively.

The proposed wastewater rate increases include 2% increases effective July 2025, July 2026, and July 2027, with monthly bill impacts of \$1.45, \$1.50, and \$1.55 for the average residential wastewater customer.

The impact of the proposed electric, gas, water, and wastewater rate increases on commercial and industrial customers' monthly bills will vary depending on their rate classification and level of monthly use.

I recommend the adoption of Resolutions 1487, 1488, 1489, and 1493 on second and final readings.

Respectfully submitted,



Gabriel J. Bolas, II
President and Chief Executive Officer

Enclosures

RESOLUTION NO. 1487

A Resolution Amending the Existing Purchased Power Adjustment of the Electric Division, as Previously Established by Resolution No. 1065, as Heretofore Amended, to Address Changes to Wholesale Power Supply Costs Arising from Participation in the Tennessee Valley Authority's Power Supply Expanded Flexibility Program

Whereas, Knoxville Utilities Board of Commissioners (the "Board") has rate setting authority pursuant to Article XI of the Charter of the City of Knoxville; and

Whereas, the Board previously adopted Resolution No. 1065, as heretofore amended, providing for a Purchased Power Adjustment ("PPA") for the Electric Division; and

Whereas, Knoxville Utilities Board ("KUB") purchases its electric power requirements from the Tennessee Valley Authority ("TVA") and any exceptions to the full requirements contract must be approved by TVA; and

Whereas, the Board previously adopted Resolution 1483 which provides for KUB's participation in TVA's Power Supply Expanded Flexibility Program which allows KUB (and other Valley Partners) to deploy certain Energy Resources to produce its own power; and

Whereas, Energy Resource generation will displace a portion of the demand and energy usage that TVA would have otherwise charged to Distributor under the Power Contract; and

Whereas, KUB staff presented the Electric Division Long Range Plan to the Board on April 18, 2024 which incorporated an Inflation Response Plan, updated cost information for infrastructure projects, and anticipated savings from KUB's participation in the Expanded Flexibility Program; and

Whereas, KUB staff recommends retaining the savings from participation in the Expanded Flexibility Program to provide funding for the Electric Division Long Range Plan; and

Whereas, KUB staff recommends updating the existing Purchased Power Adjustment to account for savings arising from participation in the Expanded Flexibility Program; and

Whereas, in accordance with Section 1107(L) of the Charter of the City of Knoxville, KUB has provided the required public notice of not less than five (5) days prior to a meeting of the Board when a rate schedule change is to be considered.

Now, Therefore, Be it Hereby Resolved by the Board of Commissioners of the Knoxville Utilities Board:

Section 1. That the Purchased Power Adjustment previously established in Resolution 1065, as heretofore amended, shall be deleted in its entirety, and replaced with Exhibit A to this Resolution, to be effective July 1, 2024.

Adrienne Simpson-Brown, Chair

Mark Walker, Board Secretary

APPROVED ON 1st
READING: _____ 5-16-24 _____
APPROVED ON 2nd
READING: _____
EFFECTIVE DATE: _____
MINUTE BOOK 47 PAGE _____

**RESOLUTION 1487
EXHIBIT A
PURCHASED POWER ADJUSTMENT
EFFECTIVE JULY 1, 2024**

PURCHASED POWER ADJUSTMENT

I. Provision for Adjustment

The electricity rates per kWh, per kW or per customer account billed as set forth in the Rate Schedules of the Electric Division (Division) shall be increased or decreased by amounts hereinafter described, which amounts are called the "Purchased Power Adjustment" or the PPA.

II. Intent and Application to Various Purchases

(a) This Purchased Power Adjustment is intended to assure that KUB recovers on an equitable basis the total cost of electricity purchased for delivery to its electricity sales customers. The PPA is further intended to assure that no excess or deficiency in cost recovery from KUB's electric customers occurs.

(b) The PPA anticipates various costs of purchased power for the general distribution system including, but not limited to:

1. the cost of energy purchased
2. the cost of power demanded
3. the amount of hydro preference adjustment

III. Definitions

The following definitions shall apply to the terms as used in this Section. Any term used in this Section that is not otherwise defined in this Section shall have the meaning customarily ascribed to that term in the electric industry.

(a) Adjustment period – the twelve-month period beginning with the Effective Date of the Purchased Power Adjustment

(b) Base Rates of Purchased Power are:

1. Standard Service Base Rates – as set forth in Appendix A to this resolution
 - i. Demand kW Base Rate – the components designed to recover the cost of demand through Demand kW Sales
 - ii. Demand kWh Base Rate – the components designed to recover the cost of demand through Demand kWh Sales

- iii. Energy kWh Base Rate – the components designed to recover the cost of energy purchased through Energy kWh Sales
 - iv. Residential Customer Hydro Credit – the component designed to allocate the customer based hydro credit to each eligible residential customer account billed
 - v. Hydro Energy Credit – the components designed to allocate the wholesale hydro energy credit to applicable Energy Sales
 - vi. Hydro Energy Debit – the components designed to allocate the wholesale hydro energy debit to applicable Energy Sales
2. Manufacturing and General Power Service Cost Components – the wholesale base rates as set forth in the current wholesale rate schedules from Supplier plus an historical average for distribution losses
- (c) Base Retail Electric Rates – the retail rates per kWh or kW of electricity use or power demanded, or per customer account billed, exclusive of PPA components
- (d) Billing Determinants – average Standard Service units billed to KUB by its Supplier during the Computation Period, adjusted for known and measurable changes
1. Demand Billing Determinants – average Standard Service kW
 2. Energy Billing Determinants – average Standard Service kWh
 3. Residential Customer Hydro Credit – the sum of eligible residential customer accounts billed during KUB’s most recently completed fiscal year
 4. Hydro Energy Credit – average kWh used to calculate the hydro adjustment *credited* to KUB
 5. Hydro Energy Debit – average kWh used to calculate the Hydro adjustment *debited* to KUB
- (e) Change in Purchased Power Cost = Projected Purchased Power Cost less Power Cost Recovery (As follows):
1. Change in Demand Cost = Projected Demand Cost less Demand Cost Recovery

- i. $\text{Change in Demand Cost kW} = \text{Change in Demand Cost} \times \frac{\text{Demand kW Power Cost Recovery}}{\text{Demand Cost Recovery}}$
 - ii. $\text{Change in Demand Cost kWh} = \text{Change in Demand Cost} \times \frac{\text{Demand kWh Power Cost Recovery}}{\text{Demand Cost Recovery}}$
 2. $\text{Change in Energy Cost} = \text{Projected Energy Cost} \text{ less Energy Cost Recovery}$
 3. $\text{Change in Residential Customer Hydro Credit Cost} = \text{Projected Residential Customer Hydro Credit Cost} \text{ less Residential Customer Hydro Credit Cost Recovery}$
 4. $\text{Change in Hydro Energy Credit Cost} = \text{Projected Hydro Energy Credit Cost} \text{ less Hydro Energy Credit Cost Recovery}$
 5. $\text{Change in Hydro Energy Debit Cost} = \text{Projected Hydro Energy Debit Cost} \text{ less Hydro Energy Debit Cost Recovery}$
- (f) Computation Period – the thirty-six (36) month period utilized to compute historical volumes purchased from Supplier and billed to customers. Such period shall be the thirty-six (36) month period ending on the last day of the fiscal year which is not more than ninety-three (93) days prior to the proposed Effective Date, as hereinafter defined, which month shall be determined by KUB based upon the availability of the needed information
- (g) Computation Period Sales – historic volumes billed to customers adjusted for known and measurable changes
1. Demand kW Sales – the sum of the average power demanded (kW) metered to Standard Service customers
 2. Demand kWh Sales – the sum of the average volumes of electricity having a demand component (kWh) metered to Standard Service customers
 3. Energy kWh Sales – the sum of the average volumes of electricity (kWh) metered to Standard Service customers
 4. Residential Customer Hydro Credit Sales – the sum of eligible residential customer accounts billed in the most recent KUB fiscal year
 5. Hydro Energy Credit Sales – the sum of the average volumes to which the wholesale hydro energy credit applies, expressed in kWh, metered to eligible residential customers

6. Hydro Energy Debit Sales – the sum of the average volumes to which the wholesale hydro energy debit applies, expressed in kWh, metered to Standard Service customers
- (h) Green Invest Cost – the incremental invoiced cost, including Product price and Third-Party Costs, if any, from TVA associated with purchase of renewable energy from TVA under the Green Invest Agreement, or any similar program offerings by TVA in pursuit of renewable energy for KUB customers, as may be amended from time to time, as approved in Resolution 1410, as may be amended from time to time
- (i) Expanded Flexibility Savings – the amount TVA or other entities pay KUB for the renewable energy under the Power Supply Flexibility program. This will be paid to KUB by TVA or other entities through the TVA Power Invoice or any other means, as approved in Resolution 1483, as may be amended from time to time
- (j) Long-term Partnership Credits – all wholesale invoice credits provided by TVA in recognition of signing the TVA Long-Term Agreement, as may be amended from time to time, as approved in Resolution 1410, as may be amended from time to time
- (k) Manufacturing and General Power Service – power and energy sold and billed to KUB under any classification other than Standard Service
- (l) Power Cost Recovery – the Projected Purchased Power Cost recovery during the Adjustment Period using the Base Rates. The Power Cost Recovery shall be calculated as follows:
 1. Demand Cost Recovery – the sum of the Demand kW Power Cost Recovery and the Demand kWh Power Cost Recovery as described below:
 - i. Demand kW Power Cost Recovery = Demand kW Base Rates (\$) x Demand kW Sales (kW)
 - ii. Demand kWh Power Cost Recovery = Demand kWh Base Rates (\$) x Demand kWh Sales (kWh)
 2. Energy Cost Recovery = Energy kWh Base Rates (\$) x the sum of Energy kWh Sales (kWh)

3. Residential Customer Hydro Credit Cost Recovery = Residential Customer Hydro Credit (\$) x Residential Customer Hydro Credit Sales (#)
4. Hydro Energy Credit Cost Recovery = Hydro Energy Credit (\$) x Hydro Energy Credit Sales (kWh)
5. Hydro Energy Debit Cost Recovery = Hydro Energy Debit (\$) x Hydro Energy Debit Sales (kWh)

(m) Projected Purchased Power Cost – the Purchased Power Costs projected to be incurred by the Division during the Adjustment Period. The Purchased Power Costs shall be based on the best information available to KUB and shall have categories as follows:

1. Projected Demand Cost = all projected Purchased Power Demand Costs including, but not limited to, Demand Billing Determinants x the appropriate Supplier Rates
2. Projected Energy Cost = all projected Purchased Power Energy Costs including, but not limited to, Energy Billing Determinants x the appropriate Supplier Rates
3. Projected Residential Customer Hydro Credit Cost = Residential Customer Hydro Credit Billing Determinants x the appropriate Supplier Rates
4. Projected Hydro Energy Credit Cost = Hydro Energy Credit Billing Determinants x the appropriate Supplier Rates
5. Projected Hydro Debit Cost = Hydro Energy Debit Billing Determinants x the appropriate Supplier Rates

(n) Purchased Power Costs – the total cost, paid or to be paid to Supplier in connection with the purchase of electricity for the Division excluding the following: Long-term Partnership Credits, Standard Service Pandemic Relief Credits, Green Invest Costs, and Expanded Flexibility Savings. Purchased Power Costs are segregated into categories as follows:

1. Purchased Power Demand Costs – all Purchased Power Costs related to and varying with power demanded (i.e. kW)
2. Purchased Power Energy Costs – Purchased Power Costs, including both fuel and non-fuel components of electricity, and excluding calculation of Hydro Energy Debits and Hydro Energy Credits, related to and varying with energy consumption (i.e. kWh)

3. Purchased Power Residential Customer Hydro Credit Costs – all Purchased Power costs calculated as a credit based on number of eligible residential accounts billed
4. Purchased Power Hydro Energy Credit Costs – all Standard Service Purchased Power costs calculated as a credit based on eligible Hydro Energy Credit volumes (i.e. kWh)
5. Purchased Power Hydro Energy Debit Costs – all Standard Service Purchased Power costs calculated as a debit based on eligible Hydro Energy Debit volumes (i.e. kWh)

Total Purchased Power Costs shall exclude Long-term Partnership Credits, Standard Service Pandemic Relief Credits Green Invest Costs, and Expanded Flexibility Savings.

All other costs not directly attributable to one of the categories described above shall default to Purchased Power Energy Costs.

All costs not attributable to Manufacturing and General Power Service shall default to Standard Service.

- (o) Standard Service – power and energy taken by KUB from Supplier for resale to customers and billed to KUB by Supplier at Standard Service wholesale rates
 - (p) Standard Service Pandemic Relief Credits – that portion of wholesale invoice credit provided by TVA, calculated based on Standard Service usage, and designed to provide base wholesale rate relief during the wholesale invoice period October 2020 through September 2021
 - (q) Supplier – any entity that sells electricity to the Division
 - (r) Supplier Rates – the Supplier’s rates which are known or if not known which are reasonably anticipated to be in effect on the first day of the Adjustment Period
- IV. Seasonal periods shall be determined as defined in the retail rate schedules of KUB’s Electric Division.
- V. Computation of the Purchased Power Adjustment Components

All change in costs which can be directly attributed to specific customer classes shall be recovered from those customer classes; where change in costs cannot be directly attributed to specific customer classes those costs shall be divided over all Standard Service demand or energy sales as applicable.

Where change in costs cannot otherwise be directly attributed, the change in costs shall be divided over applicable Energy kWh Sales.

The components of the Purchased Power Adjustment shall be computed and rounded to the nearest hundredth of a cent per kWh, with five thousandths of a cent to be increased to the next higher hundredth of a cent, for adjustments affecting kWh; and computed and rounded to the nearest cent per kW, with five tenths of a cent to be increased to the next higher cent, for adjustments affecting kW, as follows:

- (a) Demand kW Component = Change in Demand Cost kW/Demand kW Sales
- (b) Demand kWh Component = Change in Demand Cost kWh/Demand kWh Sales
- (c) Energy Component = Change in Energy Cost/Energy kWh Sales
- (d) Residential Customer Hydro Credit Component = Change in Residential Customer Hydro Credit Cost/Hydro Energy Credit Sales
- (e) Hydro Energy Credit Component = Change in Hydro Energy Credit Cost/Hydro Energy Credit Sales
- (f) Hydro Energy Debit Component = Change in Hydro Energy Debit Cost/Hydro Energy Debit Sales
- (g) Manufacturing and General Power Service Energy Component - Any energy rate per kilowatt hour (kWh) set forth in the current wholesale rate schedules for any rate schedule of the Electric Division duly adopted by the Board for Manufacturing and General Power Service subsequent to this resolution shall be increased or decreased, as applicable, by an amount equivalent to the increase or decrease for the wholesale energy rate for each respective rate schedule, plus an amount to provide for any change in distribution loss charges due to an increase or decrease in the respective wholesale energy rate
- (h) Manufacturing and General Power Service Demand Component - Any demand rate per kilowatt (kW) set forth in the current wholesale rate schedules for any rate schedule of the Electric Division duly adopted by the Board for Manufacturing and General Power Service

subsequent to this resolution shall be increased or decreased, as applicable, by an amount equivalent to the increase or decrease in the wholesale demand rate for each respective rate schedule, plus an amount to provide for any change in distribution loss charges due to an increase or decrease in the respective demand rate

VI. Application and Effective Date of the Purchased Power Adjustment

(a) The Purchased Power Adjustment shall consist of the following:

1. Standard Service Demand kW Purchased Power Adjustment – the Demand kW Component
2. Standard Service Demand kWh Purchased Power Adjustment – the Demand kWh Component
3. Standard Service Energy Purchased Power Adjustment – the Energy Component
4. Residential Hydro Credit Purchased Power Adjustment – the Residential Customer Hydro Credit Component and the Hydro Energy Credit Component
5. Hydro Energy Debit Purchased Power Adjustment – the Hydro Energy Debit Component
6. Manufacturing and General Power Service Purchased Power Adjustment – the sum of the Manufacturing and General Power Service Demand Component and the Manufacturing and General Power Service Energy Component

(b) Each Purchased Power Adjustment shall apply to billing periods beginning on or after the Effective Date of such adjustment.

1. The Standard Service Demand kW Purchased Power Adjustment shall be added to or deducted from, as appropriate, the Base Retail Electric Rates for Rate Schedule GSA, and for any other rate schedule designated for Standard Service of the Electric Division, duly adopted by the Board subsequent to this resolution.
2. The Standard Service Demand kWh Purchased Power Adjustment shall be added to or deducted from, as appropriate, the Base Retail Electric Rates for Rate Schedules RS, GSA, LS, and for any other rate schedule designated for Standard Service of the Electric Division, duly adopted by the Board subsequent to this resolution.

3. The Standard Service Energy Purchased Power Adjustment shall be added to or deducted from, as appropriate, the Base Retail Electric Rates for Rate Schedules RS, GSA, LS, and for any other rate schedule designated for Standard Service of the Electric Division, duly adopted by the Board subsequent to this resolution.
 4. The Residential Hydro Credit Purchased Power Adjustment shall be added to or deducted from, as appropriate, the Base Retail Electric Rates for Rate Schedule RS.
 5. The Hydro Energy Debit Purchased Power Adjustment shall be added to or deducted from, as appropriate, the Base Retail Electric Rates for any rate schedule, other than Rate Schedule RS, designated for Standard Service of the Electric Division.
 6. The Manufacturing and General Power Service Purchased Power Adjustment shall be added to or deducted from, as appropriate, the Base Retail Electric Rates for rate schedules other than those designated for power and energy sold under Standard Service.
- (c) The Purchased Power Adjustment shall be computed as of and shall take effect on the first day of each calendar month (the "Effective Date").
- (d) Each computation of the Purchased Power Adjustment shall be promptly filed with the Chief Financial Officer and shall be accompanied with appropriate documentation supporting the calculation of the Purchased Power Adjustment.

VII. Purchased Power Accounting

- (a) To appropriately match revenues with the cost of purchased power as contemplated under this PPA, KUB shall originally record Purchased Power Costs as debit entries in the "Unrecovered Purchased Power" account. Monthly KUB shall debit the appropriate subaccount(s) of "Other Power Supply Expenses" with an amount equal to the product obtained by multiplying the appropriate power cost components (the sum of the Base Rates of Purchased Power and the current applicable Purchased Power Adjustment) by the appropriate sales billed to customers. The corresponding monthly credit entry shall be made to the "Unrecovered Purchased Power Cost" account.
- (b) The "Unrecovered Purchased Power Cost" account shall be subclassified into appropriate subaccounts, but at a minimum separate subaccounts shall be maintained for demand, energy, residential customer hydro credit, hydro

energy credit, and hydro energy debit categories of the Purchased Power Costs.

- (c) If it cannot be determined which subaccount should be debited, the energy subaccount will be debited.

VIII. Adjustment for Over or Under Recovery of Standard Service Purchased Power Cost

- (a) To permit amortization of the accumulated balance in the “Unrecovered Purchased Power Cost” account, KUB shall include on August 1 of each year the June 30 balance of the “Unrecovered Purchased Power Cost” account for such year in the calculation of the Standard Service Purchased Power Adjustment. This balance shall be included in each monthly calculation of the Standard Service Purchased Power Adjustment commencing on August 1 and thereafter until the following August 1 at which time it shall be superseded by the then current June 30 balance.
- (b) The “Unrecovered Purchased Power Cost” balance shall be segregated into demand, energy, hydro energy credit, and hydro energy debit categories, and shall be added to or deducted from, as appropriate, the applicable Demand Costs, Energy Costs, Hydro Energy Credits, and Hydro Energy Debits included in the Standard Service Purchased Power Adjustment.

IX. Annual Reporting

Annually KUB shall retain an independent consultant to audit the transactions in the “Unrecovered Purchased Power Cost” account and the related Standard Service Purchased Power Adjustment calculations to verify that the procedures and intent of this Standard Service Purchased Power Adjustment are being followed. The independent consultant shall report his or her findings to The Board’s Audit and Finance Committee.

**RESOLUTION 1487
APPENDIX A**

**BASE RATES OF PURCHASED POWER
STANDARD SERVICE**

	Summer	Winter	Transition
Residential Credit Eligible kWh			
demand kWh base	0.02437	0.02396	0.02396
energy kWh base	0.06070	0.06070	0.06070
hydro energy credit	-0.00297	-0.00297	-0.00297
Residential Customer Hydro Credit	As Stated in Current Effective Wholesale Contract		
Residential Credit Eligible - TOU			
Onpeak kWh			
demand kWh base	0.11957	0.11957	0.11957
energy kWh base	0.07229	0.07229	0.07229
hydro energy credit	-0.00297	-0.00297	-0.00297
Offpeak kWh			
energy kWh base	0.06010	0.06010	0.06010
hydro energy credit	-0.00297	-0.00297	-0.00297
Residential Debit Eligible kWh			
demand kWh base	0.02437	0.02396	0.02396
energy kWh base	0.05494	0.05494	0.05494
hydro energy debit	0.00323	0.00323	0.00323
Residential Debit Eligible - TOU			
Onpeak kWh			
demand kWh base	0.11957	0.11957	0.11957
energy kWh base	0.07229	0.07229	0.07229
hydro energy debit	0.00323	0.00323	0.00323
Offpeak kWh			
energy kWh base	0.06010	0.06010	0.06010
hydro energy debit	0.00323	0.00323	0.00323
GSA1 kWh			
demand kWh base	0.02845	0.02804	0.02804
energy kWh base	0.06141	0.06141	0.06141
hydro energy debit	0.00323	0.00323	0.00323
GSA1 - TOU			
Onpeak kWh			
demand kWh base	0.11957	0.11957	0.11957
energy kWh base	0.07229	0.07229	0.07229
hydro energy debit	0.00323	0.00323	0.00323
Offpeak kWh			
energy kWh base	0.06010	0.06010	0.06010
hydro energy debit	0.00323	0.00323	0.00323
GSA2			
1st 15,000 kWh			
demand kWh base	0.02452	0.02411	0.02411
energy kWh base	0.06534	0.06534	0.06534
hydro energy debit	0.00323	0.00323	0.00323
additional kWh			
demand kWh base	0	0	0

energy kWh base	0.05641	0.05641	0.05641
hydro energy debit	0.00323	0.00323	0.00323
>50kW			
demand kW base	11.10	10.31	10.31
energy kWh base	0	0	0
	Summer	Winter	Transition
GSA2-A - TOU			
Onpeak kWh			
demand kWh base	0.11957	0.11957	0.11957
energy kWh base	0.07229	0.07229	0.07229
hydro energy debit	0.00323	0.00323	0.00323
Offpeak kWh			
energy kWh base	0.06010	0.06010	0.06010
hydro energy debit	0.00323	0.00323	0.00323
GSA2-B - TOU			
Onpeak kWh			
demand kWh base	0.11957	0.11957	0.11957
energy kWh base	0.07229	0.07229	0.07229
hydro energy debit	0.00323	0.00323	0.00323
Offpeak kWh			
energy kWh base	0.06010	0.06010	0.06010
hydro energy debit	0.00323	0.00323	0.00323
GSA3			
kWh			
demand kWh base	0	0	0
energy kWh base	0.05641	0.05641	0.05641
hydro energy debit	0.00323	0.00323	0.00323
0-1000 kW			
demand kW base	11.47	10.71	10.71
energy kWh base	0	0	0
>1000 kW			
demand kW base	13.63	12.87	12.87
energy kWh base	0	0	0
LS kWh			
demand kWh base	0.00837	0.00837	0.00837
energy kWh base	0.04621	0.04621	0.04621
hydro energy debit	0.00323	0.00323	0.00323
EVC			
Onpeak kWh			
demand kWh base	0.08992	0.08992	0.08992
energy kWh base	0.13488	0.13488	0.13488
hydro energy debit	0.00323	0.00323	0.00323
Offpeak kWh			
energy kWh base	0.11749	0.11749	0.11749
hydro energy debit	0.00323	0.00323	0.00323

RESOLUTION NO. 1488

A Resolution Amending the Existing Rate Schedules of the Electric Division, as Previously Established by Resolution 1060, as Heretofore Amended, Providing for an Electric Vehicle Charging Pump (EVCP) Rate

Whereas, by the provisions of the Charter of the City of Knoxville, Tennessee (the "City"), the management and operation of the City's electrical system, has been placed under the jurisdiction of the Board of Commissioners (the "Board") of the Knoxville Utilities Board ("KUB"); and

Whereas, the Board previously adopted Resolution 1060, as heretofore amended, providing rate schedules for the Electric Division of KUB; and

Whereas, the Board supports the adoption and utilization of electric vehicles; and

Whereas, KUB, in partnership with the City of Knoxville and the Tennessee Valley Authority, is currently building two electric vehicle (EV) charging stations within KUB's electric service area for public use; and

Whereas, KUB staff has developed an Electric Vehicle Charging Pump (EVCP) Rate Schedule and recommends its adoption; and

Whereas, in accordance with Section 1107 (D) of the Charter of the City of Knoxville ("Charter"), the Board is required to charge sufficient rates for electric service to pay all obligations of the Electric Division; and

Whereas, in accordance with Section 1107 (L) of the Charter, KUB has provided the required public notice of not less than five (5) days prior to a meeting of the Board when a rate change is to be considered.

Now, Therefore, Be it Hereby Resolved by the Board of Commissioners of the Knoxville Utilities Board:

Section 1. That the Electric Division Rate Schedules as set forth in Section 1 of Resolution No. 1060, as heretofore amended, be amended to include a rate schedule for EVCP, as set forth in Exhibit A to this Resolution, to be effective July 1, 2024.

Adrienne Simpson-Brown, Chair

Mark Walker, Board Secretary

APPROVED ON 1st
READING: 5-16-24
APPROVED ON 2nd
READING: _____
EFFECTIVE DATE: _____
MINUTE BOOK 47 PAGE _____

RESOLUTION 1488
EXHIBIT A
EVCP RATE SCHEDULE OF ELECTRIC DIVISION
EFFECTIVE JULY 1, 2024

RATE SCHEDULE EVCP - Electric Vehicle Charging Pump Rate

Availability

Service under Rate Schedule EVCP is available to any vehicle served at KUB owned EV charging stations. This fuel is solely for use for charging commercial or personal vehicles.

Rate

Base Rate

\$0.40 per kWh

Plus

All applicable local, state, and federal taxes and applicable transaction fees.

Other Charges

Idle fees and any other charges can be found in the KUB Electric Service Procedures.

Rules and Regulations

Service is subject to Rules and Regulations of KUB.

RESOLUTION NO. 1489

A Resolution Authorizing Participation in the Tennessee Valley Authority's PowerFlex Program and Amending the Existing Rate Schedules of the Electric Division, as Previously Established by Resolution 1060, as Heretofore Amended, Providing for a PowerFlex Rate Schedule

Whereas, by the provisions of the Charter of the City of Knoxville, Tennessee (the "City"), the management and operation of the City's electrical system, has been placed under the jurisdiction of the Board of Commissioners (the "Board") of the Knoxville Utilities Board ("KUB"); and

Whereas, the Board previously adopted Resolution 1060, as heretofore amended, providing rate schedules for the Electric Division of KUB; and

Whereas, KUB purchases its full electric power requirements from the Tennessee Valley Authority ("TVA"); and

Whereas, TVA has developed a PowerFlex program, a new demand response program which is optional for qualified large commercial and industrial customers with the ability to curtail load; and

Whereas, TVA's PowerFlex program contains multiple features and allows each end use customer to select a combination of options based on their energy needs and ability to curtail load; and

Whereas, TVA's PowerFlex program becomes available June 1, 2024; and

Whereas, it is in the best interest of KUB and its customers for KUB to participate in TVA's PowerFlex program; and

Whereas, in accordance with Section 1107 (D) of the Charter of the City of Knoxville ("Charter"), the Board is required to charge sufficient rates for electric service to pay all obligations of the Electric Division; and

Whereas, in accordance with Section 1107 (L) of the Charter, KUB has provided the required public notice of not less than five (5) days prior to a meeting of the Board when a rate change is to be considered.

Now, Therefore, Be it Hereby Resolved by the Board of Commissioners of the Knoxville Utilities Board:

Section 1. That the Board hereby authorizes KUB's participation in TVA's PowerFlex program.

Section 2. That the President and Chief Executive Officer is hereby authorized on behalf of KUB to enter any agreements or take any actions reasonably necessary for KUB and its customers to participate in the PowerFlex program.

Section 3. That the rate schedules of the Electric Division, as set forth in Section 1 of Resolution No. 1060, as heretofore amended, be amended to include a rate schedule for PowerFlex, as set forth in Exhibit A to this Resolution, to be effective for meters read on or after July 1, 2024.

Adrienne Simpson-Brown, Chair

Mark Walker, Board Secretary

APPROVED ON 1st
READING: _____ 5-16-24 _____
APPROVED ON 2nd
READING: _____
EFFECTIVE DATE: _____
MINUTE BOOK 47 PAGE _____

RESOLUTION 1489
EXHIBIT A
POWERFLEX RATE SCHEDULE OF ELECTRIC DIVISION

POWERFLEX

Availability

KUB provides PowerFlex to qualified power users through its wholesale power supplier, the Tennessee Valley Authority (TVA), in accordance with the power supply contract between KUB and TVA.

PowerFlex shall be made available to qualified power users pursuant to specific contractual arrangements between KUB and the customer (such contractual arrangements may be contained in one or more written instruments and are hereinafter sometimes referred to as the "Agreement").

Charges for PowerFlex

KUB Administrative Charge: \$350.00 per month

All other PowerFlex related charges including TVA Administrative Cost Charges shall be established in accordance with the Agreement.

Interruptibility

PowerFlex furnished to a customer under the Agreement shall be subject to interruption and to suspension of availability as provided for in the Agreement.

Rules and Regulations

Service is subject to Rules and Regulations of KUB.

RESOLUTION NO. 1493

A Resolution Replacing the Existing Rate Schedules of the Electric Division, Gas Division, Water Division, and Wastewater Division as Previously Established by Resolution 1060 as Heretofore Amended

This Resolution Will Replace the Existing Rate Schedules of the Electric Division By Amending Section 1 of Resolution No. 1060, Providing for an Increase in Electric Rates Effective April 1, 2025, an Increase in Electric Rates Effective April 1, 2026, and an Increase in Electric Rates Effective April 1, 2027

This Resolution Will Replace the Existing Rate Schedules of the Gas Division By Amending Section 2 of Resolution No. 1060, Providing for an Increase in Gas Rates Effective October 1, 2024, an Increase in Gas Rates Effective October 1, 2025, and an Increase in Gas Rates Effective October 1, 2026

This Resolution Will Replace the Existing Rate Schedules of the Water Division By Amending Section 3 of Resolution No. 1060, Providing for an Increase in Water Rates Effective July 1, 2025, an Increase in Water Rates Effective July 1, 2026, and an Increase in Water Rates Effective July 1, 2027

This Resolution Will Replace the Existing Rate Schedules of the Wastewater Division By Amending Section 4 of Resolution No. 1060, Providing for an Increase in Wastewater Rates Effective July 1, 2025, an Increase in Wastewater Rates Effective July 1, 2026, and an Increase in Wastewater Rates Effective July 1, 2027

Whereas, by the provisions of the Charter of the City of Knoxville, Tennessee (the “City”), the management and operation of the City’s electrical system, the City’s gas distribution system, the City’s water distribution and treatment system, and the City’s wastewater collection and treatment system have been placed under the jurisdiction of the Board of Commissioners (the “Board”) of the Knoxville Utilities Board (“KUB”); and

Whereas, the Board previously adopted Resolution 1060, as heretofore amended, providing rate schedules for the Electric, Gas, Water, and Wastewater Divisions of KUB; and

Whereas, the Board previously recognized the need for a strategic long-term solution to the issue of aging infrastructure and supported the establishment of the Century II programs in the best interests of KUB and its customers; and

Whereas, the Board previously endorsed long-term funding plans for all divisions, providing financial support for Century II in support of safe, reliable, and affordable utility services for current and future generations of KUB customers; and

Whereas, in response to inflationary pressures and after a comprehensive assessment of KUB's Century II infrastructure programs, KUB staff developed an Inflation Response Plan, which was presented to the Board at a financial workshop in November 2023; and

Whereas, KUB staff presented multiple funding scenarios at the financial workshop for the Electric, Gas, Water, and Wastewater Divisions to fund approximately \$475 million in additional expenditures, reflecting inflationary impacts and the cost of resuming the historical pace of investment in the Century II infrastructure programs; and

Whereas, based on feedback received from the Board at the November 2023 financial workshop, staff presented preliminary funding recommendations to the Board in January 2024, including a series of three annual rate increases for electric, gas, water, and wastewater services; and

Whereas, the proposed rate increases for water and wastewater services are consistent with the long-range plan presented to the Board in 2022, while the proposed electric and gas rate increases represent shifts from the previous long-range plan; and

Whereas, staff presented final funding recommendations to the Board at its fiscal year 2025 budget and long-range plan workshop in April 2024; and

Whereas, the Board has determined the rate increase recommendations for the electric, gas, water, and wastewater services are necessary to help fund inflationary impacts and the proposed level of Century II infrastructure investments; and

Whereas, in accordance with Section 1107 (D) of the Charter of the City of Knoxville ("Charter"), the Board is required to charge sufficient rates for electric and gas service to pay all obligations of the Electric Division and Gas Division respectively; and

Whereas, in accordance with Section 1107 (F) of the Charter, the Board is required to charge sufficient rates for water service to pay all obligations of the Water Division; and

Whereas, in accordance with Section 1107 (H) of the Charter, the Board is required to charge sufficient rates for wastewater service to pay all obligations of the Wastewater Division; and

Whereas, in accordance with Section 1107 (L) of the Charter, KUB has provided the required public notice of not less than five (5) days prior to a meeting of the Board when a rate change is to be considered.

Now, Therefore, Be it Hereby Resolved by the Board of Commissioners of the Knoxville Utilities Board:

Section 1. Effective April 1, 2025, all existing rate schedules of the Electric Division as set forth in Section 1 of Resolution No. 1060, as heretofore amended, are hereby deleted in their entirety, and replaced with the rate schedules of the Electric Division, as set forth in Exhibit A to this Resolution.

Section 2. Effective April 1, 2026, all existing rate schedules of the Electric Division as set forth in Section 1 of Resolution No. 1060, as heretofore amended, are hereby deleted in their entirety, and replaced with the rate schedules of the Electric Division, as set forth in Exhibit B to this Resolution.

Section 3. Effective April 1, 2027, all existing rate schedules of the Electric Division as set forth in Section 1 of Resolution No. 1060, as heretofore amended, are hereby deleted in their entirety, and replaced with the rate schedules of the Electric Division, as set forth in Exhibit C to this Resolution.

Section 4. Effective October 1, 2024, all existing rate schedules of the Gas Division as set forth in Section 2 of Resolution No. 1060, as heretofore amended, are hereby deleted in their entirety, and replaced with the rate schedules of the Gas Division, as set forth in Exhibit D to this Resolution.

Section 5. Effective October 1, 2025, all existing rate schedules of the Gas Division as set forth in Section 2 of Resolution No. 1060, as heretofore amended, are hereby deleted in their entirety, and replaced with the rate schedules of the Gas Division, as set forth in Exhibit E to this Resolution.

Section 6. Effective October 1, 2026, all existing rate schedules of the Gas Division as set forth in Section 2 of Resolution No. 1060, as heretofore amended, are hereby deleted in their entirety, and replaced with the rate schedules of the Gas Division, as set forth in Exhibit F to this Resolution.

Section 7. Effective July 1, 2025, all existing rate schedules of the Water Division as set forth in Section 3 of Resolution No. 1060, as heretofore amended, are hereby deleted in their entirety, and replaced with the rate schedules of the Water Division, as set forth in Exhibit G to this Resolution.

Section 8. Effective July 1, 2026, all existing rate schedules of the Water Division as set forth in Section 3 of Resolution No. 1060, as heretofore amended, are hereby deleted in their entirety, and replaced with the rate schedules of the Water Division, as set forth in Exhibit H to this Resolution.

Section 9. Effective July 1, 2027, all existing rate schedules of the Water Division as set forth in Section 3 of Resolution No. 1060, as heretofore amended, are hereby deleted in their entirety, and replaced with the rate schedules of the Water Division, as set forth in Exhibit I to this Resolution.

Section 10. Effective July 1, 2025, all existing rate schedules of the Wastewater Division as set forth in Section 4 of Resolution No. 1060, as heretofore amended, are hereby deleted in their entirety, and replaced with the rate schedules of the Wastewater Division, as set forth in Exhibit J to this Resolution.

Section 11. Effective July 1, 2026, all existing rate schedules of the Wastewater Division as set forth in Section 4 of Resolution No. 1060, as heretofore amended, are hereby deleted in their entirety, and replaced with the rate schedules of the Wastewater Division, as set forth in Exhibit K to this Resolution.

Section 12. Effective July 1, 2027, all existing rate schedules of the Wastewater Division as set forth in Section 4 of Resolution No. 1060, as heretofore amended, are hereby deleted in their entirety, and replaced with the rate schedules of the Wastewater Division, as set forth in Exhibit L to this Resolution.

Adrienne Simpson-Brown, Chair

Mark Walker, Board Secretary

APPROVED ON 1st
READING: 5-16-24
APPROVED ON 2nd
READING: _____
EFFECTIVE DATE: _____
MINUTE BOOK 47 PAGE _____

RESOLUTION 1493
EXHIBIT A
RATE SCHEDULES OF THE ELECTRIC DIVISION
EFFECTIVE APRIL 1, 2025

RESIDENTIAL POWER RATE - SCHEDULE RS

Availability

Service under this rate schedule shall be available only to residential customers served individually through a separate meter or through a KUB-approved multiple meter configuration designed as a single billing point.

Character of Service

Alternating current, single-phase, 60 hertz. Power shall be delivered at a service voltage available in the vicinity or agreed to by KUB. Multi-phase service shall be supplied in accordance with KUB's standard policy.

Rates

Basic Service Charge:	\$20.50 per month
Monthly Energy Charge:	Summer Period \$0.10687 per kWh
	Winter Period \$0.10646 per kWh
	Transition Period \$0.10646 per kWh

Adjustment

Charges under this rate schedule may be increased or decreased to reflect changes in purchased power costs as determined by any purchased power adjustment adopted by the Board. Rates shown above are inclusive of the Purchased Power Adjustment for the current month.

Determination of Seasonal Periods

Summer Period shall mean the June, July, August, and September billing months.
Winter Period shall mean the December, January, February, and March billing months.
Transition Period shall mean the April, May, October, and November billing months.

Minimum Bill

The basic service charge constitutes the minimum monthly bill for all customers served under this rate schedule except those customers for which a higher minimum monthly bill is required under KUB's standard policy because of special circumstances affecting the cost of rendering service.

Single Point Delivery

The charges under this rate schedule are based upon the supply of service through a single delivery and at a single voltage.

Rules and Regulations

Service is subject to Rules and Regulations of KUB.

GENERAL POWER RATE - SCHEDULE GSA

Availability

This rate shall be available for the firm power requirements for electric service to non-residential customers, where a customer's contract demand is 5,000 kW or less. This rate shall also apply to customers to whom service is not available under any other resale rate schedule.

Character of Service

Alternating current, single or three-phase, 60 hertz. Power shall be delivered at a service voltage available in the vicinity or agreed to by KUB.

Rates

1. If (a) the higher of (i) the customer's currently effective contract demand, if any, or (ii) its highest billing demand during the latest 12-month period is not more than 50 kW and (b) the customer's monthly energy takings for any month during such period do not exceed 15,000 kWh:

Customer Charge: \$33.00 per month

Monthly Demand Charge:

Summer Period	\$0.50 per kW of billing demand
Winter Period	\$0.50 per kW of billing demand
Transition Period	\$0.50 per kW of billing demand

Monthly Energy Charge:

Summer Period	\$0.12658 per kWh
Winter Period	\$0.12617 per kWh
Transition Period	\$0.12617 per kWh

2. If (a) the higher of (i) the customer's currently effective contract demand or (ii) its highest billing demand during the latest 12-month period is greater than 50 kW but not more than 1,000 kW or (b) the customer's billing demand is less than 50 kW and its energy takings for any month during such period exceed 15,000 kWh:

Customer Charge: \$125.00 per month

Monthly Demand Charge:

Summer Period	First 50 kW of billing demand	\$0.50 per kW
	Over 50 kW of billing demand	\$17.40 per kW
Winter Period	First 50 kW of billing demand	\$0.50 per kW
	Over 50 kW of billing demand	\$16.61 per kW
Transition Period	First 50 kW of billing demand	\$0.50 per kW
	Over 50 kW of billing demand	\$16.61 per kW

Monthly Energy Charge:

Summer Period	First 15,000 kWh	\$0.15961 per kWh
	Additional kWh	\$0.07051 per kWh
Winter Period	First 15,000 kWh	\$0.15920 per kWh
	Additional kWh	\$0.07051 per kWh
Transition Period	First 15,000 kWh	\$0.15920 per kWh
	Additional kWh	\$0.07051 per kWh

3. If the higher of (a) the customer's currently effective contract demand or (b) its highest billing demand during the latest 12-month period is greater than 1,000 kW:

Customer Charge: \$313.00 per month

Monthly Demand Charge:

Summer Period	First 1,000 kW of billing demand	\$18.28 per kW
	Over 1,000 kW of billing demand	\$19.02 per kW
	Excess kW of billing demand	\$19.02 per kW
Winter Period	First 1,000 kW of billing demand	\$17.52 per kW
	Over 1,000 kW of billing demand	\$18.26 per kW
	Excess kW of billing demand	\$18.26 per kW
Transition Period	First 1,000 kW of billing demand	\$17.52 per kW
	Over 1,000 kW of billing demand	\$18.26 per kW
	Excess kW of billing demand	\$18.26 per kW

Monthly Excess Demand Charges are applicable to the amount by which the customer's billing demand exceeds the higher of 2,500 kW or its contract demand.

Monthly Energy Charge:

Summer Period	\$0.08198 per kWh
Winter Period	\$0.08198 per kWh
Transition Period	\$0.08198 per kWh

Adjustment

Charges under this rate schedule may be increased or decreased to reflect changes in purchased power costs as determined by any purchased power adjustment adopted by the Board. Rates shown above are inclusive of the Purchased Power Adjustment for the current month.

Determination of Seasonal Periods

Summer Period shall mean the June, July, August, and September billing months.
Winter Period shall mean the December, January, February, and March billing months.
Transition Period shall mean the April, May, October, and November billing months.

Determination of Demand

KUB shall meter the demands in kW of all GSA customers. The metered demand for any month shall be the highest average during any 30-consecutive-minute period of the month of the load metered in kW. The measured demand for any month shall be the higher of the highest average during any 30-consecutive-minute period of the month of (a) the load metered in kW or (b) 85 percent of the load in kVA plus an additional 10 percent for that part of the load over 5,000 kVA, and such measured demand shall be used as the billing demand, except that the billing demand for any month shall in no case be less than 30 percent of the higher of the currently effective contract demand or the highest billing demand established during the preceding 12 months.

Minimum Bill

The monthly bill under this rate schedule shall not be less than the sum of (a) the base customer charge, (b) the base demand charge, as adjusted, applied to the customer's billing demand, and (c) the base energy charge, as adjusted, applied to the customer's energy takings; provided, however, that, under (2.) of the Base Charges, the monthly bill shall in no event be less than the sum (a) the base customer charge and (b) 20 percent of the portion of the base demand charge, as adjusted, applicable to the second block (excess over 50kW) of billing demand, multiplied by the higher of the customer's currently effective contract demand or its highest billing demand established during the preceding 12 months.

KUB may require minimum bills higher than those stated above.

Contract Requirements

KUB shall require contracts for service provided under this rate schedule to customers whose demand requirements exceed 1,000 kW and such contracts shall be for an initial term of at least one year. The customer shall contract for its maximum requirements, which shall not exceed the amount of power capable of being used by customer, and KUB shall not be obligated to supply power in greater amount at any time than the

customer's currently effective contract demand. If the customer uses any power other than that supplied by KUB under this rate schedule, the contract may include other special provisions. The rate schedule in any power contract shall be subject to adjustment, modification, change, or replacement from time to time as approved by the Board.

Single – Point Delivery

The charges under this rate schedule are based upon the supply of service through a single delivery and at a single voltage. If service is supplied to the same customer through more than one point of delivery or at different voltages, the supply of service at each delivery point at each different voltage shall be separately metered and billed.

Rules and Regulations

Service is subject to Rules and Regulations of KUB.

OUTDOOR LIGHTING POWER RATE - SCHEDULE LS

Availability

Available for service to street and park lighting systems, traffic signal systems, athletic field lighting installations, and outdoor lighting for individual customers.

Determination of Seasonal Periods

Summer Period shall mean the June, July, August, and September billing months.

Winter Period shall mean the December, January, February, and March billing months.

Transition Period shall mean the April, May, October, and November billing months.

PART A

CHARGES FOR STREET AND PARK LIGHTING SYSTEMS, TRAFFIC SIGNAL SYSTEMS, AND ATHLETIC FIELD LIGHTING INSTALLATIONS

I. Monthly Energy Charge:

Summer Period	\$0.09628 per kWh
Winter Period	\$0.09628 per kWh
Transition Period	\$0.09628 per kWh

II. Facility Charge

The annual facility charge shall be **13.00** percent of the installed cost to KUB's electric system of the facilities devoted to street and park lighting service specified in this Part A. Such installed cost shall be recomputed on July 1 of each year, or more often if substantial changes in the facilities are made. Each month, one-twelfth of the then total annual facility charge shall be billed to the customer. If any part of the facilities has not been provided at the electric system's expense or if the installed cost of any portion thereof is reflected on the books of another municipality or agency or department, the annual facility charge shall be adjusted to reflect properly the remaining cost to be borne by the electric system.

Traffic signal systems and athletic field lighting installations shall be provided, owned, and maintained by and at the expense of the customer, except as KUB may agree otherwise in accordance with the provisions of the paragraph next following in this Section II. The facilities necessary to provide service to such systems and installations shall be provided by and at the expense of KUB's electric system, and the annual facility charge provided for first above in this Section II shall apply to the installed cost of such facilities.

When so authorized by policy duly adopted by the Board, traffic signal systems and athletic field lighting installations may be provided, owned, and maintained by KUB's electric system for the customer's benefit. In such cases KUB may require reimbursement from the customer for a portion of the initial installed cost of any such system or installation and shall require payment by the customer of a facility charge sufficient to cover all of KUB's costs (except reimbursed costs), including appropriate overheads, of providing, owning, and maintaining such system or installation; provided that, for athletic field lighting installations, such facility charge shall be **12.00** percent per year of such costs. Said facility charge shall be in addition to the annual facility charge on the facilities necessary to provide service to such system or installation as provided for in the preceding paragraph. Replacement of lamps and related glassware for traffic signal systems and athletic field lighting installations provided under this paragraph shall be paid for under the provisions of paragraph A in section IV.

III. Customer Charge – Traffic Signal Systems and Athletic Field Lighting Installations.

KUB shall apply a uniform **monthly customer charge of \$2.50** for service to each traffic signal system or athletic field lighting installation.

IV. Replacement of Lamps and Related Glassware – Street and Park Lighting

Customer shall be billed and shall pay for replacements as provided in paragraph A below, which shall be applied to all service for street and park lighting.

- A. KUB shall bill the customer monthly for such replacements during each month at KUB's cost of materials, including appropriate storeroom expense.
- B. KUB shall bill the customer monthly for one-twelfth of the amount by which KUB's cost of materials, including appropriate storeroom expenses, exceeds the products of 3 mills multiplied by the number of kilowatt-hours used for street and park lighting during the fiscal year immediately preceding the fiscal year in which such month occurs.

Metering

For any billing month or part of such month in which the energy is not metered or for which a meter reading is found to be in error or a meter is found to have failed, the energy for billing purposes for that billing month or part of such month shall be computed from the rated capacity of the lamps (including ballast) plus 3 percent of such capacity to reflect secondary circuit losses, multiplied by the number of hours of use.

Revenue and Cost Review

KUB's costs of providing service under Part A of this rate schedule are subject to review at any time to determine if KUB's revenues from the charges being applied are sufficient to cover its costs. (Such costs, including applicable overheads, include, but are not limited to, those incurred in the operation and maintenance of the systems provided and those resulting from depreciation and payments for taxes, tax equivalents and interest). If any such review discloses that revenues are either less or more than sufficient to cover said costs, the Board shall revise the above facility charges so that revenues will be sufficient to cover said costs.

PART B Outdoor Lighting for Individual Customers

Type of Fixture	<u>Monthly Charges by Lamp Type</u>			
	Lamp Size	Rated kWh	Facility Charge	Total Lamp Charge
Light-Emitting Diode (LED)	100WE	21	\$ 6.62	\$ 8.65
	250WE	58	\$ 8.20	\$13.78
	400WE	79	\$11.26	\$18.86
High Pressure Sodium (HPS)	100W	42	\$5.76	\$ 9.80
	250W	105	\$6.83	\$16.94
	400W	165	\$8.04	\$23.93
	1,000W*	385	\$12.87	\$49.94
Decorative	100W	42	\$6.57	\$10.61

* 1,000 watt fixtures not offered for new service.

Monthly Energy Charge for each lamp size above:
Summer Period \$0.09628 per kWh
Winter Period \$0.09628 per kWh
Transition Period \$0.09628 per kWh

Additional Facilities

The above charges in this Part B are limited to service from a photoelectrically controlled standard lighting fixture installed on a pole already in place. If the customer wishes to have the fixture installed at a location other than on a pole already in place, the customer shall pay an **additional monthly charge of \$5.80 per pole** for additional poles required to serve the fixture from KUB's nearest available source. (This section does not apply to Decorative Lighting Fixtures).

Adjustment

Charges under this rate schedule may be increased or decreased to reflect changes in purchased power costs as determined by any purchased power adjustment adopted by the Board. Rates shown above are inclusive of the Purchased Power Adjustment for the current month.

Lamp Replacements

Replacements of lamps and related glassware will be made in accordance with replacement policies of KUB.

Special Outdoor Lighting Installations

When so authorized by policy duly adopted by the Board, special outdoor lighting installations (other than as provided for under Parts A and B above) may be provided, owned, and maintained by KUB's electric system. In such cases, KUB may require reimbursement from the customer for a portion of the initial installed cost of any such installation and shall require payment by the customer of monthly charges sufficient to cover all of KUB's costs (except reimbursed costs), including appropriate overheads of providing, owning, and maintaining such installations, and making lamp replacements.

Rules and Regulations

Service is subject to Rules and Regulations of KUB.

GENERAL POWER RATE - SCHEDULE TDGSA

Availability

This rate, subject to availability from TVA, shall be available for firm electric power requirements where the higher of a customer's currently effective onpeak or offpeak contract demand is greater than 1,000 kW but not more than 5,000 kW for electric service to commercial, industrial, and governmental customers, and to institutional customers, including, without limitation, churches, clubs, fraternities, orphanages, nursing homes, rooming or boarding houses, and like customers, provided that the other conditions of this section are met.

For a customer requesting that its onpeak contract demand be different from its offpeak contract demand, this rate schedule shall be available only for (1) a new contract, (2) a replacement or renewal contract following expiration of the existing contract, or (3) a replacement or renewal contract or an amended existing contract in which the customer is increasing its demand requirements above the existing contract demand level, but under this item (3) neither the new onpeak nor the new offpeak contract demand shall be lower than the customer's existing contract demand.

Prior to participation in this rate, contract amendments may be required for continued participation in certain other programs and rate overlays as determined at KUB's sole discretion.

Character of Service

Alternating current, single or three-phase, 60 hertz. Power shall be delivered at a transmission voltage of 161 kV or, if such transmission voltage is not available, at the highest voltage available in the vicinity, unless at the customer's request a lower standard voltage is agreed upon.

Rates

Customer Charge: \$1,500 per delivery point per month.

Administrative Charge: \$700 per delivery point per month.

Demand Charge:

Summer Period:

Onpeak Demand \$11.44 per kW per month of the customer's onpeak billing demand

Maximum Demand	\$8.44 per kW per month of the customer's maximum billing demand
Excess Demand	\$19.88 per kW per month for each kW of the amount, if any, by which (1) the customer's onpeak billing demand exceeds its onpeak contract demand or (2) the customer's offpeak billing demand exceeds its offpeak contract demand, whichever is higher
Winter Period:	
Onpeak Demand	\$10.44 per kW per month of the customer's onpeak billing demand
Maximum Demand	\$8.44 per kW per month of the customer's maximum billing demand
Excess Demand	\$18.88 per kW per month for each kW of the amount, if any, by which (1) the customer's onpeak billing demand exceeds its onpeak contract demand or (2) the customer's offpeak billing demand exceeds its offpeak contract demand, whichever is higher
Transition Period:	
Onpeak Demand	\$10.44 per kW per month of the customer's onpeak billing demand
Maximum Demand	\$8.44 per kW per month of the customer's maximum billing demand
Excess Demand	\$18.88 per kW per month for each kW of the amount, if any, by which (1) the customer's onpeak billing demand exceeds its onpeak contract demand or (2) the customer's offpeak billing demand exceeds its offpeak contract demand, whichever is higher
Energy Charge:	
Summer Period:	
Onpeak	\$0.12373 per kWh per month for all metered onpeak kWh
Offpeak	
Block 1	\$0.08873 per kWh per month for the first 200 hours use of onpeak metered demand multiplied by the ratio of offpeak energy to total energy

Block 2	\$0.04436 per kWh per month for the next 200 hours use of onpeak metered demand multiplied by the ratio of offpeak energy to total energy
Block 3	\$0.04120 per kWh per month for the hours use of onpeak metered demand in excess of 400 hours multiplied by the ratio of offpeak energy to total energy
Winter Period:	
Onpeak	\$0.10776 per kWh per month for all metered onpeak kWh
Offpeak	
Block 1	\$0.09183 per kWh per month for the first 200 hours use of onpeak metered demand multiplied by the ratio of offpeak energy to total energy
Block 2	\$0.04436 per kWh per month for the next 200 hours use of onpeak metered demand multiplied by the ratio of offpeak energy to total energy
Block 3	\$0.04120 per kWh per month for the hours use of onpeak metered demand in excess of 400 hours multiplied by the ratio of offpeak energy to total energy
Transition Period:	
Onpeak	\$0.09308 per kWh per month for all metered onpeak kWh
Offpeak	
Block 1	\$0.09308 per kWh per month for the first 200 hours use of onpeak metered demand multiplied by the ratio of offpeak energy to total energy
Block 2	\$0.04436 per kWh per month for the next 200 hours use of onpeak metered demand multiplied by the ratio of offpeak energy to total energy
Block 3	\$0.04120 per kWh per month for the hours use of onpeak metered demand in excess of 400 hours multiplied by the ratio of offpeak energy to total energy

For the Summer Period, Winter Period, and Transition Period, Offpeak Block 1 energy rates less fuel rate of \$0.01851 per kWh per month shall be applied to the portion, if any, of the minimum offpeak energy takings amount that is greater than the metered energy.

Facilities Rental Charge

There shall be no facilities rental charge under this rate schedule for delivery at bulk transmission voltage levels of 161kV or higher. For delivery at less than 161kV, there shall be added to the customer's bill a facilities rental charge. This charge shall be 37 cents per kW per month except for delivery at voltages below 46 kV, in which case the charge shall be 97 cents per kW per month for the first 10,000 kW and 76 cents per kW per month for the excess over 10,000 kW. Such charge shall be applied to the higher of (1) the highest billing demand established during the latest 12-consecutive-month period or (2) the higher of the customer's currently effective onpeak or offpeak contract demand and shall be in addition to all other charges under this rate schedule, including minimum bill charges.

Reactive Demand Charge

If the reactive demand (in kVAR) is lagging during the 30-consecutive-minute period beginning or ending on a clock hour of the month in which the customer's highest metered demand occurs, there shall be added to the customer's bill a reactive charge of \$1.46 per kVAR of the amount, if any, by which the reactive demand exceeds 33 percent of such metered demand. If the reactive demand (in kVAR) is leading during the 30-consecutive-minute period beginning or ending on a clock hour of the month in which the customer's lowest metered demand (excluding any metered demands which are less than 25 percent of the highest metered demand) occurs, there shall be added to the customer's bill a reactive charge of \$1.14 per kVAR of the amount of reactive demand. Such charges shall be in addition to all other charges under this rate schedule, including minimum bill charges.

Adjustment

Charges under this rate schedule may be increased or decreased to reflect changes in purchased power costs as determined by any purchased power adjustment adopted by the Board. Rates shown above are inclusive of the Purchased Power Adjustment for the current month.

Determination of Seasonal Periods

Summer Period shall mean the June, July, August, and September billing months. Winter Period shall mean the December, January, February, and March billing months. Transition Period shall mean the April, May, October, and November billing months. The Seasonal Periods under this rate schedule are subject to change by KUB. In the event KUB determines that changed Seasonal Periods are appropriate, such decision shall be made at least 11 months prior to the effective date of such changed periods, and KUB shall promptly notify customer.

Determination of Onpeak and Offpeak Hours

Except for Saturdays, Sundays, November 1, and the weekdays that are observed as Federal holidays for New Year's Day, Memorial Day, Independence Day, Labor Day, Thanksgiving Day, and Christmas Day, onpeak hours for each day shall for purposes of this rate schedule be 1 p.m. to 7 p.m. during the months of April, May, June, July, August, September and October and from 4 a.m. to 10 a.m. during the months of January, February, March, November, and December. All other hours of each day that are not otherwise defined as onpeak hours and all hours of such excepted days shall be offpeak hours. Such times shall be Central Standard Time or Central Daylight Time, whichever is then in effect. Said onpeak and offpeak hours are subject to change by KUB. In the event KUB determines that such changed onpeak and offpeak hours are appropriate, such decision shall be made at least 11 months prior to the effective date of such changed hours, and KUB shall promptly notify customer.

Determination of Onpeak and Offpeak Demands, Maximum Metered Demand, and Energy Amounts

The onpeak and offpeak kWh for any month shall be the energy amounts taken during the respective hours of the month designated under this rate schedule as onpeak and offpeak hours; provided, however, that notwithstanding the metered energy amount, the offpeak energy for any month shall in no case be less than the product of (1) the offpeak billing demand as calculated in the last sentence of the paragraph below and (2) 110 hours (reflecting a 15 percent load factor applied to the average number of hours in a month).

KUB shall meter the onpeak and offpeak demands in kW of all customers taking service under this rate schedule. The onpeak metered demand and offpeak metered demand for any month shall be determined separately for the respective hours of the month designated under this rate schedule as onpeak and offpeak hours and in each case shall be the highest average during any 30-consecutive-minute period beginning or ending on a clock hour of the month of the load metered in kW, and, except as provided below in this section, such amounts shall be used as the onpeak and offpeak billing demands.

The maximum billing demand for any month shall be the higher of (1) the highest onpeak billing demand in the month or (2) the highest offpeak billing demand in the month. The onpeak billing demand shall in no case be less than the sum of (1) 30 percent of the first 5,000 kW and (2) 40 percent of any kW in excess of 5,000 kW of the higher of the currently effective onpeak contract demand or the highest onpeak billing demand established during the preceding 12 months. The offpeak billing demand shall in no case be less than the sum of (1) 30 percent of the first 5,000 kW and (2) 40 percent of any kW in excess of 5,000 kW of the higher of the currently effective offpeak contract demand or the highest offpeak billing demand established during the preceding 12 months.

Minimum Bill

The monthly bill under this rate schedule, excluding any facilities rental charges and any reactive charges, shall not be less than the sum of (1) the base customer charge and administrative charge, (2) the portion of the base demand charge, as adjusted (but excluding the additional portion thereof applicable to excess of billing demand over contract demand) applicable to onpeak billing demand applied to the customer's onpeak billing demand, (3) the portion of the base demand charge, as adjusted, (but excluding the additional portion thereof applicable to excess of billing demand over contract demand) applicable to maximum billing demand applied to the customer's maximum billing demand, (4) the base onpeak energy charge, as adjusted, applied to the customer's onpeak energy takings, and (5) the base offpeak energy charge, as adjusted, applied to the higher of customer's actual offpeak energy takings or the minimum offpeak energy takings amount provided for in the first paragraph of the section of this rate schedule entitled "Determination of Onpeak and Offpeak Demands, Maximum Metered Demand, and Energy Amounts". Notwithstanding the foregoing, any fuel cost that is included in ***any purchased power adjustment adopted by the Board*** shall not be applied to any billed offpeak energy that exceeds the metered offpeak energy.

KUB may require minimum bills higher than those stated above.

Contract Requirement

KUB shall require contracts for all service provided under this rate schedule. The contract shall be for an initial term of at least five years and any renewals or extensions of the initial contract shall be for a term of at least one year; after ten years of service, any such contract for the renewal or extension of service may provide for termination upon not less than four months notice. The customer shall contract for its maximum requirements, which shall not exceed the amount of power capable of being used by customer, and KUB shall not be obligated to supply power in greater amount at any time than the customer's currently effective onpeak or offpeak contract demand. If the customer uses any power other than that supplied by KUB under this rate schedule, the contract may include other special provisions. The rate schedule in any power contract shall be subject to adjustment, modification, change, or replacement from time to time as approved by the Board.

Single Point Delivery

The charges under this rate schedule are based upon the supply of service through a single delivery point and at a single voltage. If service is supplied to the same customer through more than one point of delivery or at different voltages, the supply of service at each delivery point and at each different voltage shall be separately metered and billed.

Rules and Regulations

Service is subject to Rules and Regulations of KUB.

GENERAL POWER RATE - SCHEDULE GSB

Availability

This rate, subject to availability from TVA, shall be available for firm electric power requirements where the higher of a customer's currently effective onpeak or offpeak contract demand is greater than 5,000 kW but not more than 15,000 kW; provided that the other conditions of this section are met.

For a customer requesting that its onpeak contract demand be different from its offpeak contract demand, this rate schedule shall be available only for (1) a new contract, (2) a replacement or renewal contract following expiration of the existing contract, or (3) a replacement or renewal contract or an amended existing contract in which the customer is increasing its demand requirements above the existing contract demand level, but under this item (3) neither the new onpeak nor the new offpeak contract demand shall be lower than the customer's existing contract demand.

Prior to participation in this rate, contract amendments may be required for continued participation in certain other programs and rate overlays as determined at KUB's sole discretion.

Character of Service

Alternating current, single or three-phase, 60 hertz. Power shall be delivered at a transmission voltage of 161 kV or, if such transmission voltage is not available, at the highest voltage available in the vicinity, unless at the customer's request a lower standard voltage is agreed upon.

Rates

Customer Charge: \$1,500 per delivery point per month.

Administrative Charge: \$700 per delivery point per month.

Demand Charge:

Summer Period:

Onpeak Demand \$11.23 per kW per month of the customer's onpeak billing demand

Maximum Demand \$6.67 per kW per month of the customer's maximum billing demand

Excess Demand \$17.90 per kW per month for each kW of the amount, if any, by which (1) the customer's onpeak billing demand

exceeds its onpeak contract demand or (2) the customer's offpeak billing demand exceeds its offpeak contract demand, whichever is higher

Winter Period:

Onpeak Demand \$10.23 per kW per month of the customer's onpeak billing demand

Maximum Demand \$6.67 per kW per month of the customer's maximum billing demand

Excess Demand \$16.90 per kW per month for each kW of the amount, if any, by which (1) the customer's onpeak billing demand exceeds its onpeak contract demand or (2) the customer's offpeak billing demand exceeds its offpeak contract demand, whichever is higher

Transition Period:

Onpeak Demand \$10.23 per kW per month of the customer's onpeak billing demand

Maximum Demand \$6.67 per kW per month of the customer's maximum billing demand

Excess Demand \$16.90 per kW per month for each kW of the amount, if any, by which (1) the customer's onpeak billing demand exceeds its onpeak contract demand or (2) the customer's offpeak billing demand exceeds its offpeak contract demand, whichever is higher

Energy Charge:

Summer Period:

Onpeak \$0.09172 per kWh per month for all metered onpeak kWh

Offpeak

Block 1 \$0.06595 per kWh per month for the first 200 hours use of onpeak metered demand multiplied by the ratio of offpeak energy to total energy

Block 2 \$0.03020 per kWh per month for the next 200 hours use of onpeak metered demand multiplied by the ratio of offpeak energy to total energy

Block 3 \$0.02667 per kWh per month for the hours use of onpeak metered demand in excess of 400 hours multiplied by the ratio of offpeak energy to total energy

Winter Period:

Onpeak \$0.07997 per kWh per month for all metered onpeak kWh

Offpeak

Block 1 \$0.06825 per kWh per month for the first 200 hours use of onpeak metered demand multiplied by the ratio of offpeak energy to total energy

Block 2 \$0.03020 per kWh per month for the next 200 hours use of onpeak metered demand multiplied by the ratio of offpeak energy to total energy

Block 3 \$0.02667 per kWh per month for the hours use of onpeak metered demand in excess of 400 hours multiplied by the ratio of offpeak energy to total energy

Transition Period:

Onpeak \$0.06562 per kWh per month for all metered onpeak kWh

Offpeak

Block 1 \$0.06562 per kWh per month for the first 200 hours use of onpeak metered demand multiplied by the ratio of offpeak energy to total energy

Block 2 \$0.03020 per kWh per month for the next 200 hours use of onpeak metered demand multiplied by the ratio of offpeak energy to total energy

Block 3 \$0.02667 per kWh per month for the hours use of onpeak metered demand in excess of 400 hours multiplied by the ratio of offpeak energy to total energy

For the Summer Period, Winter Period, and Transition Period, Offpeak Block 1 energy rates less fuel rate of \$0.01851 per kWh per month shall be applied to the portion, if any, of the minimum offpeak energy takings amount that is greater than the metered energy.

Facilities Rental Charge

There shall be no facilities rental charge under this rate schedule for delivery at bulk transmission voltage levels of 161kV or higher. For delivery at less than 161kV, there shall be added to the customer's bill a facilities rental charge. This charge shall be 37 cents per kW per month except for delivery at voltages below 46 kV, in which case the charge shall be 97 cents per kW per month for the first 10,000 kW and 76 cents per kW

per month for the excess over 10,000 kW. Such charge shall be applied to the higher of (1) the highest billing demand established during the latest 12-consecutive-month period or (2) the higher of the customer's currently effective onpeak or offpeak contract demand and shall be in addition to all other charges under this rate schedule, including minimum bill charges.

Reactive Demand Charge

If the reactive demand (in kVAR) is lagging during the 30-consecutive-minute period beginning or ending on a clock hour of the month in which the customer's highest metered demand occurs, there shall be added to the customer's bill a reactive charge of \$1.46 per kVAR of the amount, if any, by which the reactive demand exceeds 33 percent of such metered demand. If the reactive demand (in kVAR) is leading during the 30-consecutive-minute period beginning or ending on a clock hour of the month in which the customer's lowest metered demand (excluding any metered demands which are less than 25 percent of the highest metered demand) occurs, there shall be added to the customer's bill a reactive charge of \$1.14 per kVAR of the amount of reactive demand. Such charges shall be in addition to all other charges under this rate schedule, including minimum bill charges.

Adjustment

Charges under this rate schedule may be increased or decreased to reflect changes in purchased power costs as determined by any purchased power adjustment adopted by the Board. Rates shown above are inclusive of the Purchased Power Adjustment for the current month.

Determination of Seasonal Periods

Summer Period shall mean the June, July, August, and September billing months. Winter Period shall mean the December, January, February, and March billing months. Transition Period shall mean the April, May, October, and November billing months. The Seasonal Periods under this rate schedule are subject to change by KUB. In the event KUB determines that changed Seasonal Periods are appropriate, such decision shall be made at least 11 months prior to the effective date of such changed periods, and KUB shall promptly notify customer.

Determination of Onpeak and Offpeak Hours

Except for Saturdays, Sundays, November 1, and the weekdays that are observed as Federal holidays for New Year's Day, Memorial Day, Independence Day, Labor Day, Thanksgiving Day, and Christmas Day, onpeak hours for each day shall for purposes of this rate schedule be 1 p.m. to 7 p.m. during the months of April, May, June, July, August, September and October and from 4 a.m. to 10 a.m. during the months of January, February, March, November, and December. All other hours of each day that are not otherwise defined as onpeak hours and all hours of such excepted days shall be offpeak

hours. Such times shall be Central Standard Time or Central Daylight Time, whichever is then in effect. Said onpeak and offpeak hours are subject to change by KUB. In the event KUB determines that such changed onpeak and offpeak hours are appropriate, such decision shall be made at least 11 months prior to the effective date of such changed hours, and KUB shall promptly notify customer.

Determination of Onpeak and Offpeak Demands,
Maximum Metered Demand, and Energy Amounts

The onpeak and offpeak kWh for any month shall be the energy amounts taken during the respective hours of the month designated under this rate schedule as onpeak and offpeak hours; provided, however, that notwithstanding the metered energy amount, the offpeak energy for any month shall in no case be less than the product of (1) the offpeak billing demand as calculated in the last sentence of the paragraph below and (2) 110 hours (reflecting a 15 percent load factor applied to the average number of hours in a month).

KUB shall meter the onpeak and offpeak demands in kW of all customers taking service under this rate schedule. The onpeak metered demand and offpeak metered demand for any month shall be determined separately for the respective hours of the month designated under this rate schedule as onpeak and offpeak hours and in each case shall be the highest average during any 30-consecutive-minute period beginning or ending on a clock hour of the month of the load metered in kW, and, except as provided below in this section, such amounts shall be used as the onpeak and offpeak billing demands.

The maximum billing demand for any month shall be the higher of (1) the highest onpeak billing demand in the month or (2) the highest offpeak billing demand in the month. The onpeak billing demand shall in no case be less than the sum of (1) 30 percent of the first 5,000 kW and (2) 40 percent of any kW in excess of 5,000 kW of the higher of the currently effective onpeak contract demand or the highest onpeak billing demand established during the preceding 12 months. The offpeak billing demand shall in no case be less than the sum of (1) 30 percent of the first 5,000 kW and (2) 40 percent of any kW in excess of 5,000 kW of the higher of the currently effective offpeak contract demand or the highest offpeak billing demand established during the preceding 12 months.

Minimum Bill

The monthly bill under this rate schedule, excluding any facilities rental charges and any reactive charges, shall not be less than the sum of (1) the base customer charge and administrative charge, (2) the portion of the base demand charge, as adjusted (but excluding the additional portion thereof applicable to excess of billing demand over contract demand) applicable to onpeak billing demand applied to the customer's onpeak billing demand, (3) the portion of the base demand charge, as adjusted, (but excluding the additional portion thereof applicable to excess of billing demand over contract demand) applicable to maximum billing demand applied to the customer's maximum billing demand, (4) the base onpeak energy charge, as adjusted, applied to the

customer's onpeak energy takings, and (5) the base offpeak energy charge, as adjusted, applied to the higher of customer's actual offpeak energy takings or the minimum offpeak energy takings amount provided for in the first paragraph of the section of this rate schedule entitled "Determination of Onpeak and Offpeak Demands, Maximum Metered Demand, and Energy Amounts". Notwithstanding the foregoing, any fuel cost that is included in ***any purchased power adjustment adopted by the Board*** shall not be applied to any billed offpeak energy that exceeds the metered offpeak energy.

KUB may require minimum bills higher than those stated above.

Contract Requirement

KUB shall require contracts for all service provided under this rate schedule. The contract shall be for an initial term of at least five years and any renewals or extensions of the initial contract shall be for a term of at least one year; after ten years of service, any such contract for the renewal or extension of service may provide for termination upon not less than four months notice. The customer shall contract for its maximum requirements, which shall not exceed the amount of power capable of being used by customer, and KUB shall not be obligated to supply power in greater amount at any time than the customer's currently effective onpeak or offpeak contract demand. If the customer uses any power other than that supplied by KUB under this rate schedule, the contract may include other special provisions. The rate schedule in any power contract shall be subject to adjustment, modification, change, or replacement from time to time as approved by the Board.

Single Point Delivery

The charges under this rate schedule are based upon the supply of service through a single delivery point and at a single voltage. If service is supplied to the same customer through more than one point of delivery or at different voltages, the supply of service at each delivery point and at each different voltage shall be separately metered and billed.

Rules and Regulations

Service is subject to Rules and Regulations of KUB.

GENERAL POWER RATE - SCHEDULE GSC

Availability

This rate, subject to availability from TVA, shall be available for firm electric power requirements where the higher of a customer's currently effective onpeak or offpeak contract demand is greater than 15,000 kW but not more than 25,000 kW; provided that the other conditions of this section are met.

For a customer requesting that its onpeak contract demand be different from its offpeak contract demand, this rate schedule shall be available only for (1) a new contract, (2) a replacement or renewal contract following expiration of the existing contract, or (3) a replacement or renewal contract or an amended existing contract in which the customer is increasing its demand requirements above the existing contract demand level, but under this item (3) neither the new onpeak nor the new offpeak contract demand shall be lower than the customer's existing contract demand.

Prior to participation in this rate, contract amendments may be required for continued participation in certain other programs and rate overlays as determined at KUB's sole discretion.

Character of Service

Alternating current, single or three-phase, 60 hertz. Power shall be delivered at a transmission voltage of 161 kV or, if such transmission voltage is not available, at the highest voltage available in the vicinity, unless at the customer's request a lower standard voltage is agreed upon.

Rates

Customer Charge: \$1,500 per delivery point per month.

Administrative Charge: \$700 per delivery point per month.

Demand Charge:

Summer Period:

Onpeak Demand \$11.23 per kW per month of the customer's onpeak billing demand

Maximum Demand \$6.51 per kW per month of the customer's maximum billing demand

Excess Demand \$17.74 per kW per month for each kW of the amount, if any, by which (1) the customer's onpeak billing demand

exceeds its onpeak contract demand or (2) the customer's offpeak billing demand exceeds its offpeak contract demand, whichever is higher

Winter Period:

Onpeak Demand \$10.23 per kW per month of the customer's onpeak billing demand

Maximum Demand \$6.51 per kW per month of the customer's maximum billing demand

Excess Demand \$16.74 per kW per month for each kW of the amount, if any, by which (1) the customer's onpeak billing demand exceeds its onpeak contract demand or (2) the customer's offpeak billing demand exceeds its offpeak contract demand, whichever is higher

Transition Period:

Onpeak Demand \$10.23 per kW per month of the customer's onpeak billing demand

Maximum Demand \$6.51 per kW per month of the customer's maximum billing demand

Excess Demand \$16.74 per kW per month for each kW of the amount, if any, by which (1) the customer's onpeak billing demand exceeds its onpeak contract demand or (2) the customer's offpeak billing demand exceeds its offpeak contract demand, whichever is higher

Energy Charge:

Summer Period:

Onpeak \$0.09170 per kWh per month for all metered onpeak kWh

Offpeak

Block 1 \$0.06593 per kWh per month for the first 200 hours use of onpeak metered demand multiplied by the ratio of offpeak energy to total energy

Block 2 \$0.03018 per kWh per month for the next 200 hours use of onpeak metered demand multiplied by the ratio of offpeak energy to total energy

Block 3 \$0.02665 per kWh per month for the hours use of onpeak metered demand in excess of 400 hours multiplied by the ratio of offpeak energy to total energy

Winter Period:

Onpeak \$0.07995 per kWh per month for all metered onpeak kWh

Offpeak

Block 1 \$0.06823 per kWh per month for the first 200 hours use of onpeak metered demand multiplied by the ratio of offpeak energy to total energy

Block 2 \$0.03018 per kWh per month for the next 200 hours use of onpeak metered demand multiplied by the ratio of offpeak energy to total energy

Block 3 \$0.02665 per kWh per month for the hours use of onpeak metered demand in excess of 400 hours multiplied by the ratio of offpeak energy to total energy

Transition Period:

Onpeak \$0.06560 per kWh per month for all metered onpeak kWh

Offpeak

Block 1 \$0.06560 per kWh per month for the first 200 hours use of onpeak metered demand multiplied by the ratio of offpeak energy to total energy

Block 2 \$0.03018 per kWh per month for the next 200 hours use of onpeak metered demand multiplied by the ratio of offpeak energy to total energy

Block 3 \$0.02665 per kWh per month for the hours use of onpeak metered demand in excess of 400 hours multiplied by the ratio of offpeak energy to total energy

For the Summer Period, Winter Period, and Transition Period, Offpeak Block 1 energy rates less fuel rate of \$0.01851 per kWh per month shall be applied to the portion, if any, of the minimum offpeak energy takings amount that is greater than the metered energy.

Facilities Rental Charge

There shall be no facilities rental charge under this rate schedule for delivery at bulk transmission voltage levels of 161kV or higher. For delivery at less than 161kV, there shall be added to the customer's bill a facilities rental charge. This charge shall be 37 cents per kW per month except for delivery at voltages below 46 kV, in which case the charge shall be 97 cents per kW per month for the first 10,000 kW and 76 cents per kW

per month for the excess over 10,000 kW. Such charge shall be applied to the higher of (1) the highest billing demand established during the latest 12-consecutive-month period or (2) the higher of the customer's currently effective onpeak or offpeak contract demand and shall be in addition to all other charges under this rate schedule, including minimum bill charges.

Reactive Demand Charge

If the reactive demand (in kVAR) is lagging during the 30-consecutive-minute period beginning or ending on a clock hour of the month in which the customer's highest metered demand occurs, there shall be added to the customer's bill a reactive charge of \$1.46 per kVAR of the amount, if any, by which the reactive demand exceeds 33 percent of such metered demand. If the reactive demand (in kVAR) is leading during the 30-consecutive-minute period beginning or ending on a clock hour of the month in which the customer's lowest metered demand (excluding any metered demands which are less than 25 percent of the highest metered demand) occurs, there shall be added to the customer's bill a reactive charge of \$1.14 per kVAR of the amount of reactive demand. Such charges shall be in addition to all other charges under this rate schedule, including minimum bill charges.

Adjustment

Charges under this rate schedule may be increased or decreased to reflect changes in purchased power costs as determined by any purchased power adjustment adopted by the Board. Rates shown above are inclusive of the Purchased Power Adjustment for the current month.

Determination of Seasonal Periods

Summer Period shall mean the June, July, August, and September billing months. Winter Period shall mean the December, January, February, and March billing months. Transition Period shall mean the April, May, October, and November billing months. The Seasonal Periods under this rate schedule are subject to change by KUB. In the event KUB determines that changed Seasonal Periods are appropriate, such decision shall be made at least 11 months prior to the effective date of such changed periods, and KUB shall promptly notify customer.

Determination of Onpeak and Offpeak Hours

Except for Saturdays, Sundays, November 1, and the weekdays that are observed as Federal holidays for New Year's Day, Memorial Day, Independence Day, Labor Day, Thanksgiving Day, and Christmas Day, onpeak hours for each day shall for purposes of this rate schedule be 1 p.m. to 7 p.m. during the months of April, May, June, July, August, September and October and from 4 a.m. to 10 a.m. during the months of January, February, March, November, and December. All other hours of each day that are not otherwise defined as onpeak hours and all hours of such excepted days shall be offpeak

hours. Such times shall be Central Standard Time or Central Daylight Time, whichever is then in effect. Said onpeak and offpeak hours are subject to change by KUB. In the event KUB determines that such changed onpeak and offpeak hours are appropriate, such decision shall be made at least 11 months prior to the effective date of such changed hours, and KUB shall promptly notify customer.

Determination of Onpeak and Offpeak Demands,
Maximum Metered Demand, and Energy Amounts

The onpeak and offpeak kWh for any month shall be the energy amounts taken during the respective hours of the month designated under this rate schedule as onpeak and offpeak hours; provided, however, that notwithstanding the metered energy amount, the offpeak energy for any month shall in no case be less than the product of (1) the offpeak billing demand as calculated in the last sentence of the paragraph below and (2) 110 hours (reflecting a 15 percent load factor applied to the average number of hours in a month).

KUB shall meter the onpeak and offpeak demands in kW of all customers taking service under this rate schedule. The onpeak metered demand and offpeak metered demand for any month shall be determined separately for the respective hours of the month designated under this rate schedule as onpeak and offpeak hours and in each case shall be the highest average during any 30-consecutive-minute period beginning or ending on a clock hour of the month of the load metered in kW, and, except as provided below in this section, such amounts shall be used as the onpeak and offpeak billing demands.

The maximum billing demand for any month shall be the higher of (1) the highest onpeak billing demand in the month or (2) the highest offpeak billing demand in the month. The onpeak billing demand shall in no case be less than the sum of (1) 30 percent of the first 5,000 kW, (2) 40 percent of the next 20,000 kW, and (3) 50 percent of any kW in excess of 25,000 kW of the higher of the currently effective onpeak contract demand or the highest onpeak billing demand established during the preceding 12 months. The offpeak billing demand shall in no case be less than the sum of (1) 30 percent of the first 5,000 kW, (2) 40 percent of the next 20,000 kW, and (3) 50 percent of any kW in excess of 25,000 kW of the higher of the currently effective offpeak contract demand or the highest offpeak billing demand established during the preceding 12 months.

Minimum Bill

The monthly bill under this rate schedule, excluding any facilities rental charges and any reactive charges, shall not be less than the sum of (1) the base customer charge and administrative charge, (2) the portion of the base demand charge, as adjusted (but excluding the additional portion thereof applicable to excess of billing demand over contract demand) applicable to onpeak billing demand applied to the customer's onpeak billing demand, (3) the portion of the base demand charge, as adjusted, (but excluding

the additional portion thereof applicable to excess of billing demand over contract demand) applicable to maximum billing demand applied to the customer's maximum billing demand, (4) the base onpeak energy charge, as adjusted, applied to the customer's onpeak energy takings, and (5) the base offpeak energy charge, as adjusted, applied to the higher of customer's actual offpeak energy takings or the minimum offpeak energy takings amount provided for in the first paragraph of the section of this rate schedule entitled "Determination of Onpeak and Offpeak Demands, Maximum Metered Demand, and Energy Amounts". Notwithstanding the foregoing, any fuel cost that is included in **any purchased power adjustment adopted by the Board** shall not be applied to any billed offpeak energy that exceeds the metered offpeak energy.

KUB may require minimum bills higher than those stated above.

Contract Requirement

KUB shall require contracts for all service provided under this rate schedule. The contract shall be for an initial term of at least five years and any renewals or extensions of the initial contract shall be for a term of at least one year; after ten years of service, any such contract for the renewal or extension of service may provide for termination upon not less than four months notice. The customer shall contract for its maximum requirements, which shall not exceed the amount of power capable of being used by customer, and KUB shall not be obligated to supply power in greater amount at any time than the customer's currently effective onpeak or offpeak contract demand. If the customer uses any power other than that supplied by KUB under this rate schedule, the contract may include other special provisions. The rate schedule in any power contract shall be subject to adjustment, modification, change, or replacement from time to time as approved by the Board.

Single Point Delivery

The charges under this rate schedule are based upon the supply of service through a single delivery point and at a single voltage. If service is supplied to the same customer through more than one point of delivery or at different voltages, the supply of service at each delivery point and at each different voltage shall be separately metered and billed.

Rules and Regulations

Service is subject to Rules and Regulations of KUB.

GENERAL POWER RATE - SCHEDULE GSD

Availability

This rate, subject to availability from TVA, shall be available for firm electric power requirements where the higher of a customer's currently effective onpeak or offpeak contract demand is greater than 25,000 kW; provided that the other conditions of this section are met.

For a customer requesting that its onpeak contract demand be different from its offpeak contract demand, this rate schedule shall be available only for (1) a new contract, (2) a replacement or renewal contract following expiration of the existing contract, or (3) a replacement or renewal contract or an amended existing contract in which the customer is increasing its demand requirements above the existing contract demand level, but under this item (3) neither the new onpeak nor the new offpeak contract demand shall be lower than the customer's existing contract demand.

Prior to participation in this rate, contract amendments may be required for continued participation in certain other programs and rate overlays as determined at KUB's sole discretion.

Character of Service

Alternating current, single or three-phase, 60 hertz. Power shall be delivered at a transmission voltage of 161 kV or, if such transmission voltage is not available, at the highest voltage available in the vicinity, unless at the customer's request a lower standard voltage is agreed upon.

Rates

Customer Charge: \$1,500 per delivery point per month.

Administrative Charge: \$700 per delivery point per month.

Demand Charge:

Summer Period:

Onpeak Demand \$11.23 per kW per month of the customer's onpeak billing demand

Maximum Demand \$6.38 per kW per month of the customer's maximum billing demand

Excess Demand \$17.61 per kW per month for each kW of the amount, if any, by which (1) the customer's onpeak billing demand

exceeds its onpeak contract demand or (2) the customer's offpeak billing demand exceeds its offpeak contract demand, whichever is higher

Winter Period:

Onpeak Demand \$10.23 per kW per month of the customer's onpeak billing demand

Maximum Demand \$6.38 per kW per month of the customer's maximum billing demand

Excess Demand \$16.61 per kW per month for each kW of the amount, if any, by which (1) the customer's onpeak billing demand exceeds its onpeak contract demand or (2) the customer's offpeak billing demand exceeds its offpeak contract demand, whichever is higher

Transition Period:

Onpeak Demand \$10.23 per kW per month of the customer's onpeak billing demand

Maximum Demand \$6.38 per kW per month of the customer's maximum billing demand

Excess Demand \$16.61 per kW per month for each kW of the amount, if any, by which (1) the customer's onpeak billing demand exceeds its onpeak contract demand or (2) the customer's offpeak billing demand exceeds its offpeak contract demand, whichever is higher

Energy Charge:

Summer Period:

Onpeak \$0.09170 per kWh per month for all metered onpeak kWh

Offpeak

Block 1 \$0.06593 per kWh per month for the first 200 hours use of onpeak metered demand multiplied by the ratio of offpeak energy to total energy

Block 2 \$0.02899 per kWh per month for the next 200 hours use of onpeak metered demand multiplied by the ratio of offpeak energy to total energy

Block 3 \$0.02665 per kWh per month for the hours use of onpeak metered demand in excess of 400 hours multiplied by the ratio of offpeak energy to total energy

Winter Period:

Onpeak \$0.07995 per kWh per month for all metered onpeak kWh

Offpeak

Block 1 \$0.06823 per kWh per month for the first 200 hours use of onpeak metered demand multiplied by the ratio of offpeak energy to total energy

Block 2 \$0.02899 per kWh per month for the next 200 hours use of onpeak metered demand multiplied by the ratio of offpeak energy to total energy

Block 3 \$0.02665 per kWh per month for the hours use of onpeak metered demand in excess of 400 hours multiplied by the ratio of offpeak energy to total energy

Transition Period:

Onpeak \$0.06560 per kWh per month for all metered onpeak kWh

Offpeak

Block 1 \$0.06560 per kWh per month for the first 200 hours use of onpeak metered demand multiplied by the ratio of offpeak energy to total energy

Block 2 \$0.02899 per kWh per month for the next 200 hours use of onpeak metered demand multiplied by the ratio of offpeak energy to total energy

Block 3 \$0.02665 per kWh per month for the hours use of onpeak metered demand in excess of 400 hours multiplied by the ratio of offpeak energy to total energy

For the Summer Period, Winter Period, and Transition Period, Offpeak Block 1 energy rates less fuel rate of \$0.01851 per kWh per month shall be applied to the portion, if any, of the minimum offpeak energy takings amount that is greater than the metered energy.

Facilities Rental Charge

There shall be no facilities rental charge under this rate schedule for delivery at bulk transmission voltage levels of 161kV or higher. For delivery at less than 161kV, there shall be added to the customer's bill a facilities rental charge. This charge shall be 37 cents per kW per month except for delivery at voltages below 46 kV, in which case the

charge shall be 97 cents per kW per month for the first 10,000 kW and 76 cents per kW per month for the excess over 10,000 kW. Such charge shall be applied to the higher of (1) the highest billing demand established during the latest 12-consecutive-month period or (2) the higher of the customer's currently effective onpeak or offpeak contract demand and shall be in addition to all other charges under this rate schedule, including minimum bill charges.

Reactive Demand Charge

If the reactive demand (in kVAR) is lagging during the 30-consecutive-minute period beginning or ending on a clock hour of the month in which the customer's highest metered demand occurs, there shall be added to the customer's bill a reactive charge of \$1.46 per kVAR of the amount, if any, by which the reactive demand exceeds 33 percent of such metered demand. If the reactive demand (in kVAR) is leading during the 30-consecutive-minute period beginning or ending on a clock hour of the month in which the customer's lowest metered demand (excluding any metered demands which are less than 25 percent of the highest metered demand) occurs, there shall be added to the customer's bill a reactive charge of \$1.14 per kVAR of the amount of reactive demand. Such charges shall be in addition to all other charges under this rate schedule, including minimum bill charges.

Adjustment

Charges under this rate schedule may be increased or decreased to reflect changes in purchased power costs as determined by any purchased power adjustment adopted by the Board. Rates shown above are inclusive of the Purchased Power Adjustment for the current month.

Determination of Seasonal Periods

Summer Period shall mean the June, July, August, and September billing months. Winter Period shall mean the December, January, February, and March billing months. Transition Period shall mean the April, May, October, and November billing months. The Seasonal Periods under this rate schedule are subject to change by KUB. In the event KUB determines that changed Seasonal Periods are appropriate, such decision shall be made at least 11 months prior to the effective date of such changed periods, and KUB shall promptly notify customer.

Determination of Onpeak and Offpeak Hours

Except for Saturdays, Sundays, November 1, and the weekdays that are observed as Federal holidays for New Year's Day, Memorial Day, Independence Day, Labor Day, Thanksgiving Day, and Christmas Day, onpeak hours for each day shall for purposes of this rate schedule be 1 p.m. to 7 p.m. during the months of April, May, June, July, August, September and October and from 4 a.m. to 10 a.m. during the months of January,

February, March, November, and December. All other hours of each day that are not otherwise defined as onpeak hours and all hours of such excepted days shall be offpeak hours. Such times shall be Central Standard Time or Central Daylight Time, whichever is then in effect. Said onpeak and offpeak hours are subject to change by KUB. In the event KUB determines that such changed onpeak and offpeak hours are appropriate, such decision shall be made at least 11 months prior to the effective date of such changed hours, and KUB shall promptly notify customer.

Determination of Onpeak and Offpeak Demands,
Maximum Metered Demand, and Energy Amounts

The onpeak and offpeak kWh for any month shall be the energy amounts taken during the respective hours of the month designated under this rate schedule as onpeak and offpeak hours; provided, however, that notwithstanding the metered energy amount, the offpeak energy for any month shall in no case be less than the product of (1) the offpeak billing demand as calculated in the last sentence of the paragraph below and (2) 110 hours (reflecting a 15 percent load factor applied to the average number of hours in a month).

KUB shall meter the onpeak and offpeak demands in kW of all customers taking service under this rate schedule. The onpeak metered demand and offpeak metered demand for any month shall be determined separately for the respective hours of the month designated under this rate schedule as onpeak and offpeak hours and in each case shall be the highest average during any 30-consecutive-minute period beginning or ending on a clock hour of the month of the load metered in kW, and, except as provided below in this section, such amounts shall be used as the onpeak and offpeak billing demands.

The maximum billing demand for any month shall be the higher of (1) the highest onpeak billing demand in the month or (2) the highest offpeak billing demand in the month. The onpeak billing demand shall in no case be less than the sum of (1) 30 percent of the first 5,000 kW, (2) 40 percent of the next 20,000 kW; (3) 50 percent of the next 25,000 kW, (4) 60 percent of the next 50,000 kW, (5) 70 percent of the next 100,000 kW, (6) 80 percent of the next 150,000 kW, and (7) 85 percent of all kW in excess of 350,000 kW of the higher of the currently effective onpeak contract demand or the highest onpeak billing demand established during the preceding 12 months. The offpeak billing demand shall in no case be less than the sum of (1) 30 percent of the first 5,000 kW, (2) 40 percent of the next 20,000 kW, (3) 50 percent of the next 25,000 kW, (4) 60 percent of the next 50,000 kW, (5) 70 percent of the next 100,000 kW, (6) 80 percent of the next 150,000 kW, and (7) 85 percent of all kW in excess of 350,000 kW of the higher of the currently effective offpeak contract demand or the highest offpeak billing demand established during the preceding 12 months.

Minimum Bill

The monthly bill under this rate schedule, excluding any facilities rental charges and any reactive charges, shall not be less than the sum of (1) the base customer charge and administrative charge, (2) the portion of the base demand charge, as adjusted (but excluding the additional portion thereof applicable to excess of billing demand over contract demand) applicable to onpeak billing demand applied to the customer's onpeak billing demand, (3) the portion of the base demand charge, as adjusted, (but excluding the additional portion thereof applicable to excess of billing demand over contract demand) applicable to maximum billing demand applied to the customer's maximum billing demand, (4) the base onpeak energy charge, as adjusted, applied to the customer's onpeak energy takings, and (5) the base offpeak energy charge, as adjusted, applied to the higher of customer's actual offpeak energy takings or the minimum offpeak energy takings amount provided for in the first paragraph of the section of this rate schedule entitled "Determination of Onpeak and Offpeak Demands, Maximum Metered Demand, and Energy Amounts". Notwithstanding the foregoing, any fuel cost that is included in ***any purchased power adjustment adopted by the Board*** shall not be applied to any billed offpeak energy that exceeds the metered offpeak energy.

KUB may require minimum bills higher than those stated above.

Contract Requirement

KUB shall require contracts for all service provided under this rate schedule. The contract shall be for an initial term of at least five years and any renewals or extensions of the initial contract shall be for a term of at least five years; after ten years of service, any such contract for the renewal or extension of service may provide for termination upon not less than sixteen months notice. The customer shall contract for its maximum requirements, which shall not exceed the amount of power capable of being used by customer, and KUB shall not be obligated to supply power in greater amount at any time than the customer's currently effective onpeak or offpeak contract demand. If the customer uses any power other than that supplied by KUB under this rate schedule, the contract may include other special provisions. The rate schedule in any power contract shall be subject to adjustment, modification, change, or replacement from time to time as approved by the Board.

Single Point Delivery

The charges under this rate schedule are based upon the supply of service through a single delivery point and at a single voltage. If service is supplied to the same customer through more than one point of delivery or at different voltages, the supply of service at each delivery point and at each different voltage shall be separately metered and billed.

Rules and Regulations

Service is subject to Rules and Regulations of KUB.

MANUFACTURING SERVICE POWER RATE - SCHEDULE TDMSA

Availability

This rate, subject to availability from TVA, shall be available for firm electric power requirements where (a) a customer's currently effective onpeak or offpeak contract demand, whichever is higher, is greater than 1,000 kW but not more than 5,000 kW, and (b) the major use of electricity is for activities conducted at the delivery point serving that customer which are classified with a 2-digit Standard Industrial Classification Code between 20 and 39, inclusive, or classified with 2002 North American Industry Classification System (NAICS) code 5181, or 2007 NAICS codes 5182, 522320, and 541214.

Prior to initially taking any service under this schedule, and from time to time thereafter as may be required by KUB, a customer shall certify to KUB that it meets the requirements set forth in condition (b) above. The certification form to be used shall be furnished by KUB to the customer, and signed and promptly returned by the customer to KUB. Further, such customer shall promptly certify any change in the status of any of the information contained in the certification form.

Service during any period for which a customer does not meet the eligibility requirements set forth in condition (b) above will be made available by KUB under, and billed in accordance with, the applicable General Power schedule.

For a customer requesting that its onpeak contract demand be different from its offpeak contract demand, this rate schedule shall be available only for (1) a new contract, (2) a replacement or renewal contract following expiration of the existing contract, or (3) a replacement or renewal contract or an amended existing contract in which the customer is increasing its demand requirements above the existing contract demand level, but under this item (3) neither the new onpeak nor the new offpeak contract demand shall be lower than the customer's existing contract demand.

Prior to participation in this rate, contract amendments may be required for continued participation in certain other programs and rate overlays as determined at KUB's sole discretion.

Character of Service

Alternating current, single or three-phase, 60 hertz. Power shall be delivered at a transmission voltage of 161 kV or, if such transmission voltage is not available, at the highest voltage available in the vicinity, unless at the customer's request a lower standard voltage is agreed upon.

Rates

Customer Charge: \$1,500 per delivery point per month.

Administrative Charge: \$700 per delivery point per month.

Demand Charge:

Summer Period:

Onpeak Demand \$10.70 per kW per month of the customer's onpeak billing demand

Maximum Demand \$6.53 per kW per month of the customer's maximum billing demand

Excess Demand \$17.23 per kW per month for each kW of the amount, if any, by which (1) the customer's onpeak billing demand exceeds its onpeak contract demand or (2) the customer's offpeak billing demand exceeds its offpeak contract demand, whichever is higher

Winter Period:

Onpeak Demand \$9.69 per kW per month of the customer's onpeak billing demand

Maximum Demand \$6.53 per kW per month of the customer's maximum billing demand

Excess Demand \$16.22 per kW per month for each kW of the amount, if any, by which (1) the customer's onpeak billing demand exceeds its onpeak contract demand or (2) the customer's offpeak billing demand exceeds its offpeak contract demand, whichever is higher

Transition Period:

Onpeak Demand \$9.69 per kW per month of the customer's onpeak billing demand

Maximum Demand \$6.53 per kW per month of the customer's maximum billing demand

Excess Demand \$16.22 per kW per month for each kW of the amount, if any, by which (1) the customer's onpeak billing demand exceeds its onpeak contract demand or (2) the customer's offpeak billing demand exceeds its offpeak contract demand, whichever is higher

Energy Charge:

Summer Period:

Onpeak \$0.09709 per kWh per month for all metered onpeak kWh

Offpeak

Block 1 \$0.07097 per kWh per month for the first 200 hours use of onpeak metered demand multiplied by the ratio of offpeak energy to total energy

Block 2 \$0.04232 per kWh per month for the next 200 hours use of onpeak metered demand multiplied by the ratio of offpeak energy to total energy

Block 3 \$0.03966 per kWh per month for the hours use of onpeak metered demand in excess of 400 hours multiplied by the ratio of offpeak energy to total energy

Winter Period:

Onpeak \$0.08516 per kWh per month for all metered onpeak kWh

Offpeak

Block 1 \$0.07329 per kWh per month for the first 200 hours use of onpeak metered demand multiplied by the ratio of offpeak energy to total energy

Block 2 \$0.04232 per kWh per month for the next 200 hours use of onpeak metered demand multiplied by the ratio of offpeak energy to total energy

Block 3 \$0.03966 per kWh per month for the hours use of onpeak metered demand in excess of 400 hours multiplied by the ratio of offpeak energy to total energy

Transition Period:

Onpeak \$0.07422 per kWh per month for all metered onpeak kWh

Offpeak

Block 1 \$0.07422 per kWh per month for the first 200 hours use of onpeak metered demand multiplied by the ratio of offpeak energy to total energy

Block 2 \$0.04232 per kWh per month for the next 200 hours use of onpeak metered demand multiplied by the ratio of offpeak energy to total energy

Block 3 \$0.03966 per kWh per month for the hours use of onpeak metered demand in excess of 400 hours multiplied by the ratio of offpeak energy to total energy

For the Summer Period, Winter Period, and Transition Period, Offpeak Block 1 energy rates less fuel rate of \$0.01851 per kWh per month shall be applied to the portion, if any, of the minimum offpeak energy takings amount that is greater than the metered energy.

Facilities Rental Charge

There shall be no facilities rental charge under this rate schedule for delivery at bulk transmission voltage levels of 161kV or higher. For delivery at less than 161kV, there shall be added to the customer's bill a facilities rental charge. This charge shall be 37 cents per kW per month except for delivery at voltages below 46 kV, in which case the charge shall be 97 cents per kW per month for the first 10,000 kW and 76 cents per kW per month for the excess over 10,000 kW. Such charge shall be applied to the higher of (1) the highest billing demand established during the latest 12-consecutive-month period or (2) the higher of the customer's currently effective onpeak or offpeak contract demand and shall be in addition to all other charges under this rate schedule, including minimum bill charges.

Reactive Demand Charge

If the reactive demand (in kVAR) is lagging during the 30-consecutive-minute period beginning or ending on a clock hour of the month in which the customer's highest metered demand occurs, there shall be added to the customer's bill a reactive charge of \$1.46 per kVAR of the amount, if any, by which the reactive demand exceeds 33 percent of such metered demand. If the reactive demand (in kVAR) is leading during the 30-consecutive-minute period beginning or ending on a clock hour of the month in which the customer's lowest metered demand (excluding any metered demands which are less than 25 percent of the highest metered demand) occurs, there shall be added to the customer's bill a reactive charge of \$1.14 per kVAR of the amount of reactive demand. Such charges shall be in addition to all other charges under this rate schedule, including minimum bill charges.

Adjustment

Charges under this rate schedule may be increased or decreased to reflect changes in purchased power costs as determined by any purchased power adjustment adopted by the Board. Rates shown above are inclusive of the Purchased Power Adjustment for the current month.

Determination of Seasonal Periods

Summer Period shall mean the June, July, August, and September billing months. Winter Period shall mean the December, January, February, and March billing months. Transition Period shall mean the April, May, October, and November billing months. The Seasonal Periods under this rate schedule are subject to change by KUB. In the event KUB determines that changed Seasonal Periods are appropriate, such decision shall be made at least 11 months prior to the effective date of such changed periods, and KUB shall promptly notify customer.

Determination of Onpeak and Offpeak Hours

Except for Saturdays, Sundays, November 1, and the weekdays that are observed as Federal holidays for New Year's Day, Memorial Day, Independence Day, Labor Day, Thanksgiving Day, and Christmas Day, onpeak hours for each day shall for purposes of this rate schedule be 1 p.m. to 7 p.m. during the months of April, May, June, July, August, September and October and from 4 a.m. to 10 a.m. during the months of January, February, March, November, and December. All other hours of each day that are not otherwise defined as onpeak hours and all hours of such excepted days shall be offpeak hours. Such times shall be Central Standard Time or Central Daylight Time, whichever is then in effect. Said onpeak and offpeak hours are subject to change by KUB. In the event KUB determines that such changed onpeak and offpeak hours are appropriate, such decision shall be made at least 11 months prior to the effective date of such changed hours, and KUB shall promptly notify customer.

Determination of Onpeak and Offpeak Demands, Maximum Metered Demand, and Energy Amounts

The onpeak and offpeak kWh for any month shall be the energy amounts taken during the respective hours of the month designated under this rate schedule as onpeak and offpeak hours; provided, however, that notwithstanding the metered energy amount, the offpeak energy for any month shall in no case be less than the product of (1) the offpeak billing demand as calculated in the last sentence of the paragraph below and (2) 110 hours (reflecting a 15 percent load factor applied to the average number of hours in a month).

KUB shall meter the onpeak and offpeak demands in kW of all customers taking service under this rate schedule. The onpeak metered demand and offpeak metered demand for any month shall be determined separately for the respective hours of the month designated under this rate schedule as onpeak and offpeak hours and in each case shall be the highest average during any 30-consecutive-minute period beginning or ending on a clock hour of the month of the load metered in kW, and, except as provided below in this section, such amounts shall be used as the onpeak and offpeak billing demands.

The maximum billing demand for any month shall be the higher of (1) the highest onpeak billing demand in the month or (2) the highest offpeak billing demand in the month. The onpeak billing demand shall in no case be less than the sum of (1) 30 percent of the first 5,000 kW and (2) 40 percent of any kW in excess of 5,000 kW of the higher of the currently effective onpeak contract demand or the highest onpeak billing demand established during the preceding 12 months. The offpeak billing demand shall in no case be less than the sum of (1) 30 percent of the first 5,000 kW and (2) 40 percent of any kW in excess of 5,000 kW of the higher of the currently effective offpeak contract demand or the highest offpeak billing demand established during the preceding 12 months.

Minimum Bill

The monthly bill under this rate schedule, excluding any facilities rental charges and any reactive charges, shall not be less than the sum of (1) the base customer charge and administrative charge, (2) the portion of the base demand charge, as adjusted (but excluding the additional portion thereof applicable to excess of billing demand over contract demand) applicable to onpeak billing demand applied to the customer's onpeak billing demand, (3) the portion of the base demand charge, as adjusted, (but excluding the additional portion thereof applicable to excess of billing demand over contract demand) applicable to maximum billing demand applied to the customer's maximum billing demand, (4) the base onpeak energy charge, as adjusted, applied to the customer's onpeak energy takings, and (5) the base offpeak energy charge, as adjusted, applied to the higher of customer's actual offpeak energy takings or the minimum offpeak energy takings amount provided for in the first paragraph of the section of this rate schedule entitled "Determination of Onpeak and Offpeak Demands, Maximum Metered Demand, and Energy Amounts". Notwithstanding the foregoing, any fuel cost that is included in ***any purchased power adjustment adopted by the Board*** shall not be applied to any billed offpeak energy that exceeds the metered offpeak energy.

KUB may require minimum bills higher than those stated above.

Contract Requirement

KUB shall require contracts for all service provided under this rate schedule. The contract shall be for an initial term of at least five years and any renewals or extensions of the initial contract shall be for a term of at least one year; after ten years of service, any such contract for the renewal or extension of service may provide for termination upon not less than four months notice. The customer shall contract for its maximum requirements, which shall not exceed the amount of power capable of being used by customer, and KUB shall not be obligated to supply power in greater amount at any time than the customer's currently effective onpeak or offpeak contract demand. If the customer uses any power other than that supplied by KUB under this rate schedule, the contract may include other special provisions. The rate schedule in any power contract shall be subject to adjustment, modification, change, or replacement from time to time as approved by the Board.

Single Point Delivery

The charges under this rate schedule are based upon the supply of service through a single delivery point and at a single voltage. If service is supplied to the same customer through more than one point of delivery or at different voltages, the supply of service at each delivery point and at each different voltage shall be separately metered and billed.

Rules and Regulations

Service is subject to Rules and Regulations of KUB.

MANUFACTURING SERVICE POWER RATE - SCHEDULE MSB

Availability

This rate, subject to availability from TVA, shall be available for firm electric power requirements where (a) a customer's currently effective onpeak or offpeak contract demand, whichever is higher, is greater than 5,000 kW but not more than 15,000 kW, and (b) the major use of electricity is for activities conducted at the delivery point serving that customer which are classified with a 2-digit Standard Industrial Classification Code between 20 and 39, inclusive, or classified with 2002 North American Industry Classification System (NAICS) code 5181, or 2007 NAICS codes 5182, 522320, and 541214.

Prior to initially taking any service under this schedule, and from time to time thereafter as may be required by KUB, a customer shall certify to KUB that it meets the requirements set forth in condition (b) above. The certification form to be used shall be furnished by KUB to the customer, and signed and promptly returned by the customer to KUB. Further, such customer shall promptly certify any change in the status of any of the information contained in the certification form.

Service during any period for which a customer does not meet the eligibility requirements set forth in condition (b) above will be made available by KUB under, and billed in accordance with, the applicable General Power schedule.

For a customer requesting that its onpeak contract demand be different from its offpeak contract demand, this rate schedule shall be available only for (1) a new contract, (2) a replacement or renewal contract following expiration of the existing contract, or (3) a replacement or renewal contract or an amended existing contract in which the customer is increasing its demand requirements above the existing contract demand level, but under this item (3) neither the new onpeak nor the new offpeak contract demand shall be lower than the customer's existing contract demand.

Prior to participation in this rate, contract amendments may be required for continued participation in certain other programs and rate overlays as determined at KUB's sole discretion.

Character of Service

Alternating current, single or three-phase, 60 hertz. Power shall be delivered at a transmission voltage of 161 kV or, if such transmission voltage is not available, at the highest voltage available in the vicinity, unless at the customer's request a lower standard voltage is agreed upon.

Rates

Customer Charge: \$1,500 per delivery point per month.

Administrative Charge: \$700 per delivery point per month.

Demand Charge:

Summer Period:

Onpeak Demand \$10.59 per kW per month of the customer's onpeak billing demand

Maximum Demand \$3.41 per kW per month of the customer's maximum billing demand

Excess Demand \$14.00 per kW per month for each kW of the amount, if any, by which (1) the customer's onpeak billing demand exceeds its onpeak contract demand or (2) the customer's offpeak billing demand exceeds its offpeak contract demand, whichever is higher

Winter Period:

Onpeak Demand \$9.59 per kW per month of the customer's onpeak billing demand

Maximum Demand \$3.41 per kW per month of the customer's maximum billing demand

Excess Demand \$13.00 per kW per month for each kW of the amount, if any, by which (1) the customer's onpeak billing demand exceeds its onpeak contract demand or (2) the customer's offpeak billing demand exceeds its offpeak contract demand, whichever is higher

Transition Period:

Onpeak Demand \$9.59 per kW per month of the customer's onpeak billing demand

Maximum Demand \$3.41 per kW per month of the customer's maximum billing demand

Excess Demand \$13.00 per kW per month for each kW of the amount, if any, by which (1) the customer's onpeak billing demand exceeds its onpeak contract demand or (2) the customer's offpeak billing demand exceeds its offpeak contract demand, whichever is higher

Energy Charge:

Summer Period:

Onpeak \$0.08341 per kWh per month for all metered onpeak kWh

Offpeak

Block 1 \$0.05755 per kWh per month for the first 200 hours use of onpeak metered demand multiplied by the ratio of offpeak energy to total energy

Block 2 \$0.02685 per kWh per month for the next 200 hours use of onpeak metered demand multiplied by the ratio of offpeak energy to total energy

Block 3 \$0.02422 per kWh per month for the hours use of onpeak metered demand in excess of 400 hours multiplied by the ratio of offpeak energy to total energy

Winter Period:

Onpeak \$0.07161 per kWh per month for all metered onpeak kWh

Offpeak

Block 1 \$0.05986 per kWh per month for the first 200 hours use of onpeak metered demand multiplied by the ratio of offpeak energy to total energy

Block 2 \$0.02685 per kWh per month for the next 200 hours use of onpeak metered demand multiplied by the ratio of offpeak energy to total energy

Block 3 \$0.02422 per kWh per month for the hours use of onpeak metered demand in excess of 400 hours multiplied by the ratio of offpeak energy to total energy

Transition Period:

Onpeak \$0.06076 per kWh per month for all metered onpeak kWh

Offpeak

Block 1 \$0.06076 per kWh per month for the first 200 hours use of onpeak metered demand multiplied by the ratio of offpeak energy to total energy

Block 2 \$0.02685 per kWh per month for the next 200 hours use of onpeak metered demand multiplied by the ratio of offpeak energy to total energy

Block 3 \$0.02422 per kWh per month for the hours use of onpeak metered demand in excess of 400 hours multiplied by the ratio of offpeak energy to total energy

For the Summer Period, Winter Period, and Transition Period, Offpeak Block 1 energy rates less fuel rate of \$0.01851 per kWh per month shall be applied to the portion, if any, of the minimum offpeak energy takings amount that is greater than the metered energy.

Facilities Rental Charge

There shall be no facilities rental charge under this rate schedule for delivery at bulk transmission voltage levels of 161kV or higher. For delivery at less than 161kV, there shall be added to the customer's bill a facilities rental charge. This charge shall be 37 cents per kW per month except for delivery at voltages below 46 kV, in which case the charge shall be 97 cents per kW per month for the first 10,000 kW and 76 cents per kW per month for the excess over 10,000 kW. Such charge shall be applied to the higher of (1) the highest billing demand established during the latest 12-consecutive-month period or (2) the higher of the customer's currently effective onpeak or offpeak contract demand and shall be in addition to all other charges under this rate schedule, including minimum bill charges.

Reactive Demand Charge

If the reactive demand (in kVAR) is lagging during the 30-consecutive-minute period beginning or ending on a clock hour of the month in which the customer's highest metered demand occurs, there shall be added to the customer's bill a reactive charge of \$1.46 per kVAR of the amount, if any, by which the reactive demand exceeds 33 percent of such metered demand. If the reactive demand (in kVAR) is leading during the 30-consecutive-minute period beginning or ending on a clock hour of the month in which the customer's lowest metered demand (excluding any metered demands which are less than 25 percent of the highest metered demand) occurs, there shall be added to the customer's bill a reactive charge of \$1.14 per kVAR of the amount of reactive demand. Such charges shall be in addition to all other charges under this rate schedule, including minimum bill charges.

Adjustment

Charges under this rate schedule may be increased or decreased to reflect changes in purchased power costs as determined by any purchased power adjustment adopted by the Board. Rates shown above are inclusive of the Purchased Power Adjustment for the current month.

Determination of Seasonal Periods

Summer Period shall mean the June, July, August, and September billing months. Winter Period shall mean the December, January, February, and March billing months. Transition Period shall mean the April, May, October, and November billing months. The Seasonal Periods under this rate schedule are subject to change by KUB. In the event KUB determines that changed Seasonal Periods are appropriate, such decision shall be made at least 11 months prior to the effective date of such changed periods, and KUB shall promptly notify customer.

Determination of Onpeak and Offpeak Hours

Except for Saturdays, Sundays, November 1, and the weekdays that are observed as Federal holidays for New Year's Day, Memorial Day, Independence Day, Labor Day, Thanksgiving Day, and Christmas Day, onpeak hours for each day shall for purposes of this rate schedule be 1 p.m. to 7 p.m. during the months of April, May, June, July, August, September and October and from 4 a.m. to 10 a.m. during the months of January, February, March, November, and December. All other hours of each day that are not otherwise defined as onpeak hours and all hours of such excepted days shall be offpeak hours. Such times shall be Central Standard Time or Central Daylight Time, whichever is then in effect. Said onpeak and offpeak hours are subject to change by KUB. In the event KUB determines that such changed onpeak and offpeak hours are appropriate, such decision shall be made at least 11 months prior to the effective date of such changed hours, and KUB shall promptly notify customer.

Determination of Onpeak and Offpeak Demands, Maximum Metered Demand, and Energy Amounts

The onpeak and offpeak kWh for any month shall be the energy amounts taken during the respective hours of the month designated under this rate schedule as onpeak and offpeak hours; provided, however, that notwithstanding the metered energy amount, the offpeak energy for any month shall in no case be less than the product of (1) the offpeak billing demand as calculated in the last sentence of the paragraph below and (2) 110 hours (reflecting a 15 percent load factor applied to the average number of hours in a month).

KUB shall meter the onpeak and offpeak demands in kW of all customers taking service under this rate schedule. The onpeak metered demand and offpeak metered demand for any month shall be determined separately for the respective hours of the month designated under this rate schedule as onpeak and offpeak hours and in each case shall be the highest average during any 30-consecutive-minute period beginning or ending on a clock hour of the month of the load metered in kW, and, except as provided below in this section, such amounts shall be used as the onpeak and offpeak billing demands.

The maximum billing demand for any month shall be the higher of (1) the highest onpeak billing demand in the month or (2) the highest offpeak billing demand in the month. The onpeak billing demand shall in no case be less than the sum of (1) 30 percent of the first 5,000 kW and (2) 40 percent of any kW in excess of 5,000 kW of the higher of the currently effective onpeak contract demand or the highest onpeak billing demand established during the preceding 12 months. The offpeak billing demand shall in no case be less than the sum of (1) 30 percent of the first 5,000 kW and (2) 40 percent of any kW in excess of 5,000 kW of the higher of the currently effective offpeak contract demand or the highest offpeak billing demand established during the preceding 12 months.

Minimum Bill

The monthly bill under this rate schedule, excluding any facilities rental charges and any reactive charges, shall not be less than the sum of (1) the base customer charge and administrative charge, (2) the portion of the base demand charge, as adjusted (but excluding the additional portion thereof applicable to excess of billing demand over contract demand) applicable to onpeak billing demand applied to the customer's onpeak billing demand, (3) the portion of the base demand charge, as adjusted, (but excluding the additional portion thereof applicable to excess of billing demand over contract demand) applicable to maximum billing demand applied to the customer's maximum billing demand, (4) the base onpeak energy charge, as adjusted, applied to the customer's onpeak energy takings, and (5) the base offpeak energy charge, as adjusted, applied to the higher of customer's actual offpeak energy takings or the minimum offpeak energy takings amount provided for in the first paragraph of the section of this rate schedule entitled "Determination of Onpeak and Offpeak Demands, Maximum Metered Demand, and Energy Amounts". Notwithstanding the foregoing, any fuel cost that is included in ***any purchased power adjustment adopted by the Board*** shall not be applied to any billed offpeak energy that exceeds the metered offpeak energy.

KUB may require minimum bills higher than those stated above.

Contract Requirement

KUB shall require contracts for all service provided under this rate schedule. The contract shall be for an initial term of at least five years and any renewals or extensions of the initial contract shall be for a term of at least one year; after ten years of service, any such contract for the renewal or extension of service may provide for termination upon not less than four months notice. The customer shall contract for its maximum requirements, which shall not exceed the amount of power capable of being used by customer, and KUB shall not be obligated to supply power in greater amount at any time than the customer's currently effective onpeak or offpeak contract demand. If the customer uses any power other than that supplied by KUB under this rate schedule, the contract may include other special provisions. The rate schedule in any power contract shall be subject to adjustment, modification, change, or replacement from time to time as approved by the Board.

Single Point Delivery

The charges under this rate schedule are based upon the supply of service through a single delivery point and at a single voltage. If service is supplied to the same customer through more than one point of delivery or at different voltages, the supply of service at each delivery point and at each different voltage shall be separately metered and billed.

Rules and Regulations

Service is subject to Rules and Regulations of KUB.

MANUFACTURING SERVICE POWER RATE - SCHEDULE MSC

Availability

This rate, subject to availability from TVA, shall be available for firm electric power requirements where (a) a customer's currently effective onpeak or offpeak contract demand, whichever is higher, is greater than 15,000 kW but not more than 25,000 kW, and (b) the major use of electricity is for activities conducted at the delivery point serving that customer which are classified with a 2-digit Standard Industrial Classification Code between 20 and 39, inclusive, or classified with 2002 North American Industry Classification System (NAICS) code 5181, or 2007 NAICS codes 5182, 522320, and 541214.

Prior to initially taking any service under this schedule, and from time to time thereafter as may be required by KUB, a customer shall certify to KUB that it meets the requirements set forth in condition (b) above. The certification form to be used shall be furnished by KUB to the customer, and signed and promptly returned by the customer to KUB. Further, such customer shall promptly certify any change in the status of any of the information contained in the certification form.

Service during any period for which a customer does not meet the eligibility requirements set forth in condition (b) above will be made available by KUB under, and billed in accordance with, the applicable General Power schedule.

For a customer requesting that its onpeak contract demand be different from its offpeak contract demand, this rate schedule shall be available only for (1) a new contract, (2) a replacement or renewal contract following expiration of the existing contract, or (3) a replacement or renewal contract or an amended existing contract in which the customer is increasing its demand requirements above the existing contract demand level, but under this item (3) neither the new onpeak nor the new offpeak contract demand shall be lower than the customer's existing contract demand.

Prior to participation in this rate, contract amendments may be required for continued participation in certain other programs and rate overlays as determined at KUB's sole discretion.

Character of Service

Alternating current, single or three-phase, 60 hertz. Power shall be delivered at a transmission voltage of 161 kV or, if such transmission voltage is not available, at the highest voltage available in the vicinity, unless at the customer's request a lower standard voltage is agreed upon.

Rates

Customer Charge: \$1,500 per delivery point per month.

Administrative Charge: \$700 per delivery point per month.

Demand Charge:

Summer Period:

Onpeak Demand \$10.59 per kW per month of the customer's onpeak billing demand

Maximum Demand \$3.29 per kW per month of the customer's maximum billing demand

Excess Demand \$13.88 per kW per month for each kW of the amount, if any, by which (1) the customer's onpeak billing demand exceeds its onpeak contract demand or (2) the customer's offpeak billing demand exceeds its offpeak contract demand, whichever is higher

Winter Period:

Onpeak Demand \$9.59 per kW per month of the customer's onpeak billing demand

Maximum Demand \$3.29 per kW per month of the customer's maximum billing demand

Excess Demand \$12.88 per kW per month for each kW of the amount, if any, by which (1) the customer's onpeak billing demand exceeds its onpeak contract demand or (2) the customer's offpeak billing demand exceeds its offpeak contract demand, whichever is higher

Transition Period:

Onpeak Demand \$9.59 per kW per month of the customer's onpeak billing demand

Maximum Demand \$3.29 per kW per month of the customer's maximum billing demand

Excess Demand \$12.88 per kW per month for each kW of the amount, if any, by which (1) the customer's onpeak billing demand exceeds its onpeak contract demand or (2) the customer's offpeak billing demand exceeds its offpeak contract demand, whichever is higher

Energy Charge:

Summer Period:

Onpeak \$0.08268 per kWh per month for all metered onpeak kWh

Offpeak

Block 1 \$0.05681 per kWh per month for the first 200 hours use of onpeak metered demand multiplied by the ratio of offpeak energy to total energy

Block 2 \$0.02873 per kWh per month for the next 200 hours use of onpeak metered demand multiplied by the ratio of offpeak energy to total energy

Block 3 \$0.02873 per kWh per month for the hours use of onpeak metered demand in excess of 400 hours multiplied by the ratio of offpeak energy to total energy

Winter Period:

Onpeak \$0.07087 per kWh per month for all metered onpeak kWh

Offpeak

Block 1 \$0.05911 per kWh per month for the first 200 hours use of onpeak metered demand multiplied by the ratio of offpeak energy to total energy

Block 2 \$0.02873 per kWh per month for the next 200 hours use of onpeak metered demand multiplied by the ratio of offpeak energy to total energy

Block 3 \$0.02873 per kWh per month for the hours use of onpeak metered demand in excess of 400 hours multiplied by the ratio of offpeak energy to total energy

Transition Period:

Onpeak \$0.06002 per kWh per month for all metered onpeak kWh

Offpeak

Block 1 \$0.06002 per kWh per month for the first 200 hours use of onpeak metered demand multiplied by the ratio of offpeak energy to total energy

Block 2 \$0.02873 per kWh per month for the next 200 hours use of onpeak metered demand multiplied by the ratio of offpeak energy to total energy

Block 3 \$0.02873 per kWh per month for the hours use of onpeak metered demand in excess of 400 hours multiplied by the ratio of offpeak energy to total energy

For the Summer Period, Winter Period, and Transition Period, Offpeak Block 1 energy rates less fuel rate of \$0.01851 per kWh per month shall be applied to the portion, if any, of the minimum offpeak energy takings amount that is greater than the metered energy.

Facilities Rental Charge

There shall be no facilities rental charge under this rate schedule for delivery at bulk transmission voltage levels of 161kV or higher. For delivery at less than 161kV, there shall be added to the customer's bill a facilities rental charge. This charge shall be 37 cents per kW per month except for delivery at voltages below 46 kV, in which case the charge shall be 97 cents per kW per month for the first 10,000 kW and 76 cents per kW per month for the excess over 10,000 kW. Such charge shall be applied to the higher of (1) the highest billing demand established during the latest 12-consecutive-month period or (2) the higher of the customer's currently effective onpeak or offpeak contract demand and shall be in addition to all other charges under this rate schedule, including minimum bill charges.

Reactive Demand Charge

If the reactive demand (in kVAR) is lagging during the 30-consecutive-minute period beginning or ending on a clock hour of the month in which the customer's highest metered demand occurs, there shall be added to the customer's bill a reactive charge of \$1.46 per kVAR of the amount, if any, by which the reactive demand exceeds 33 percent of such metered demand. If the reactive demand (in kVAR) is leading during the 30-consecutive-minute period beginning or ending on a clock hour of the month in which the customer's lowest metered demand (excluding any metered demands which are less than 25 percent of the highest metered demand) occurs, there shall be added to the customer's bill a reactive charge of \$1.14 per kVAR of the amount of reactive demand. Such charges shall be in addition to all other charges under this rate schedule, including minimum bill charges.

Adjustment

Charges under this rate schedule may be increased or decreased to reflect changes in purchased power costs as determined by any purchased power adjustment adopted by the Board. Rates shown above are inclusive of the Purchased Power Adjustment for the current month.

Determination of Seasonal Periods

Summer Period shall mean the June, July, August, and September billing months. Winter Period shall mean the December, January, February, and March billing months. Transition Period shall mean the April, May, October, and November billing months. The Seasonal Periods under this rate schedule are subject to change by KUB. In the event KUB determines that changed Seasonal Periods are appropriate, such decision shall be made at least 11 months prior to the effective date of such changed periods, and KUB shall promptly notify customer.

Determination of Onpeak and Offpeak Hours

Except for Saturdays, Sundays, November 1, and the weekdays that are observed as Federal holidays for New Year's Day, Memorial Day, Independence Day, Labor Day, Thanksgiving Day, and Christmas Day, onpeak hours for each day shall for purposes of this rate schedule be 1 p.m. to 7 p.m. during the months of April, May, June, July, August, September and October and from 4 a.m. to 10 a.m. during the months of January, February, March, November, and December. All other hours of each day that are not otherwise defined as onpeak hours and all hours of such excepted days shall be offpeak hours. Such times shall be Central Standard Time or Central Daylight Time, whichever is then in effect. Said onpeak and offpeak hours are subject to change by KUB. In the event KUB determines that such changed onpeak and offpeak hours are appropriate, such decision shall be made at least 11 months prior to the effective date of such changed hours, and KUB shall promptly notify customer.

Determination of Onpeak and Offpeak Demands, Maximum Metered Demand, and Energy Amounts

The onpeak and offpeak kWh for any month shall be the energy amounts taken during the respective hours of the month designated under this rate schedule as onpeak and offpeak hours; provided, however, that notwithstanding the metered energy amount, the offpeak energy for any month shall in no case be less than the product of (1) the offpeak billing demand as calculated in the last sentence of the paragraph below and (2) 110 hours (reflecting a 15 percent load factor applied to the average number of hours in a month).

KUB shall meter the onpeak and offpeak demands in kW of all customers taking service under this rate schedule. The onpeak metered demand and offpeak metered demand for any month shall be determined separately for the respective hours of the month designated under this rate schedule as onpeak and offpeak hours and in each case shall be the highest average during any 30-consecutive-minute period beginning or ending on a clock hour of the month of the load metered in kW, and, except as provided below in this section, such amounts shall be used as the onpeak and offpeak billing demands.

The maximum billing demand for any month shall be the higher of (1) the highest onpeak billing demand in the month or (2) the highest offpeak billing demand in the month. The onpeak billing demand shall in no case be less than the sum of (1) 30 percent of the first 5,000 kW, (2) 40 percent of the next 20,000 kW, and (3) 50 percent of any kW in excess of 25,000 kW of the higher of the currently effective onpeak contract demand or the highest onpeak billing demand established during the preceding 12 months. The offpeak billing demand shall in no case be less than the sum of (1) 30 percent of the first 5,000 kW, (2) 40 percent of the next 20,000 kW, and (3) 50 percent of any kW in excess of 25,000 kW of the higher of the currently effective offpeak contract demand or the highest offpeak billing demand established during the preceding 12 months.

Minimum Bill

The monthly bill under this rate schedule, excluding any facilities rental charges and any reactive charges, shall not be less than the sum of (1) the base customer charge and administrative charge, (2) the portion of the base demand charge, as adjusted (but excluding the additional portion thereof applicable to excess of billing demand over contract demand) applicable to onpeak billing demand applied to the customer's onpeak billing demand, (3) the portion of the base demand charge, as adjusted, (but excluding the additional portion thereof applicable to excess of billing demand over contract demand) applicable to maximum billing demand applied to the customer's maximum billing demand, (4) the base onpeak energy charge, as adjusted, applied to the customer's onpeak energy takings, and (5) the base offpeak energy charge, as adjusted, applied to the higher of customer's actual offpeak energy takings or the minimum offpeak energy takings amount provided for in the first paragraph of the section of this rate schedule entitled "Determination of Onpeak and Offpeak Demands, Maximum Metered Demand, and Energy Amounts". Notwithstanding the foregoing, any fuel cost that is included in ***any purchased power adjustment adopted by the Board*** shall not be applied to any billed offpeak energy that exceeds the metered offpeak energy.

KUB may require minimum bills higher than those stated above.

Contract Requirement

KUB shall require contracts for all service provided under this rate schedule. The contract shall be for an initial term of at least five years and any renewals or extensions of the initial contract shall be for a term of at least one year; after ten years of service, any such contract for the renewal or extension of service may provide for termination upon not less than four months notice. The customer shall contract for its maximum requirements, which shall not exceed the amount of power capable of being used by customer, and KUB shall not be obligated to supply power in greater amount at any time than the customer's currently effective onpeak or offpeak contract demand. If the customer uses any power other than that supplied by KUB under this rate schedule, the contract may include other special provisions. The rate schedule in any power contract shall be subject to adjustment, modification, change, or replacement from time to time as approved by the Board.

Single Point Delivery

The charges under this rate schedule are based upon the supply of service through a single delivery point and at a single voltage. If service is supplied to the same customer through more than one point of delivery or at different voltages, the supply of service at each delivery point and at each different voltage shall be separately metered and billed.

Rules and Regulations

Service is subject to Rules and Regulations of KUB.

MANUFACTURING SERVICE POWER RATE - SCHEDULE MSD

Availability

This rate, subject to availability from TVA, shall be available for firm electric power requirements where (a) a customer's currently effective onpeak or offpeak contract demand, whichever is higher, is greater than 25,000 kW, and (b) the major use of electricity is for activities conducted at the delivery point serving that customer which are classified with a 2-digit Standard Industrial Classification Code between 20 and 39, inclusive, or classified with 2002 North American Industry Classification System (NAICS) code 5181, or 2007 NAICS codes 5182, 522320, and 541214.

Prior to initially taking any service under this schedule, and from time to time thereafter as may be required by KUB, a customer shall certify to KUB that it meets the requirements set forth in condition (b) above. The certification form to be used shall be furnished by KUB to the customer, and signed and promptly returned by the customer to KUB. Further, such customer shall promptly certify any change in the status of any of the information contained in the certification form.

Service during any period for which a customer does not meet the eligibility requirements set forth in condition (b) above will be made available by KUB under, and billed in accordance with, the applicable General Power schedule.

For a customer requesting that its onpeak contract demand be different from its offpeak contract demand, this rate schedule shall be available only for (1) a new contract, (2) a replacement or renewal contract following expiration of the existing contract, or (3) a replacement or renewal contract or an amended existing contract in which the customer is increasing its demand requirements above the existing contract demand level, but under this item (3) neither the new onpeak nor the new offpeak contract demand shall be lower than the customer's existing contract demand.

Prior to participation in this rate, contract amendments may be required for continued participation in certain other programs and rate overlays as determined at KUB's sole discretion.

Character of Service

Alternating current, single or three-phase, 60 hertz. Power shall be delivered at a transmission voltage of 161 kV or, if such transmission voltage is not available, at the highest voltage available in the vicinity, unless at the customer's request a lower standard voltage is agreed upon.

Rates

Customer Charge: \$1,500 per delivery point per month.

Administrative Charge: \$700 per delivery point per month.

Demand Charge:

Summer Period:

Onpeak Demand \$10.59 per kW per month of the customer's onpeak billing demand

Maximum Demand \$2.85 per kW per month of the customer's maximum billing demand

Excess Demand \$13.44 per kW per month for each kW of the amount, if any, by which (1) the customer's onpeak billing demand exceeds its onpeak contract demand or (2) the customer's offpeak billing demand exceeds its offpeak contract demand, whichever is higher

Winter Period:

Onpeak Demand \$9.59 per kW per month of the customer's onpeak billing demand

Maximum Demand \$2.85 per kW per month of the customer's maximum billing demand

Excess Demand \$12.44 per kW per month for each kW of the amount, if any, by which (1) the customer's onpeak billing demand exceeds its onpeak contract demand or (2) the customer's offpeak billing demand exceeds its offpeak contract demand, whichever is higher

Transition Period:

Onpeak Demand \$9.59 per kW per month of the customer's onpeak billing demand

Maximum Demand \$2.85 per kW per month of the customer's maximum billing demand

Excess Demand \$12.44 per kW per month for each kW of the amount, if any, by which (1) the customer's onpeak billing demand exceeds its onpeak contract demand or (2) the customer's offpeak billing demand exceeds its offpeak contract demand, whichever is higher

Energy Charge:

Summer Period:

Onpeak	\$0.07903 per kWh per month for all metered onpeak kWh
Offpeak	
Block 1	\$0.05318 per kWh per month for the first 200 hours use of onpeak metered demand multiplied by the ratio of offpeak energy to total energy
Block 2	\$0.02569 per kWh per month for the next 200 hours use of onpeak metered demand multiplied by the ratio of offpeak energy to total energy
Block 3	\$0.02509 per kWh per month for the hours use of onpeak metered demand in excess of 400 hours multiplied by the ratio of offpeak energy to total energy

Winter Period:

Onpeak	\$0.06723 per kWh per month for all metered onpeak kWh
Offpeak	
Block 1	\$0.05546 per kWh per month for the first 200 hours use of onpeak metered demand multiplied by the ratio of offpeak energy to total energy
Block 2	\$0.02569 per kWh per month for the next 200 hours use of onpeak metered demand multiplied by the ratio of offpeak energy to total energy
Block 3	\$0.02509 per kWh per month for the hours use of onpeak metered demand in excess of 400 hours multiplied by the ratio of offpeak energy to total energy

Transition Period:

Onpeak	\$0.05637 per kWh per month for all metered onpeak kWh
Offpeak	
Block 1	\$0.05637 per kWh per month for the first 200 hours use of onpeak metered demand multiplied by the ratio of offpeak energy to total energy
Block 2	\$0.02569 per kWh per month for the next 200 hours use of onpeak metered demand multiplied by the ratio of offpeak energy to total energy

Block 3 \$0.02509 per kWh per month for the hours use of onpeak metered demand in excess of 400 hours multiplied by the ratio of offpeak energy to total energy

For the Summer Period, Winter Period, and Transition Period, Offpeak Block 1 energy rates less fuel rate of \$0.01851 per kWh per month shall be applied to the portion, if any, of the minimum offpeak energy takings amount that is greater than the metered energy.

Facilities Rental Charge

There shall be no facilities rental charge under this rate schedule for delivery at bulk transmission voltage levels of 161kV or higher. For delivery at less than 161kV, there shall be added to the customer's bill a facilities rental charge. This charge shall be 37 cents per kW per month except for delivery at voltages below 46 kV, in which case the charge shall be 97 cents per kW per month for the first 10,000 kW and 76 cents per kW per month for the excess over 10,000 kW. Such charge shall be applied to the higher of (1) the highest billing demand established during the latest 12-consecutive-month period or (2) the higher of the customer's currently effective onpeak or offpeak contract demand and shall be in addition to all other charges under this rate schedule, including minimum bill charges.

Reactive Demand Charge

If the reactive demand (in kVAR) is lagging during the 30-consecutive-minute period beginning or ending on a clock hour of the month in which the customer's highest metered demand occurs, there shall be added to the customer's bill a reactive charge of \$1.46 per kVAR of the amount, if any, by which the reactive demand exceeds 33 percent of such metered demand. If the reactive demand (in kVAR) is leading during the 30-consecutive-minute period beginning or ending on a clock hour of the month in which the customer's lowest metered demand (excluding any metered demands which are less than 25 percent of the highest metered demand) occurs, there shall be added to the customer's bill a reactive charge of \$1.14 per kVAR of the amount of reactive demand. Such charges shall be in addition to all other charges under this rate schedule, including minimum bill charges.

Adjustment

Charges under this rate schedule may be increased or decreased to reflect changes in purchased power costs as determined by any purchased power adjustment adopted by the Board. Rates shown above are inclusive of the Purchased Power Adjustment for the current month.

Determination of Seasonal Periods

Summer Period shall mean the June, July, August, and September billing months. Winter Period shall mean the December, January, February, and March billing months. Transition Period shall mean the April, May, October, and November billing months. The Seasonal Periods under this rate schedule are subject to change by KUB. In the event KUB determines that changed Seasonal Periods are appropriate, such decision shall be made at least 11 months prior to the effective date of such changed periods, and KUB shall promptly notify customer.

Determination of Onpeak and Offpeak Hours

Except for Saturdays, Sundays, November 1, and the weekdays that are observed as Federal holidays for New Year's Day, Memorial Day, Independence Day, Labor Day, Thanksgiving Day, and Christmas Day, onpeak hours for each day shall for purposes of this rate schedule be 1 p.m. to 7 p.m. during the months of April, May, June, July, August, September and October and from 4 a.m. to 10 a.m. during the months of January, February, March, November, and December. All other hours of each day that are not otherwise defined as onpeak hours and all hours of such excepted days shall be offpeak hours. Such times shall be Central Standard Time or Central Daylight Time, whichever is then in effect. Said onpeak and offpeak hours are subject to change by KUB. In the event KUB determines that such changed onpeak and offpeak hours are appropriate, such decision shall be made at least 11 months prior to the effective date of such changed hours, and KUB shall promptly notify customer.

Determination of Onpeak and Offpeak Demands, Maximum Metered Demand, and Energy Amounts

The onpeak and offpeak kWh for any month shall be the energy amounts taken during the respective hours of the month designated under this rate schedule as onpeak and offpeak hours; provided, however, that notwithstanding the metered energy amount, the offpeak energy for any month shall in no case be less than the product of (1) the offpeak billing demand as calculated in the last sentence of the paragraph below and (2) 110 hours (reflecting a 15 percent load factor applied to the average number of hours in a month).

KUB shall meter the onpeak and offpeak demands in kW of all customers taking service under this rate schedule. The onpeak metered demand and offpeak metered demand for any month shall be determined separately for the respective hours of the month designated under this rate schedule as onpeak and offpeak hours and in each case shall be the highest average during any 30-consecutive-minute period beginning or ending on a clock hour of the month of the load metered in kW, and, except as provided below in this section, such amounts shall be used as the onpeak and offpeak billing demands.

The maximum billing demand for any month shall be the higher of (1) the highest onpeak billing demand in the month or (2) the highest offpeak billing demand in the month. The onpeak billing demand shall in no case be less than the sum of (1) 30 percent of the first 5,000 kW and (2) 40 percent of the next 20,000 kW (3) 50 percent of the next 25,000 kW, (4) 60 percent of the next 50,000 kW, (5) 70 percent of the next 100,000 kW, (6) 80 percent of the next 150,000 kW, and (7) 85 percent of all kW in excess of 350,000 kW of the higher of the currently effective onpeak contract demand or the highest onpeak billing demand established during the preceding 12 months. The offpeak billing demand shall in no case be less than the sum of (1) 30 percent of the first 5,000 kW, (2) 40 percent of the next 20,000 kW, (3) 50 percent of the next 25,000 kW, (4) 60 percent of the next 50,000 kW, and (5) 70 percent of the next 100,000 kW, (6) 80 percent of the next 150,000 kW, and (7) 85 percent of all kW in excess of 350,000 kW of the higher of the currently effective offpeak contract demand or the highest offpeak billing demand established during the preceding 12 months.

Minimum Bill

The monthly bill under this rate schedule, excluding any facilities rental charges and any reactive charges, shall not be less than the sum of (1) the base customer charge and administrative charge, (2) the portion of the base demand charge, as adjusted (but excluding the additional portion thereof applicable to excess of billing demand over contract demand) applicable to onpeak billing demand applied to the customer's onpeak billing demand, (3) the portion of the base demand charge, as adjusted, (but excluding the additional portion thereof applicable to excess of billing demand over contract demand) applicable to maximum billing demand applied to the customer's maximum billing demand, (4) the base onpeak energy charge, as adjusted, applied to the customer's onpeak energy takings, and (5) the base offpeak energy charge, as adjusted, applied to the higher of customer's actual offpeak energy takings or the minimum offpeak energy takings amount provided for in the first paragraph of the section of this rate schedule entitled "Determination of Onpeak and Offpeak Demands, Maximum Metered Demand, and Energy Amounts". Notwithstanding the foregoing, any fuel cost that is included in ***any purchased power adjustment adopted by the Board*** shall not be applied to any billed offpeak energy that exceeds the metered offpeak energy.

KUB may require minimum bills higher than those stated above.

Contract Requirement

KUB shall require contracts for all service provided under this rate schedule. The contract shall be for an initial term of at least five years and any renewals or extensions of the initial contract shall be for a term of at least five years; after ten years of service, any such contract for the renewal or extension of service may provide for termination upon not less than sixteen months notice. The customer shall contract for its maximum requirements, which shall not exceed the amount of power capable of being used by customer, and KUB shall not be obligated to supply power in greater amount at any time than the customer's

currently effective onpeak or offpeak contract demand. If the customer uses any power other than that supplied by KUB under this rate schedule, the contract may include other special provisions. The rate schedule in any power contract shall be subject to adjustment, modification, change, or replacement from time to time as approved by the Board.

Single Point Delivery

The charges under this rate schedule are based upon the supply of service through a single delivery point and at a single voltage. If service is supplied to the same customer through more than one point of delivery or at different voltages, the supply of service at each delivery point and at each different voltage shall be separately metered and billed.

Rules and Regulations

Service is subject to Rules and Regulations of KUB.

ELECTRIC VEHICLE CHARGING POWER RATE - SCHEDULE EVC

Availability

This rate shall exclusively apply to separately metered charging stations for electric vehicles where the charging station's demand is greater than 50 kW but not more than 5,000 kW.

All customers participating under this rate schedule shall agree to a full requirements service from KUB. In addition, customers must agree that the sole use of the electric service is for the purpose of charging electric vehicles used for transportation purposes only.

Character of Service

Alternating current, single- or three-phase, 60 hertz. Power shall be delivered at a transmission voltage of 161 kV or, if such transmission voltage is not available, at the highest voltage available in the vicinity, unless at the customer's request a lower standard voltage is agreed upon.

Rates

Customer Charge: \$104.00 per delivery point per month

Monthly Energy Charge: Onpeak \$0.32263 per kWh for all metered onpeak kWh
 Offpeak \$0.20526 per kWh for all metered offpeak kWh

Adjustment

Charges under this rate schedule may be increased or decreased to reflect changes in purchased power costs as determined by any purchased power adjustment adopted by the Board. Rates shown above are inclusive of the Purchased Power Adjustment for the current month.

Determination of Seasonal Periods

Summer Period shall mean the June, July, August, and September billing months. Winter Period shall mean the December, January, February, and March billing months. Transition Period shall mean the April, May, October, and November billing months. The Seasonal Periods under this rate schedule are subject to change by KUB. In the event KUB determines that changed Seasonal Periods are appropriate, such decision shall be made at least 11 months prior to the effective date of such changed periods, and KUB shall promptly notify customer.

Determination of Onpeak and Offpeak Hours

Except for Saturdays, Sundays, November 1, and the weekdays that are observed as Federal holidays for New Year's Day, Memorial Day, Independence Day, Labor Day, Thanksgiving Day, and Christmas Day, onpeak hours for each day shall for purposes of this rate schedule be from 2 p.m. to 8 p.m. during the months of April, May, June, July, August, September and October and from 5 a.m. to 11 a.m. during the months of January, February, March, November, and December. For all other hours of each day and all hours of such excepted days shall be offpeak hours. Such times shall be EST or EDT, whichever is then in effect. Said onpeak and offpeak hours are subject to change by KUB. In the event KUB determines that such changed onpeak and offpeak hours are appropriate, such decision shall be made at least 11 months prior to the effective date of such changed hours, and KUB shall promptly notify customer.

Minimum Bill

The base customer charge constitutes the minimum monthly bill for all customers served under this rate schedule except those customers for which a higher minimum monthly bill is required under KUB's standard policy because of special circumstances affecting the cost of rendering service.

Contract Requirement

At its sole discretion, KUB may require contracts for service provided under this rate schedule and such contracts shall be for an initial term of at least 90 days. The customer shall contract for its maximum requirements, which shall not exceed the amount of power capable of being used by customer, and KUB shall not be obligated to supply power in greater amount at any time than the customer's currently effective contract demand. The customer is prohibited from using any power other than that supplied by KUB under this rate schedule. All other power sources are prohibited. The contract may include other special provisions. The rate schedule in any power contract shall be subject to adjustment, modification, change, or replacement from time to time as approved by the Board.

After having received service for at least 90 days under this rate schedule, the customer, subject to 90 days prior written notice and appropriate amendments in its power contract with KUB, may receive service under the General Power Time-Of-Use Rate - Schedule GSA TOU. In such case the term of the power contract shall remain the same and the contract demand for service under the General Power Time-Of-Use Rate - Schedule GSA TOU shall not be less than the contract demand in effect when service was taken under this rate schedule.

Single-Point Delivery

The charges under this rate schedule are based upon the supply of service through a single delivery and metering point, and at a single voltage. If service is supplied to the same customer through more than one point of delivery or at different voltages, the supply of service at each delivery and metering point and at each different voltage shall be separately metered and billed.

Rules and Regulations

Service is subject to Rules and Regulations of KUB.

POWERFLEX

Availability

KUB provides PowerFlex to qualified power users through its wholesale power supplier, the Tennessee Valley Authority (TVA), in accordance with the power supply contract between KUB and TVA.

PowerFlex shall be made available to qualified power users pursuant to specific contractual arrangements between KUB and the customer (such contractual arrangements may be contained in one or more written instruments and are hereinafter sometimes referred to as the "Agreement").

Charges for PowerFlex

KUB Administrative Charge: \$350.00 per month

All other PowerFlex related charges including TVA Administrative Cost Charges shall be established in accordance with the Agreement.

Interruptibility

PowerFlex furnished to a customer under the Agreement shall be subject to interruption and to suspension of availability as provided for in the Agreement.

Rules and Regulations

Service is subject to Rules and Regulations of KUB.

INTERRUPTIBLE POWER 5 (IP5)

Availability

KUB provides Interruptible Power 5 (IP5) to qualified power users through its wholesale power supplier, the Tennessee Valley Authority (TVA), in accordance with the power supply contract between KUB and TVA.

IP5 shall be made available to qualified power users pursuant to specific contractual arrangements between KUB and the customer (such contractual arrangements may be contained in one or more written instruments and are hereinafter sometimes referred to as the "Contract").

Charges for IP5

KUB Administrative Charge: \$350.00 per month

All other IP5-related charges including TVA Administrative Cost Charges shall be established in accordance with the Contract.

Interruptibility

IP5 furnished to a customer under the Contract shall be subject to interruption and to suspension of availability as provided for in the Contract.

Rules and Regulations

Service is subject to Rules and Regulations of KUB.

INTERRUPTIBLE POWER 30 (IP30)

Availability

KUB provides Interruptible Power 30 (IP30) to qualified power users through its wholesale power supplier, the Tennessee Valley Authority (TVA), in accordance with the power supply contract between KUB and TVA.

IP30 shall be made available to qualified power users pursuant to specific contractual arrangements between KUB and the customer (such contractual arrangements may be contained in one or more written instruments and are hereinafter sometimes referred to as the "Contract").

Charges for IP30

KUB Administrative Charge: \$350.00 per month

All other IP30-related charges including TVA Administrative Cost Charges shall be established in accordance with the Contract.

Interruptibility

IP30 furnished to a customer under the Contract shall be subject to interruption and to suspension of availability as provided for in the Contract.

Rules and Regulations

Service is subject to Rules and Regulations of KUB.

TWO-PART REAL TIME PRICING (RTP)

Availability

KUB provides Two-Part Real Time Pricing (Two-Part RTP) to qualified general power users through its wholesale power supplier, the Tennessee Valley Authority (TVA), in accordance with the power supply contract between KUB and TVA.

Two-Part RTP shall be made available to qualified general power users pursuant to specific contractual arrangements between KUB and the customer (such contractual arrangements may be contained in one or more written instruments and are hereinafter sometimes referred to as the "Contract").

Charges for Two-Part RTP

KUB Administrative Charge: \$350.00 per month

All other Two-Part RTP charges including TVA Administrative Charges shall be established in accordance with the Contract.

Interruptibility

Two-Part RTP furnished to a customer under the Contract may be subject to interruption and to suspension of availability as provided for in the Contract.

Rules and Regulations

Service is subject to Rules and Regulations of KUB.

START-UP AND TESTING POWER (STP)

Availability

KUB provides Start-up and Testing Power (STP) to qualified power users through its wholesale power supplier, the Tennessee Valley Authority (TVA), in accordance with the power supply contract between KUB and TVA.

STP shall be made available to qualified power users pursuant to specific contractual arrangements between KUB and the customer (such contractual arrangements may be contained in one or more written instruments and are hereinafter sometimes referred to as the "Contract").

Charges for STP

KUB Administrative Charge: \$350.00 per month

All other STP-related charges including TVA Administrative Cost Charges shall be established in accordance with the Contract.

Interruptibility

STP furnished to a customer under the Contract shall be subject to interruption and to suspension of availability as provided for in the Contract.

Rules and Regulations

Service is subject to Rules and Regulations of KUB.

RESIDENTIAL POWER TIME-OF-USE RATE - SCHEDULE RS-TOU

Availability

Service under this rate schedule shall be available only to residential customers served individually through a separate meter or through a KUB-approved multiple meter configuration designed as a single billing point.

Character of Service

Alternating current, single-phase, 60 hertz. Power shall be delivered at a service voltage available in the vicinity or agreed to by KUB. Multi-phase service shall be supplied in accordance with KUB's standard policy.

Rates

Basic Service Charge:	\$20.50 per month
Monthly Energy Charge:	Onpeak: \$0.21366 per kWh
	Offpeak: \$0.08190 per kWh

Adjustment

Charges under this rate schedule may be increased or decreased to reflect changes in purchased power costs as determined by any purchased power adjustment adopted by the Board. Rates shown above are inclusive of the Purchased Power Adjustment for the current month.

Determination of Onpeak and Offpeak Hours *All hours stated in Eastern Prevailing Time*

Weekdays (Monday - Friday)

Onpeak	2 PM to 8 PM calendar months April through October 5 AM to 11 AM calendar months November through March
Offpeak	All other hours

Weekends (Saturday – Sunday) and Holidays - all hours are Offpeak

Holidays include the weekdays that are observed as holidays:
New Year's Day, Memorial Day, Independence Day, Labor Day, Thanksgiving Day, and Christmas Day

Minimum Bill

The basic service charge constitutes the minimum monthly bill for all customers served under this rate schedule except those customers for which a higher minimum monthly bill is required under KUB's standard policy because of special circumstances affecting the cost of rendering service.

Single Point Delivery

The charges under this rate schedule are based upon the supply of service through a single delivery and at a single voltage.

Rules and Regulations

Service is subject to Rules and Regulations of KUB.

GENERAL POWER TIME-OF-USE RATE - SCHEDULE GSA-TOU

Availability

This rate shall be available for the firm power requirements for electric service to non-residential customers, where a customer's contract demand is 1,000 kW or less.

Character of Service

Alternating current, single or three-phase, 60 hertz. Power shall be delivered at a service voltage available in the vicinity or agreed to by KUB.

Rates

1. If the higher of (a) the customer's currently effective contract demand, if any, or (b) its highest billing demand during the latest 12-month period is not more than 50 kW:

Customer Charge: \$33.00 per delivery point per month

Monthly Demand Charge: \$2.27 per kW of maximum billing demand

Monthly Energy Charge:	Onpeak	\$0.21999 per kWh
	Offpeak	\$0.08768 per kWh

- 2A. If the higher of (a) the customer's currently effective contract demand or (b) its highest billing demand during the latest 12-month period is greater than 50 kW but not more than 100 kW:

Customer Charge: \$125.00 per delivery point per month

Monthly Demand Charge: \$5.16 per kW of maximum billing demand

Monthly Energy Charge:	Onpeak	\$0.23388 per kWh
	Offpeak	\$0.10157 per kWh

2B.If the higher of (a) the customer's currently effective contract demand or (b) its highest billing demand during the latest 12-month period is greater than 100 kW but not more than 1,000 kW:

Customer Charge: \$143.00 per delivery point per month

Monthly Demand Charge: \$7.58 per kW of maximum billing demand

Monthly Energy Charge: Onpeak \$0.20749 per kWh
Offpeak \$0.07518 per kWh

3. If the higher of (a) the customer's currently effective contract demand or (b) its highest billing demand during the latest 12-month period is greater than 1,000 kW, these customers are not eligible for the GSA-TOU rate schedule. The customer will be removed from this rate and billed under the default General Power Rate – Schedule GSA unless the customer qualifies and selects TDGSA or TDMSA rates.

Adjustment

Charges under this rate schedule may be increased or decreased to reflect changes in purchased power costs as determined by any purchased power adjustment adopted by the Board. Rates shown above are inclusive of the Purchased Power Adjustment for the current month.

Determination of Onpeak and Offpeak Hours *All hours stated in Eastern Prevailing Time*

Weekdays (Monday - Friday)

Onpeak 2 PM to 8 PM calendar months April through October
5 AM to 11 AM calendar months November through March

Offpeak All other hours

Weekends (Saturday – Sunday) and Holidays - all hours are Offpeak

Holidays include the weekdays that are observed as holidays:
New Year's Day, Memorial Day, Independence Day, Labor Day, Thanksgiving Day, and Christmas Day

Determination of Demand

KUB shall meter the demands in kW of all customers served under the GSA-TOU rate schedule. The Metered Demand for any month shall be the highest average during any 30-minute-consecutive period of the month of the load metered in kW. The Measured Demand for any month shall be the higher of (a) or (b) below.

The Billing Demand for any month shall be **the higher of** the following:

- (a) Metered Demand
- (b) 85 percent of the load in kVA
- (c) 30 percent of the higher of the currently effective contract demand or the highest billing demand established during the preceding 12 months.

Minimum Bill

The monthly bill under this rate schedule shall not be less than the sum of (a) the customer charge, (b) the demand charge, as adjusted, applied to the customer's billing demand, and (c) the energy charges, as adjusted, applied to the customer's energy takings.

KUB may require minimum bills higher than those stated above.

Contract Requirements

At its sole discretion, KUB may require contracts for service provided under this rate schedule and such contracts shall be for an initial term of at least one year. The customer shall contract for its maximum requirements, which shall not exceed the amount of power capable of being used by customer, and KUB shall not be obligated to supply power in greater amount at any time than the customer's currently effective contract demand. If the customer uses any power other than that supplied by KUB under this rate schedule, the contract may include other special provisions. The rate schedule in any power contract shall be subject to adjustment, modification, change, or replacement from time to time as approved by the Board.

Single – Point Delivery

The charges under this rate schedule are based upon the supply of service through a single delivery and at a single voltage. If service is supplied to the same customer through more than one point of delivery or at different voltages, the supply of service at each delivery and metering point at each different voltage shall be separately metered and billed.

Rules and Regulations

Service is subject to Rules and Regulations of KUB.

RATE SCHEDULE EVCP - Electric Vehicle Charging Pump Rate

Availability

Service under Rate Schedule EVCP is available to any vehicle served at KUB owned EV charging stations. This fuel is solely for use for charging commercial or personal vehicles.

Rate

Base Rate

\$0.42 per kWh

Plus

All applicable local, state, and federal taxes and applicable transaction fees.

Other Charges

Idle fees and any other charges can be found in the KUB Electric Service Procedures.

Rules and Regulations

Service is subject to Rules and Regulations of KUB.

RESOLUTION 1493
EXHIBIT B
RATE SCHEDULES OF THE ELECTRIC DIVISION
EFFECTIVE APRIL 1, 2026

RESIDENTIAL POWER RATE - SCHEDULE RS

Availability

Service under this rate schedule shall be available only to residential customers served individually through a separate meter or through a KUB-approved multiple meter configuration designed as a single billing point.

Character of Service

Alternating current, single-phase, 60 hertz. Power shall be delivered at a service voltage available in the vicinity or agreed to by KUB. Multi-phase service shall be supplied in accordance with KUB's standard policy.

Rates

Basic Service Charge:	\$20.50 per month
Monthly Energy Charge:	Summer Period \$0.11071 per kWh
	Winter Period \$0.11030 per kWh
	Transition Period \$0.11030 per kWh

Adjustment

Charges under this rate schedule may be increased or decreased to reflect changes in purchased power costs as determined by any purchased power adjustment adopted by the Board. Rates shown above are inclusive of the Purchased Power Adjustment for the current month.

Determination of Seasonal Periods

Summer Period shall mean the June, July, August, and September billing months. Winter Period shall mean the December, January, February, and March billing months. Transition Period shall mean the April, May, October, and November billing months.

Minimum Bill

The basic service charge constitutes the minimum monthly bill for all customers served under this rate schedule except those customers for which a higher minimum monthly bill is required under KUB's standard policy because of special circumstances affecting the cost of rendering service.

Single Point Delivery

The charges under this rate schedule are based upon the supply of service through a single delivery and at a single voltage.

Rules and Regulations

Service is subject to Rules and Regulations of KUB.

GENERAL POWER RATE - SCHEDULE GSA

Availability

This rate shall be available for the firm power requirements for electric service to non-residential customers, where a customer's contract demand is 5,000 kW or less. This rate shall also apply to customers to whom service is not available under any other resale rate schedule.

Character of Service

Alternating current, single or three-phase, 60 hertz. Power shall be delivered at a service voltage available in the vicinity or agreed to by KUB.

Rates

1. If (a) the higher of (i) the customer's currently effective contract demand, if any, or (ii) its highest billing demand during the latest 12-month period is not more than 50 kW and (b) the customer's monthly energy takings for any month during such period do not exceed 15,000 kWh:

Customer Charge: \$34.00 per month

Monthly Demand Charge:

Summer Period	\$1.00 per kW of billing demand
Winter Period	\$1.00 per kW of billing demand
Transition Period	\$1.00 per kW of billing demand

Monthly Energy Charge:

Summer Period	\$0.12970 per kWh
Winter Period	\$0.12929 per kWh
Transition Period	\$0.12929 per kWh

2. If (a) the higher of (i) the customer's currently effective contract demand or (ii) its highest billing demand during the latest 12-month period is greater than 50 kW but not more than 1,000 kW or (b) the customer's billing demand is less than 50 kW and its energy takings for any month during such period exceed 15,000 kWh:

Customer Charge: \$145.00 per month

Monthly Demand Charge:

Summer Period	First 50 kW of billing demand	\$1.00 per kW
	Over 50 kW of billing demand	\$17.87 per kW
Winter Period	First 50 kW of billing demand	\$1.00 per kW
	Over 50 kW of billing demand	\$17.08 per kW
Transition Period	First 50 kW of billing demand	\$1.00 per kW
	Over 50 kW of billing demand	\$17.08 per kW

Monthly Energy Charge:

Summer Period	First 15,000 kWh	\$0.16403 per kWh
	Additional kWh	\$0.07246 per kWh
Winter Period	First 15,000 kWh	\$0.16362 per kWh
	Additional kWh	\$0.07246 per kWh
Transition Period	First 15,000 kWh	\$0.16362 per kWh
	Additional kWh	\$0.07246 per kWh

3. If the higher of (a) the customer's currently effective contract demand or (b) its highest billing demand during the latest 12-month period is greater than 1,000 kW:

Customer Charge: \$339.00 per month

Monthly Demand Charge:

Summer Period	First 1,000 kW of billing demand	\$18.81 per kW
	Over 1,000 kW of billing demand	\$19.57 per kW
	Excess kW of billing demand	\$19.57 per kW
Winter Period	First 1,000 kW of billing demand	\$18.05 per kW
	Over 1,000 kW of billing demand	\$18.81 per kW
	Excess kW of billing demand	\$18.81 per kW
Transition Period	First 1,000 kW of billing demand	\$18.05 per kW
	Over 1,000 kW of billing demand	\$18.81 per kW
	Excess kW of billing demand	\$18.81 per kW

Monthly Excess Demand Charges are applicable to the amount by which the customer's billing demand exceeds the higher of 2,500 kW or its contract demand.

Monthly Energy Charge:

Summer Period	\$0.08442 per kWh
Winter Period	\$0.08442 per kWh
Transition Period	\$0.08442 per kWh

Adjustment

Charges under this rate schedule may be increased or decreased to reflect changes in purchased power costs as determined by any purchased power adjustment adopted by the Board. Rates shown above are inclusive of the Purchased Power Adjustment for the current month.

Determination of Seasonal Periods

Summer Period shall mean the June, July, August, and September billing months. Winter Period shall mean the December, January, February, and March billing months. Transition Period shall mean the April, May, October, and November billing months.

Determination of Demand

KUB shall meter the demands in kW of all GSA customers. The metered demand for any month shall be the highest average during any 30-consecutive-minute period of the month of the load metered in kW. The measured demand for any month shall be the higher of the highest average during any 30-consecutive-minute period of the month of (a) the load metered in kW or (b) 85 percent of the load in kVA plus an additional 10 percent for that part of the load over 5,000 kVA, and such measured demand shall be used as the billing demand, except that the billing demand for any month shall in no case be less than 30 percent of the higher of the currently effective contract demand or the highest billing demand established during the preceding 12 months.

Minimum Bill

The monthly bill under this rate schedule shall not be less than the sum of (a) the base customer charge, (b) the base demand charge, as adjusted, applied to the customer's billing demand, and (c) the base energy charge, as adjusted, applied to the customer's energy takings; provided, however, that, under (2.) of the Base Charges, the monthly bill shall in no event be less than the sum (a) the base customer charge and (b) 20 percent of the portion of the base demand charge, as adjusted, applicable to the second block (excess over 50kW) of billing demand, multiplied by the higher of the customer's currently effective contract demand or its highest billing demand established during the preceding 12 months.

KUB may require minimum bills higher than those stated above.

Contract Requirements

KUB shall require contracts for service provided under this rate schedule to customers whose demand requirements exceed 1,000 kW and such contracts shall be for an initial term of at least one year. The customer shall contract for its maximum requirements, which shall not exceed the amount of power capable of being used by customer, and KUB shall not be obligated to supply power in greater amount at any time than the customer's

currently effective contract demand. If the customer uses any power other than that supplied by KUB under this rate schedule, the contract may include other special provisions. The rate schedule in any power contract shall be subject to adjustment, modification, change, or replacement from time to time as approved by the Board.

Single – Point Delivery

The charges under this rate schedule are based upon the supply of service through a single delivery and at a single voltage. If service is supplied to the same customer through more than one point of delivery or at different voltages, the supply of service at each delivery point at each different voltage shall be separately metered and billed.

Rules and Regulations

Service is subject to Rules and Regulations of KUB.

OUTDOOR LIGHTING POWER RATE - SCHEDULE LS

Availability

Available for service to street and park lighting systems, traffic signal systems, athletic field lighting installations, and outdoor lighting for individual customers.

Determination of Seasonal Periods

Summer Period shall mean the June, July, August, and September billing months. Winter Period shall mean the December, January, February, and March billing months. Transition Period shall mean the April, May, October, and November billing months.

PART A

CHARGES FOR STREET AND PARK LIGHTING SYSTEMS, TRAFFIC SIGNAL SYSTEMS, AND ATHLETIC FIELD LIGHTING INSTALLATIONS

I. Monthly Energy Charge:

Summer Period	\$0.09960 per kWh
Winter Period	\$0.09960 per kWh
Transition Period	\$0.09960 per kWh

II. Facility Charge

The annual facility charge shall be **13.00** percent of the installed cost to KUB's electric system of the facilities devoted to street and park lighting service specified in this Part A. Such installed cost shall be recomputed on July 1 of each year, or more often if substantial changes in the facilities are made. Each month, one-twelfth of the then total annual facility charge shall be billed to the customer. If any part of the facilities has not been provided at the electric system's expense or if the installed cost of any portion thereof is reflected on the books of another municipality or agency or department, the annual facility charge shall be adjusted to reflect properly the remaining cost to be borne by the electric system.

Traffic signal systems and athletic field lighting installations shall be provided, owned, and maintained by and at the expense of the customer, except as KUB may agree otherwise in accordance with the provisions of the paragraph next following in this Section II. The facilities necessary to provide service to such systems and installations shall be provided by and at the expense of KUB's electric system, and the annual facility charge provided for first above in this Section II shall apply to the installed cost of such facilities.

When so authorized by policy duly adopted by the Board, traffic signal systems and athletic field lighting installations may be provided, owned, and maintained by KUB's electric system for the customer's benefit. In such cases KUB may require reimbursement from the customer for a portion of the initial installed cost of any such system or installation and shall require payment by the customer of a facility charge sufficient to cover all of KUB's costs (except reimbursed costs), including appropriate overheads, of providing, owning, and maintaining such system or installation; provided that, for athletic field lighting installations, such facility charge shall be **12.00** percent per year of such costs. Said facility charge shall be in addition to the annual facility charge on the facilities necessary to provide service to such system or installation as provided for in the preceding paragraph. Replacement of lamps and related glassware for traffic signal systems and athletic field lighting installations provided under this paragraph shall be paid for under the provisions of paragraph A in section IV.

III. Customer Charge – Traffic Signal Systems and Athletic Field Lighting Installations.

KUB shall apply a uniform **monthly customer charge of \$2.50** for service to each traffic signal system or athletic field lighting installation.

IV. Replacement of Lamps and Related Glassware – Street and Park Lighting

Customer shall be billed and shall pay for replacements as provided in paragraph A below, which shall be applied to all service for street and park lighting.

- A. KUB shall bill the customer monthly for such replacements during each month at KUB's cost of materials, including appropriate storeroom expense.
- B. KUB shall bill the customer monthly for one-twelfth of the amount by which KUB's cost of materials, including appropriate storeroom expenses, exceeds the products of 3 mills multiplied by the number of kilowatt-hours used for street and park lighting during the fiscal year immediately preceding the fiscal year in which such month occurs.

Metering

For any billing month or part of such month in which the energy is not metered or for which a meter reading is found to be in error or a meter is found to have failed, the energy for billing purposes for that billing month or part of such month shall be computed from the rated capacity of the lamps (including ballast) plus 3 percent of such capacity to reflect secondary circuit losses, multiplied by the number of hours of use.

Revenue and Cost Review

KUB's costs of providing service under Part A of this rate schedule are subject to review at any time to determine if KUB's revenues from the charges being applied are sufficient

to cover its costs. (Such costs, including applicable overheads, include, but are not limited to, those incurred in the operation and maintenance of the systems provided and those resulting from depreciation and payments for taxes, tax equivalents and interest). If any such review discloses that revenues are either less or more than sufficient to cover said costs, the Board shall revise the above facility charges so that revenues will be sufficient to cover said costs.

PART B
Outdoor Lighting for Individual Customers

Type of Fixture	<u>Monthly Charges by Lamp Type</u>			
	Lamp Size	Rated kWh	Facility Charge	Total Lamp Charge
Light-Emitting Diode (LED)	100WE	21	\$ 6.85	\$ 8.95
	250WE	58	\$ 8.48	\$14.26
	400WE	79	\$11.65	\$19.52
High Pressure Sodium (HPS)	100W	42	\$5.96	\$10.14
	250W	105	\$7.07	\$17.53
	400W	165	\$8.32	\$24.75
	1,000W*	385	\$13.31	\$51.66
Decorative	100W	42	\$6.80	\$10.98

* 1,000 watt fixtures not offered for new service.

Monthly Energy Charge for each lamp size above:

Summer Period	\$0.09960 per kWh
Winter Period	\$0.09960 per kWh
Transition Period	\$0.09960 per kWh

Additional Facilities

The above charges in this Part B are limited to service from a photoelectrically controlled standard lighting fixture installed on a pole already in place. If the customer wishes to have the fixture installed at a location other than on a pole already in place, the customer shall pay an **additional monthly charge of \$6.00 per pole** for additional poles required to serve the fixture from KUB's nearest available source. (This section does not apply to Decorative Lighting Fixtures).

Adjustment

Charges under this rate schedule may be increased or decreased to reflect changes in purchased power costs as determined by any purchased power adjustment adopted by the Board. Rates shown above are inclusive of the Purchased Power Adjustment for the current month.

Lamp Replacements

Replacements of lamps and related glassware will be made in accordance with replacement policies of KUB.

Special Outdoor Lighting Installations

When so authorized by policy duly adopted by the Board, special outdoor lighting installations (other than as provided for under Parts A and B above) may be provided, owned, and maintained by KUB's electric system. In such cases, KUB may require reimbursement from the customer for a portion of the initial installed cost of any such installation and shall require payment by the customer of monthly charges sufficient to cover all of KUB's costs (except reimbursed costs), including appropriate overheads of providing, owning, and maintaining such installations, and making lamp replacements.

Rules and Regulations

Service is subject to Rules and Regulations of KUB.

GENERAL POWER RATE - SCHEDULE TDGSA

Availability

This rate, subject to availability from TVA, shall be available for firm electric power requirements where the higher of a customer's currently effective onpeak or offpeak contract demand is greater than 1,000 kW but not more than 5,000 kW for electric service to commercial, industrial, and governmental customers, and to institutional customers, including, without limitation, churches, clubs, fraternities, orphanages, nursing homes, rooming or boarding houses, and like customers, provided that the other conditions of this section are met.

For a customer requesting that its onpeak contract demand be different from its offpeak contract demand, this rate schedule shall be available only for (1) a new contract, (2) a replacement or renewal contract following expiration of the existing contract, or (3) a replacement or renewal contract or an amended existing contract in which the customer is increasing its demand requirements above the existing contract demand level, but under this item (3) neither the new onpeak nor the new offpeak contract demand shall be lower than the customer's existing contract demand.

Prior to participation in this rate, contract amendments may be required for continued participation in certain other programs and rate overlays as determined at KUB's sole discretion.

Character of Service

Alternating current, single or three-phase, 60 hertz. Power shall be delivered at a transmission voltage of 161 kV or, if such transmission voltage is not available, at the highest voltage available in the vicinity, unless at the customer's request a lower standard voltage is agreed upon.

Rates

Customer Charge: \$1,500 per delivery point per month.

Administrative Charge: \$700 per delivery point per month.

Demand Charge:

Summer Period:

Onpeak Demand \$11.44 per kW per month of the customer's onpeak billing demand

Maximum Demand	\$8.76 per kW per month of the customer's maximum billing demand
Excess Demand	\$20.20 per kW per month for each kW of the amount, if any, by which (1) the customer's onpeak billing demand exceeds its onpeak contract demand or (2) the customer's offpeak billing demand exceeds its offpeak contract demand, whichever is higher
Winter Period:	
Onpeak Demand	\$10.44 per kW per month of the customer's onpeak billing demand
Maximum Demand	\$8.76 per kW per month of the customer's maximum billing demand
Excess Demand	\$19.20 per kW per month for each kW of the amount, if any, by which (1) the customer's onpeak billing demand exceeds its onpeak contract demand or (2) the customer's offpeak billing demand exceeds its offpeak contract demand, whichever is higher
Transition Period:	
Onpeak Demand	\$10.44 per kW per month of the customer's onpeak billing demand
Maximum Demand	\$8.76 per kW per month of the customer's maximum billing demand
Excess Demand	\$19.20 per kW per month for each kW of the amount, if any, by which (1) the customer's onpeak billing demand exceeds its onpeak contract demand or (2) the customer's offpeak billing demand exceeds its offpeak contract demand, whichever is higher
Energy Charge:	
Summer Period:	
Onpeak	\$0.12636 per kWh per month for all metered onpeak kWh
Offpeak	
Block 1	\$0.09136 per kWh per month for the first 200 hours use of onpeak metered demand multiplied by the ratio of offpeak energy to total energy

Block 2	\$0.04699 per kWh per month for the next 200 hours use of onpeak metered demand multiplied by the ratio of offpeak energy to total energy
Block 3	\$0.04383 per kWh per month for the hours use of onpeak metered demand in excess of 400 hours multiplied by the ratio of offpeak energy to total energy
Winter Period:	
Onpeak	\$0.11039 per kWh per month for all metered onpeak kWh
Offpeak	
Block 1	\$0.09446 per kWh per month for the first 200 hours use of onpeak metered demand multiplied by the ratio of offpeak energy to total energy
Block 2	\$0.04699 per kWh per month for the next 200 hours use of onpeak metered demand multiplied by the ratio of offpeak energy to total energy
Block 3	\$0.04383 per kWh per month for the hours use of onpeak metered demand in excess of 400 hours multiplied by the ratio of offpeak energy to total energy
Transition Period:	
Onpeak	\$0.09571 per kWh per month for all metered onpeak kWh
Offpeak	
Block 1	\$0.09571 per kWh per month for the first 200 hours use of onpeak metered demand multiplied by the ratio of offpeak energy to total energy
Block 2	\$0.04699 per kWh per month for the next 200 hours use of onpeak metered demand multiplied by the ratio of offpeak energy to total energy
Block 3	\$0.04383 per kWh per month for the hours use of onpeak metered demand in excess of 400 hours multiplied by the ratio of offpeak energy to total energy

For the Summer Period, Winter Period, and Transition Period, Offpeak Block 1 energy rates less fuel rate of \$0.01851 per kWh per month shall be applied to the portion, if any, of the minimum offpeak energy takings amount that is greater than the metered energy.

Facilities Rental Charge

There shall be no facilities rental charge under this rate schedule for delivery at bulk transmission voltage levels of 161kV or higher. For delivery at less than 161kV, there shall be added to the customer's bill a facilities rental charge. This charge shall be 37 cents per kW per month except for delivery at voltages below 46 kV, in which case the charge shall be 97 cents per kW per month for the first 10,000 kW and 76 cents per kW per month for the excess over 10,000 kW. Such charge shall be applied to the higher of (1) the highest billing demand established during the latest 12-consecutive-month period or (2) the higher of the customer's currently effective onpeak or offpeak contract demand and shall be in addition to all other charges under this rate schedule, including minimum bill charges.

Reactive Demand Charge

If the reactive demand (in kVAR) is lagging during the 30-consecutive-minute period beginning or ending on a clock hour of the month in which the customer's highest metered demand occurs, there shall be added to the customer's bill a reactive charge of \$1.46 per kVAR of the amount, if any, by which the reactive demand exceeds 33 percent of such metered demand. If the reactive demand (in kVAR) is leading during the 30-consecutive-minute period beginning or ending on a clock hour of the month in which the customer's lowest metered demand (excluding any metered demands which are less than 25 percent of the highest metered demand) occurs, there shall be added to the customer's bill a reactive charge of \$1.14 per kVAR of the amount of reactive demand. Such charges shall be in addition to all other charges under this rate schedule, including minimum bill charges.

Adjustment

Charges under this rate schedule may be increased or decreased to reflect changes in purchased power costs as determined by any purchased power adjustment adopted by the Board. Rates shown above are inclusive of the Purchased Power Adjustment for the current month.

Determination of Seasonal Periods

Summer Period shall mean the June, July, August, and September billing months. Winter Period shall mean the December, January, February, and March billing months. Transition Period shall mean the April, May, October, and November billing months. The Seasonal Periods under this rate schedule are subject to change by KUB. In the event KUB determines that changed Seasonal Periods are appropriate, such decision shall be made at least 11 months prior to the effective date of such changed periods, and KUB shall promptly notify customer.

Determination of Onpeak and Offpeak Hours

Except for Saturdays, Sundays, November 1, and the weekdays that are observed as Federal holidays for New Year's Day, Memorial Day, Independence Day, Labor Day, Thanksgiving Day, and Christmas Day, onpeak hours for each day shall for purposes of this rate schedule be 1 p.m. to 7 p.m. during the months of April, May, June, July, August, September and October and from 4 a.m. to 10 a.m. during the months of January, February, March, November, and December. All other hours of each day that are not otherwise defined as onpeak hours and all hours of such excepted days shall be offpeak hours. Such times shall be Central Standard Time or Central Daylight Time, whichever is then in effect. Said onpeak and offpeak hours are subject to change by KUB. In the event KUB determines that such changed onpeak and offpeak hours are appropriate, such decision shall be made at least 11 months prior to the effective date of such changed hours, and KUB shall promptly notify customer.

Determination of Onpeak and Offpeak Demands, Maximum Metered Demand, and Energy Amounts

The onpeak and offpeak kWh for any month shall be the energy amounts taken during the respective hours of the month designated under this rate schedule as onpeak and offpeak hours; provided, however, that notwithstanding the metered energy amount, the offpeak energy for any month shall in no case be less than the product of (1) the offpeak billing demand as calculated in the last sentence of the paragraph below and (2) 110 hours (reflecting a 15 percent load factor applied to the average number of hours in a month).

KUB shall meter the onpeak and offpeak demands in kW of all customers taking service under this rate schedule. The onpeak metered demand and offpeak metered demand for any month shall be determined separately for the respective hours of the month designated under this rate schedule as onpeak and offpeak hours and in each case shall be the highest average during any 30-consecutive-minute period beginning or ending on a clock hour of the month of the load metered in kW, and, except as provided below in this section, such amounts shall be used as the onpeak and offpeak billing demands.

The maximum billing demand for any month shall be the higher of (1) the highest onpeak billing demand in the month or (2) the highest offpeak billing demand in the month. The onpeak billing demand shall in no case be less than the sum of (1) 30 percent of the first 5,000 kW and (2) 40 percent of any kW in excess of 5,000 kW of the higher of the currently effective onpeak contract demand or the highest onpeak billing demand established during the preceding 12 months. The offpeak billing demand shall in no case be less than the sum of (1) 30 percent of the first 5,000 kW and (2) 40 percent of any kW in excess of 5,000 kW of the higher of the currently effective offpeak contract demand or the highest offpeak billing demand established during the preceding 12 months.

Minimum Bill

The monthly bill under this rate schedule, excluding any facilities rental charges and any reactive charges, shall not be less than the sum of (1) the base customer charge and administrative charge, (2) the portion of the base demand charge, as adjusted (but excluding the additional portion thereof applicable to excess of billing demand over contract demand) applicable to onpeak billing demand applied to the customer's onpeak billing demand, (3) the portion of the base demand charge, as adjusted, (but excluding the additional portion thereof applicable to excess of billing demand over contract demand) applicable to maximum billing demand applied to the customer's maximum billing demand, (4) the base onpeak energy charge, as adjusted, applied to the customer's onpeak energy takings, and (5) the base offpeak energy charge, as adjusted, applied to the higher of customer's actual offpeak energy takings or the minimum offpeak energy takings amount provided for in the first paragraph of the section of this rate schedule entitled "Determination of Onpeak and Offpeak Demands, Maximum Metered Demand, and Energy Amounts". Notwithstanding the foregoing, any fuel cost that is included in ***any purchased power adjustment adopted by the Board*** shall not be applied to any billed offpeak energy that exceeds the metered offpeak energy.

KUB may require minimum bills higher than those stated above.

Contract Requirement

KUB shall require contracts for all service provided under this rate schedule. The contract shall be for an initial term of at least five years and any renewals or extensions of the initial contract shall be for a term of at least one year; after ten years of service, any such contract for the renewal or extension of service may provide for termination upon not less than four months notice. The customer shall contract for its maximum requirements, which shall not exceed the amount of power capable of being used by customer, and KUB shall not be obligated to supply power in greater amount at any time than the customer's currently effective onpeak or offpeak contract demand. If the customer uses any power other than that supplied by KUB under this rate schedule, the contract may include other special provisions. The rate schedule in any power contract shall be subject to adjustment, modification, change, or replacement from time to time as approved by the Board.

Single Point Delivery

The charges under this rate schedule are based upon the supply of service through a single delivery point and at a single voltage. If service is supplied to the same customer through more than one point of delivery or at different voltages, the supply of service at each delivery point and at each different voltage shall be separately metered and billed.

Rules and Regulations

Service is subject to Rules and Regulations of KUB.

GENERAL POWER RATE - SCHEDULE GSB

Availability

This rate, subject to availability from TVA, shall be available for firm electric power requirements where the higher of a customer's currently effective onpeak or offpeak contract demand is greater than 5,000 kW but not more than 15,000 kW; provided that the other conditions of this section are met.

For a customer requesting that its onpeak contract demand be different from its offpeak contract demand, this rate schedule shall be available only for (1) a new contract, (2) a replacement or renewal contract following expiration of the existing contract, or (3) a replacement or renewal contract or an amended existing contract in which the customer is increasing its demand requirements above the existing contract demand level, but under this item (3) neither the new onpeak nor the new offpeak contract demand shall be lower than the customer's existing contract demand.

Prior to participation in this rate, contract amendments may be required for continued participation in certain other programs and rate overlays as determined at KUB's sole discretion.

Character of Service

Alternating current, single or three-phase, 60 hertz. Power shall be delivered at a transmission voltage of 161 kV or, if such transmission voltage is not available, at the highest voltage available in the vicinity, unless at the customer's request a lower standard voltage is agreed upon.

Rates

Customer Charge: \$1,500 per delivery point per month.

Administrative Charge: \$700 per delivery point per month.

Demand Charge:

Summer Period:

Onpeak Demand \$11.23 per kW per month of the customer's onpeak billing demand

Maximum Demand \$6.76 per kW per month of the customer's maximum billing demand

Excess Demand \$17.99 per kW per month for each kW of the amount, if any, by which (1) the customer's onpeak billing demand

exceeds its onpeak contract demand or (2) the customer's offpeak billing demand exceeds its offpeak contract demand, whichever is higher

Winter Period:

Onpeak Demand \$10.23 per kW per month of the customer's onpeak billing demand

Maximum Demand \$6.76 per kW per month of the customer's maximum billing demand

Excess Demand \$16.99 per kW per month for each kW of the amount, if any, by which (1) the customer's onpeak billing demand exceeds its onpeak contract demand or (2) the customer's offpeak billing demand exceeds its offpeak contract demand, whichever is higher

Transition Period:

Onpeak Demand \$10.23 per kW per month of the customer's onpeak billing demand

Maximum Demand \$6.76 per kW per month of the customer's maximum billing demand

Excess Demand \$16.99 per kW per month for each kW of the amount, if any, by which (1) the customer's onpeak billing demand exceeds its onpeak contract demand or (2) the customer's offpeak billing demand exceeds its offpeak contract demand, whichever is higher

Energy Charge:

Summer Period:

Onpeak \$0.09219 per kWh per month for all metered onpeak kWh

Offpeak

Block 1 \$0.06642 per kWh per month for the first 200 hours use of onpeak metered demand multiplied by the ratio of offpeak energy to total energy

Block 2 \$0.03067 per kWh per month for the next 200 hours use of onpeak metered demand multiplied by the ratio of offpeak energy to total energy

Block 3 \$0.02714 per kWh per month for the hours use of onpeak metered demand in excess of 400 hours multiplied by the ratio of offpeak energy to total energy

Winter Period:

Onpeak \$0.08044 per kWh per month for all metered onpeak kWh

Offpeak

Block 1 \$0.06872 per kWh per month for the first 200 hours use of onpeak metered demand multiplied by the ratio of offpeak energy to total energy

Block 2 \$0.03067 per kWh per month for the next 200 hours use of onpeak metered demand multiplied by the ratio of offpeak energy to total energy

Block 3 \$0.02714 per kWh per month for the hours use of onpeak metered demand in excess of 400 hours multiplied by the ratio of offpeak energy to total energy

Transition Period:

Onpeak \$0.06609 per kWh per month for all metered onpeak kWh

Offpeak

Block 1 \$0.06609 per kWh per month for the first 200 hours use of onpeak metered demand multiplied by the ratio of offpeak energy to total energy

Block 2 \$0.03067 per kWh per month for the next 200 hours use of onpeak metered demand multiplied by the ratio of offpeak energy to total energy

Block 3 \$0.02714 per kWh per month for the hours use of onpeak metered demand in excess of 400 hours multiplied by the ratio of offpeak energy to total energy

For the Summer Period, Winter Period, and Transition Period, Offpeak Block 1 energy rates less fuel rate of \$0.01851 per kWh per month shall be applied to the portion, if any, of the minimum offpeak energy takings amount that is greater than the metered energy.

Facilities Rental Charge

There shall be no facilities rental charge under this rate schedule for delivery at bulk transmission voltage levels of 161kV or higher. For delivery at less than 161kV, there shall be added to the customer's bill a facilities rental charge. This charge shall be 37 cents per kW per month except for delivery at voltages below 46 kV, in which case the charge shall be 97 cents per kW per month for the first 10,000 kW and 76 cents per kW per month for the excess over 10,000 kW. Such charge shall be applied to the higher of

(1) the highest billing demand established during the latest 12-consecutive-month period or (2) the higher of the customer's currently effective onpeak or offpeak contract demand and shall be in addition to all other charges under this rate schedule, including minimum bill charges.

Reactive Demand Charge

If the reactive demand (in kVAR) is lagging during the 30-consecutive-minute period beginning or ending on a clock hour of the month in which the customer's highest metered demand occurs, there shall be added to the customer's bill a reactive charge of \$1.46 per kVAR of the amount, if any, by which the reactive demand exceeds 33 percent of such metered demand. If the reactive demand (in kVAR) is leading during the 30-consecutive-minute period beginning or ending on a clock hour of the month in which the customer's lowest metered demand (excluding any metered demands which are less than 25 percent of the highest metered demand) occurs, there shall be added to the customer's bill a reactive charge of \$1.14 per kVAR of the amount of reactive demand. Such charges shall be in addition to all other charges under this rate schedule, including minimum bill charges.

Adjustment

Charges under this rate schedule may be increased or decreased to reflect changes in purchased power costs as determined by any purchased power adjustment adopted by the Board. Rates shown above are inclusive of the Purchased Power Adjustment for the current month.

Determination of Seasonal Periods

Summer Period shall mean the June, July, August, and September billing months. Winter Period shall mean the December, January, February, and March billing months. Transition Period shall mean the April, May, October, and November billing months. The Seasonal Periods under this rate schedule are subject to change by KUB. In the event KUB determines that changed Seasonal Periods are appropriate, such decision shall be made at least 11 months prior to the effective date of such changed periods, and KUB shall promptly notify customer.

Determination of Onpeak and Offpeak Hours

Except for Saturdays, Sundays, November 1, and the weekdays that are observed as Federal holidays for New Year's Day, Memorial Day, Independence Day, Labor Day, Thanksgiving Day, and Christmas Day, onpeak hours for each day shall for purposes of this rate schedule be 1 p.m. to 7 p.m. during the months of April, May, June, July, August, September and October and from 4 a.m. to 10 a.m. during the months of January, February, March, November, and December. All other hours of each day that are not otherwise defined as onpeak hours and all hours of such excepted days shall be offpeak hours. Such times shall be Central Standard Time or Central Daylight Time, whichever is

then in effect. Said onpeak and offpeak hours are subject to change by KUB. In the event KUB determines that such changed onpeak and offpeak hours are appropriate, such decision shall be made at least 11 months prior to the effective date of such changed hours, and KUB shall promptly notify customer.

Determination of Onpeak and Offpeak Demands,
Maximum Metered Demand, and Energy Amounts

The onpeak and offpeak kWh for any month shall be the energy amounts taken during the respective hours of the month designated under this rate schedule as onpeak and offpeak hours; provided, however, that notwithstanding the metered energy amount, the offpeak energy for any month shall in no case be less than the product of (1) the offpeak billing demand as calculated in the last sentence of the paragraph below and (2) 110 hours (reflecting a 15 percent load factor applied to the average number of hours in a month).

KUB shall meter the onpeak and offpeak demands in kW of all customers taking service under this rate schedule. The onpeak metered demand and offpeak metered demand for any month shall be determined separately for the respective hours of the month designated under this rate schedule as onpeak and offpeak hours and in each case shall be the highest average during any 30-consecutive-minute period beginning or ending on a clock hour of the month of the load metered in kW, and, except as provided below in this section, such amounts shall be used as the onpeak and offpeak billing demands.

The maximum billing demand for any month shall be the higher of (1) the highest onpeak billing demand in the month or (2) the highest offpeak billing demand in the month. The onpeak billing demand shall in no case be less than the sum of (1) 30 percent of the first 5,000 kW and (2) 40 percent of any kW in excess of 5,000 kW of the higher of the currently effective onpeak contract demand or the highest onpeak billing demand established during the preceding 12 months. The offpeak billing demand shall in no case be less than the sum of (1) 30 percent of the first 5,000 kW and (2) 40 percent of any kW in excess of 5,000 kW of the higher of the currently effective offpeak contract demand or the highest offpeak billing demand established during the preceding 12 months.

Minimum Bill

The monthly bill under this rate schedule, excluding any facilities rental charges and any reactive charges, shall not be less than the sum of (1) the base customer charge and administrative charge, (2) the portion of the base demand charge, as adjusted (but excluding the additional portion thereof applicable to excess of billing demand over contract demand) applicable to onpeak billing demand applied to the customer's onpeak billing demand, (3) the portion of the base demand charge, as adjusted, (but excluding the additional portion thereof applicable to excess of billing demand over contract demand) applicable to maximum billing demand applied to the customer's maximum billing demand, (4) the base onpeak energy charge, as adjusted, applied to the customer's onpeak energy takings, and (5) the base offpeak energy charge, as adjusted,

applied to the higher of customer's actual offpeak energy takings or the minimum offpeak energy takings amount provided for in the first paragraph of the section of this rate schedule entitled "Determination of Onpeak and Offpeak Demands, Maximum Metered Demand, and Energy Amounts". Notwithstanding the foregoing, any fuel cost that is included in ***any purchased power adjustment adopted by the Board*** shall not be applied to any billed offpeak energy that exceeds the metered offpeak energy.

KUB may require minimum bills higher than those stated above.

Contract Requirement

KUB shall require contracts for all service provided under this rate schedule. The contract shall be for an initial term of at least five years and any renewals or extensions of the initial contract shall be for a term of at least one year; after ten years of service, any such contract for the renewal or extension of service may provide for termination upon not less than four months notice. The customer shall contract for its maximum requirements, which shall not exceed the amount of power capable of being used by customer, and KUB shall not be obligated to supply power in greater amount at any time than the customer's currently effective onpeak or offpeak contract demand. If the customer uses any power other than that supplied by KUB under this rate schedule, the contract may include other special provisions. The rate schedule in any power contract shall be subject to adjustment, modification, change, or replacement from time to time as approved by the Board.

Single Point Delivery

The charges under this rate schedule are based upon the supply of service through a single delivery point and at a single voltage. If service is supplied to the same customer through more than one point of delivery or at different voltages, the supply of service at each delivery point and at each different voltage shall be separately metered and billed.

Rules and Regulations

Service is subject to Rules and Regulations of KUB.

GENERAL POWER RATE - SCHEDULE GSC

Availability

This rate, subject to availability from TVA, shall be available for firm electric power requirements where the higher of a customer's currently effective onpeak or offpeak contract demand is greater than 15,000 kW but not more than 25,000 kW; provided that the other conditions of this section are met.

For a customer requesting that its onpeak contract demand be different from its offpeak contract demand, this rate schedule shall be available only for (1) a new contract, (2) a replacement or renewal contract following expiration of the existing contract, or (3) a replacement or renewal contract or an amended existing contract in which the customer is increasing its demand requirements above the existing contract demand level, but under this item (3) neither the new onpeak nor the new offpeak contract demand shall be lower than the customer's existing contract demand.

Prior to participation in this rate, contract amendments may be required for continued participation in certain other programs and rate overlays as determined at KUB's sole discretion.

Character of Service

Alternating current, single or three-phase, 60 hertz. Power shall be delivered at a transmission voltage of 161 kV or, if such transmission voltage is not available, at the highest voltage available in the vicinity, unless at the customer's request a lower standard voltage is agreed upon.

Rates

Customer Charge: \$1,500 per delivery point per month.

Administrative Charge: \$700 per delivery point per month.

Demand Charge:

Summer Period:

Onpeak Demand \$11.23 per kW per month of the customer's onpeak billing demand

Maximum Demand \$6.59 per kW per month of the customer's maximum billing demand

Excess Demand \$17.82 per kW per month for each kW of the amount, if any, by which (1) the customer's onpeak billing demand

exceeds its onpeak contract demand or (2) the customer's offpeak billing demand exceeds its offpeak contract demand, whichever is higher

Winter Period:

Onpeak Demand \$10.23 per kW per month of the customer's onpeak billing demand

Maximum Demand \$6.59 per kW per month of the customer's maximum billing demand

Excess Demand \$16.82 per kW per month for each kW of the amount, if any, by which (1) the customer's onpeak billing demand exceeds its onpeak contract demand or (2) the customer's offpeak billing demand exceeds its offpeak contract demand, whichever is higher

Transition Period:

Onpeak Demand \$10.23 per kW per month of the customer's onpeak billing demand

Maximum Demand \$6.59 per kW per month of the customer's maximum billing demand

Excess Demand \$16.82 per kW per month for each kW of the amount, if any, by which (1) the customer's onpeak billing demand exceeds its onpeak contract demand or (2) the customer's offpeak billing demand exceeds its offpeak contract demand, whichever is higher

Energy Charge:

Summer Period:

Onpeak \$0.09234 per kWh per month for all metered onpeak kWh

Offpeak

Block 1 \$0.06657 per kWh per month for the first 200 hours use of onpeak metered demand multiplied by the ratio of offpeak energy to total energy

Block 2 \$0.03082 per kWh per month for the next 200 hours use of onpeak metered demand multiplied by the ratio of offpeak energy to total energy

Block 3 \$0.02729 per kWh per month for the hours use of onpeak metered demand in excess of 400 hours multiplied by the ratio of offpeak energy to total energy

Winter Period:

Onpeak \$0.08059 per kWh per month for all metered onpeak kWh

Offpeak

Block 1 \$0.06887 per kWh per month for the first 200 hours use of onpeak metered demand multiplied by the ratio of offpeak energy to total energy

Block 2 \$0.03082 per kWh per month for the next 200 hours use of onpeak metered demand multiplied by the ratio of offpeak energy to total energy

Block 3 \$0.02729 per kWh per month for the hours use of onpeak metered demand in excess of 400 hours multiplied by the ratio of offpeak energy to total energy

Transition Period:

Onpeak \$0.06624 per kWh per month for all metered onpeak kWh

Offpeak

Block 1 \$0.06624 per kWh per month for the first 200 hours use of onpeak metered demand multiplied by the ratio of offpeak energy to total energy

Block 2 \$0.03082 per kWh per month for the next 200 hours use of onpeak metered demand multiplied by the ratio of offpeak energy to total energy

Block 3 \$0.02729 per kWh per month for the hours use of onpeak metered demand in excess of 400 hours multiplied by the ratio of offpeak energy to total energy

For the Summer Period, Winter Period, and Transition Period, Offpeak Block 1 energy rates less fuel rate of \$0.01851 per kWh per month shall be applied to the portion, if any, of the minimum offpeak energy takings amount that is greater than the metered energy.

Facilities Rental Charge

There shall be no facilities rental charge under this rate schedule for delivery at bulk transmission voltage levels of 161kV or higher. For delivery at less than 161kV, there shall be added to the customer's bill a facilities rental charge. This charge shall be 37 cents per kW per month except for delivery at voltages below 46 kV, in which case the charge shall be 97 cents per kW per month for the first 10,000 kW and 76 cents per kW per month for the excess over 10,000 kW. Such charge shall be applied to the higher of

(1) the highest billing demand established during the latest 12-consecutive-month period or (2) the higher of the customer's currently effective onpeak or offpeak contract demand and shall be in addition to all other charges under this rate schedule, including minimum bill charges.

Reactive Demand Charge

If the reactive demand (in kVAR) is lagging during the 30-consecutive-minute period beginning or ending on a clock hour of the month in which the customer's highest metered demand occurs, there shall be added to the customer's bill a reactive charge of \$1.46 per kVAR of the amount, if any, by which the reactive demand exceeds 33 percent of such metered demand. If the reactive demand (in kVAR) is leading during the 30-consecutive-minute period beginning or ending on a clock hour of the month in which the customer's lowest metered demand (excluding any metered demands which are less than 25 percent of the highest metered demand) occurs, there shall be added to the customer's bill a reactive charge of \$1.14 per kVAR of the amount of reactive demand. Such charges shall be in addition to all other charges under this rate schedule, including minimum bill charges.

Adjustment

Charges under this rate schedule may be increased or decreased to reflect changes in purchased power costs as determined by any purchased power adjustment adopted by the Board. Rates shown above are inclusive of the Purchased Power Adjustment for the current month.

Determination of Seasonal Periods

Summer Period shall mean the June, July, August, and September billing months. Winter Period shall mean the December, January, February, and March billing months. Transition Period shall mean the April, May, October, and November billing months. The Seasonal Periods under this rate schedule are subject to change by KUB. In the event KUB determines that changed Seasonal Periods are appropriate, such decision shall be made at least 11 months prior to the effective date of such changed periods, and KUB shall promptly notify customer.

Determination of Onpeak and Offpeak Hours

Except for Saturdays, Sundays, November 1, and the weekdays that are observed as Federal holidays for New Year's Day, Memorial Day, Independence Day, Labor Day, Thanksgiving Day, and Christmas Day, onpeak hours for each day shall for purposes of this rate schedule be 1 p.m. to 7 p.m. during the months of April, May, June, July, August, September and October and from 4 a.m. to 10 a.m. during the months of January, February, March, November, and December. All other hours of each day that are not otherwise defined as onpeak hours and all hours of such excepted days shall be offpeak hours. Such times shall be Central Standard Time or Central Daylight Time, whichever is

then in effect. Said onpeak and offpeak hours are subject to change by KUB. In the event KUB determines that such changed onpeak and offpeak hours are appropriate, such decision shall be made at least 11 months prior to the effective date of such changed hours, and KUB shall promptly notify customer.

Determination of Onpeak and Offpeak Demands,
Maximum Metered Demand, and Energy Amounts

The onpeak and offpeak kWh for any month shall be the energy amounts taken during the respective hours of the month designated under this rate schedule as onpeak and offpeak hours; provided, however, that notwithstanding the metered energy amount, the offpeak energy for any month shall in no case be less than the product of (1) the offpeak billing demand as calculated in the last sentence of the paragraph below and (2) 110 hours (reflecting a 15 percent load factor applied to the average number of hours in a month).

KUB shall meter the onpeak and offpeak demands in kW of all customers taking service under this rate schedule. The onpeak metered demand and offpeak metered demand for any month shall be determined separately for the respective hours of the month designated under this rate schedule as onpeak and offpeak hours and in each case shall be the highest average during any 30-consecutive-minute period beginning or ending on a clock hour of the month of the load metered in kW, and, except as provided below in this section, such amounts shall be used as the onpeak and offpeak billing demands.

The maximum billing demand for any month shall be the higher of (1) the highest onpeak billing demand in the month or (2) the highest offpeak billing demand in the month. The onpeak billing demand shall in no case be less than the sum of (1) 30 percent of the first 5,000 kW, (2) 40 percent of the next 20,000 kW, and (3) 50 percent of any kW in excess of 25,000 kW of the higher of the currently effective onpeak contract demand or the highest onpeak billing demand established during the preceding 12 months. The offpeak billing demand shall in no case be less than the sum of (1) 30 percent of the first 5,000 kW, (2) 40 percent of the next 20,000 kW, and (3) 50 percent of any kW in excess of 25,000 kW of the higher of the currently effective offpeak contract demand or the highest offpeak billing demand established during the preceding 12 months.

Minimum Bill

The monthly bill under this rate schedule, excluding any facilities rental charges and any reactive charges, shall not be less than the sum of (1) the base customer charge and administrative charge, (2) the portion of the base demand charge, as adjusted (but excluding the additional portion thereof applicable to excess of billing demand over contract demand) applicable to onpeak billing demand applied to the customer's onpeak billing demand, (3) the portion of the base demand charge, as adjusted, (but excluding the additional portion thereof applicable to excess of billing demand over contract

demand) applicable to maximum billing demand applied to the customer's maximum billing demand, (4) the base onpeak energy charge, as adjusted, applied to the customer's onpeak energy takings, and (5) the base offpeak energy charge, as adjusted, applied to the higher of customer's actual offpeak energy takings or the minimum offpeak energy takings amount provided for in the first paragraph of the section of this rate schedule entitled "Determination of Onpeak and Offpeak Demands, Maximum Metered Demand, and Energy Amounts". Notwithstanding the foregoing, any fuel cost that is included in ***any purchased power adjustment adopted by the Board*** shall not be applied to any billed offpeak energy that exceeds the metered offpeak energy.

KUB may require minimum bills higher than those stated above.

Contract Requirement

KUB shall require contracts for all service provided under this rate schedule. The contract shall be for an initial term of at least five years and any renewals or extensions of the initial contract shall be for a term of at least one year; after ten years of service, any such contract for the renewal or extension of service may provide for termination upon not less than four months notice. The customer shall contract for its maximum requirements, which shall not exceed the amount of power capable of being used by customer, and KUB shall not be obligated to supply power in greater amount at any time than the customer's currently effective onpeak or offpeak contract demand. If the customer uses any power other than that supplied by KUB under this rate schedule, the contract may include other special provisions. The rate schedule in any power contract shall be subject to adjustment, modification, change, or replacement from time to time as approved by the Board.

Single Point Delivery

The charges under this rate schedule are based upon the supply of service through a single delivery point and at a single voltage. If service is supplied to the same customer through more than one point of delivery or at different voltages, the supply of service at each delivery point and at each different voltage shall be separately metered and billed.

Rules and Regulations

Service is subject to Rules and Regulations of KUB.

GENERAL POWER RATE - SCHEDULE GSD

Availability

This rate, subject to availability from TVA, shall be available for firm electric power requirements where the higher of a customer's currently effective onpeak or offpeak contract demand is greater than 25,000 kW; provided that the other conditions of this section are met.

For a customer requesting that its onpeak contract demand be different from its offpeak contract demand, this rate schedule shall be available only for (1) a new contract, (2) a replacement or renewal contract following expiration of the existing contract, or (3) a replacement or renewal contract or an amended existing contract in which the customer is increasing its demand requirements above the existing contract demand level, but under this item (3) neither the new onpeak nor the new offpeak contract demand shall be lower than the customer's existing contract demand.

Prior to participation in this rate, contract amendments may be required for continued participation in certain other programs and rate overlays as determined at KUB's sole discretion.

Character of Service

Alternating current, single or three-phase, 60 hertz. Power shall be delivered at a transmission voltage of 161 kV or, if such transmission voltage is not available, at the highest voltage available in the vicinity, unless at the customer's request a lower standard voltage is agreed upon.

Rates

Customer Charge: \$1,500 per delivery point per month.

Administrative Charge: \$700 per delivery point per month.

Demand Charge:

Summer Period:

Onpeak Demand \$11.23 per kW per month of the customer's onpeak billing demand

Maximum Demand \$6.46 per kW per month of the customer's maximum billing demand

Excess Demand \$17.69 per kW per month for each kW of the amount, if any, by which (1) the customer's onpeak billing demand

exceeds its onpeak contract demand or (2) the customer's offpeak billing demand exceeds its offpeak contract demand, whichever is higher

Winter Period:

Onpeak Demand \$10.23 per kW per month of the customer's onpeak billing demand

Maximum Demand \$6.46 per kW per month of the customer's maximum billing demand

Excess Demand \$16.69 per kW per month for each kW of the amount, if any, by which (1) the customer's onpeak billing demand exceeds its onpeak contract demand or (2) the customer's offpeak billing demand exceeds its offpeak contract demand, whichever is higher

Transition Period:

Onpeak Demand \$10.23 per kW per month of the customer's onpeak billing demand

Maximum Demand \$6.46 per kW per month of the customer's maximum billing demand

Excess Demand \$16.69 per kW per month for each kW of the amount, if any, by which (1) the customer's onpeak billing demand exceeds its onpeak contract demand or (2) the customer's offpeak billing demand exceeds its offpeak contract demand, whichever is higher

Energy Charge:

Summer Period:

Onpeak \$0.09235 per kWh per month for all metered onpeak kWh

Offpeak

Block 1 \$0.06658 per kWh per month for the first 200 hours use of onpeak metered demand multiplied by the ratio of offpeak energy to total energy

Block 2 \$0.02964 per kWh per month for the next 200 hours use of onpeak metered demand multiplied by the ratio of offpeak energy to total energy

Block 3 \$0.02730 per kWh per month for the hours use of onpeak metered demand in excess of 400 hours multiplied by the ratio of offpeak energy to total energy

Winter Period:

Onpeak \$0.08060 per kWh per month for all metered onpeak kWh

Offpeak

Block 1 \$0.06888 per kWh per month for the first 200 hours use of onpeak metered demand multiplied by the ratio of offpeak energy to total energy

Block 2 \$0.02964 per kWh per month for the next 200 hours use of onpeak metered demand multiplied by the ratio of offpeak energy to total energy

Block 3 \$0.02730 per kWh per month for the hours use of onpeak metered demand in excess of 400 hours multiplied by the ratio of offpeak energy to total energy

Transition Period:

Onpeak \$0.06625 per kWh per month for all metered onpeak kWh

Offpeak

Block 1 \$0.06625 per kWh per month for the first 200 hours use of onpeak metered demand multiplied by the ratio of offpeak energy to total energy

Block 2 \$0.02964 per kWh per month for the next 200 hours use of onpeak metered demand multiplied by the ratio of offpeak energy to total energy

Block 3 \$0.02730 per kWh per month for the hours use of onpeak metered demand in excess of 400 hours multiplied by the ratio of offpeak energy to total energy

For the Summer Period, Winter Period, and Transition Period, Offpeak Block 1 energy rates less fuel rate of \$0.01851 per kWh per month shall be applied to the portion, if any, of the minimum offpeak energy takings amount that is greater than the metered energy.

Facilities Rental Charge

There shall be no facilities rental charge under this rate schedule for delivery at bulk transmission voltage levels of 161kV or higher. For delivery at less than 161kV, there shall be added to the customer's bill a facilities rental charge. This charge shall be 37 cents per kW per month except for delivery at voltages below 46 kV, in which case the charge shall be 97 cents per kW per month for the first 10,000 kW and 76 cents per kW

per month for the excess over 10,000 kW. Such charge shall be applied to the higher of (1) the highest billing demand established during the latest 12-consecutive-month period or (2) the higher of the customer's currently effective onpeak or offpeak contract demand and shall be in addition to all other charges under this rate schedule, including minimum bill charges.

Reactive Demand Charge

If the reactive demand (in kVAR) is lagging during the 30-consecutive-minute period beginning or ending on a clock hour of the month in which the customer's highest metered demand occurs, there shall be added to the customer's bill a reactive charge of \$1.46 per kVAR of the amount, if any, by which the reactive demand exceeds 33 percent of such metered demand. If the reactive demand (in kVAR) is leading during the 30-consecutive-minute period beginning or ending on a clock hour of the month in which the customer's lowest metered demand (excluding any metered demands which are less than 25 percent of the highest metered demand) occurs, there shall be added to the customer's bill a reactive charge of \$1.14 per kVAR of the amount of reactive demand. Such charges shall be in addition to all other charges under this rate schedule, including minimum bill charges.

Adjustment

Charges under this rate schedule may be increased or decreased to reflect changes in purchased power costs as determined by any purchased power adjustment adopted by the Board. Rates shown above are inclusive of the Purchased Power Adjustment for the current month.

Determination of Seasonal Periods

Summer Period shall mean the June, July, August, and September billing months. Winter Period shall mean the December, January, February, and March billing months. Transition Period shall mean the April, May, October, and November billing months. The Seasonal Periods under this rate schedule are subject to change by KUB. In the event KUB determines that changed Seasonal Periods are appropriate, such decision shall be made at least 11 months prior to the effective date of such changed periods, and KUB shall promptly notify customer.

Determination of Onpeak and Offpeak Hours

Except for Saturdays, Sundays, November 1, and the weekdays that are observed as Federal holidays for New Year's Day, Memorial Day, Independence Day, Labor Day, Thanksgiving Day, and Christmas Day, onpeak hours for each day shall for purposes of this rate schedule be 1 p.m. to 7 p.m. during the months of April, May, June, July, August, September and October and from 4 a.m. to 10 a.m. during the months of January, February, March, November, and December. All other hours of each day that are not

otherwise defined as onpeak hours and all hours of such excepted days shall be offpeak hours. Such times shall be Central Standard Time or Central Daylight Time, whichever is then in effect. Said onpeak and offpeak hours are subject to change by KUB. In the event KUB determines that such changed onpeak and offpeak hours are appropriate, such decision shall be made at least 11 months prior to the effective date of such changed hours, and KUB shall promptly notify customer.

Determination of Onpeak and Offpeak Demands,
Maximum Metered Demand, and Energy Amounts

The onpeak and offpeak kWh for any month shall be the energy amounts taken during the respective hours of the month designated under this rate schedule as onpeak and offpeak hours; provided, however, that notwithstanding the metered energy amount, the offpeak energy for any month shall in no case be less than the product of (1) the offpeak billing demand as calculated in the last sentence of the paragraph below and (2) 110 hours (reflecting a 15 percent load factor applied to the average number of hours in a month).

KUB shall meter the onpeak and offpeak demands in kW of all customers taking service under this rate schedule. The onpeak metered demand and offpeak metered demand for any month shall be determined separately for the respective hours of the month designated under this rate schedule as onpeak and offpeak hours and in each case shall be the highest average during any 30-consecutive-minute period beginning or ending on a clock hour of the month of the load metered in kW, and, except as provided below in this section, such amounts shall be used as the onpeak and offpeak billing demands.

The maximum billing demand for any month shall be the higher of (1) the highest onpeak billing demand in the month or (2) the highest offpeak billing demand in the month. The onpeak billing demand shall in no case be less than the sum of (1) 30 percent of the first 5,000 kW, (2) 40 percent of the next 20,000 kW; (3) 50 percent of the next 25,000 kW, (4) 60 percent of the next 50,000 kW, (5) 70 percent of the next 100,000 kW, (6) 80 percent of the next 150,000 kW, and (7) 85 percent of all kW in excess of 350,000 kW of the higher of the currently effective onpeak contract demand or the highest onpeak billing demand established during the preceding 12 months. The offpeak billing demand shall in no case be less than the sum of (1) 30 percent of the first 5,000 kW, (2) 40 percent of the next 20,000 kW, (3) 50 percent of the next 25,000 kW, (4) 60 percent of the next 50,000 kW, (5) 70 percent of the next 100,000 kW, (6) 80 percent of the next 150,000 kW, and (7) 85 percent of all kW in excess of 350,000 kW of the higher of the currently effective offpeak contract demand or the highest offpeak billing demand established during the preceding 12 months.

Minimum Bill

The monthly bill under this rate schedule, excluding any facilities rental charges and any reactive charges, shall not be less than the sum of (1) the base customer charge and administrative charge, (2) the portion of the base demand charge, as adjusted (but excluding the additional portion thereof applicable to excess of billing demand over contract demand) applicable to onpeak billing demand applied to the customer's onpeak billing demand, (3) the portion of the base demand charge, as adjusted, (but excluding the additional portion thereof applicable to excess of billing demand over contract demand) applicable to maximum billing demand applied to the customer's maximum billing demand, (4) the base onpeak energy charge, as adjusted, applied to the customer's onpeak energy takings, and (5) the base offpeak energy charge, as adjusted, applied to the higher of customer's actual offpeak energy takings or the minimum offpeak energy takings amount provided for in the first paragraph of the section of this rate schedule entitled "Determination of Onpeak and Offpeak Demands, Maximum Metered Demand, and Energy Amounts". Notwithstanding the foregoing, any fuel cost that is included in ***any purchased power adjustment adopted by the Board*** shall not be applied to any billed offpeak energy that exceeds the metered offpeak energy.

KUB may require minimum bills higher than those stated above.

Contract Requirement

KUB shall require contracts for all service provided under this rate schedule. The contract shall be for an initial term of at least five years and any renewals or extensions of the initial contract shall be for a term of at least five years; after ten years of service, any such contract for the renewal or extension of service may provide for termination upon not less than sixteen months notice. The customer shall contract for its maximum requirements, which shall not exceed the amount of power capable of being used by customer, and KUB shall not be obligated to supply power in greater amount at any time than the customer's currently effective onpeak or offpeak contract demand. If the customer uses any power other than that supplied by KUB under this rate schedule, the contract may include other special provisions. The rate schedule in any power contract shall be subject to adjustment, modification, change, or replacement from time to time as approved by the Board.

Single Point Delivery

The charges under this rate schedule are based upon the supply of service through a single delivery point and at a single voltage. If service is supplied to the same customer through more than one point of delivery or at different voltages, the supply of service at each delivery point and at each different voltage shall be separately metered and billed.

Rules and Regulations

Service is subject to Rules and Regulations of KUB.

MANUFACTURING SERVICE POWER RATE - SCHEDULE TDMSA

Availability

This rate, subject to availability from TVA, shall be available for firm electric power requirements where (a) a customer's currently effective onpeak or offpeak contract demand, whichever is higher, is greater than 1,000 kW but not more than 5,000 kW, and (b) the major use of electricity is for activities conducted at the delivery point serving that customer which are classified with a 2-digit Standard Industrial Classification Code between 20 and 39, inclusive, or classified with 2002 North American Industry Classification System (NAICS) code 5181, or 2007 NAICS codes 5182, 522320, and 541214.

Prior to initially taking any service under this schedule, and from time to time thereafter as may be required by KUB, a customer shall certify to KUB that it meets the requirements set forth in condition (b) above. The certification form to be used shall be furnished by KUB to the customer, and signed and promptly returned by the customer to KUB. Further, such customer shall promptly certify any change in the status of any of the information contained in the certification form.

Service during any period for which a customer does not meet the eligibility requirements set forth in condition (b) above will be made available by KUB under, and billed in accordance with, the applicable General Power schedule.

For a customer requesting that its onpeak contract demand be different from its offpeak contract demand, this rate schedule shall be available only for (1) a new contract, (2) a replacement or renewal contract following expiration of the existing contract, or (3) a replacement or renewal contract or an amended existing contract in which the customer is increasing its demand requirements above the existing contract demand level, but under this item (3) neither the new onpeak nor the new offpeak contract demand shall be lower than the customer's existing contract demand.

Prior to participation in this rate, contract amendments may be required for continued participation in certain other programs and rate overlays as determined at KUB's sole discretion.

Character of Service

Alternating current, single or three-phase, 60 hertz. Power shall be delivered at a transmission voltage of 161 kV or, if such transmission voltage is not available, at the highest voltage available in the vicinity, unless at the customer's request a lower standard voltage is agreed upon.

Rates

Customer Charge: \$1,500 per delivery point per month.

Administrative Charge: \$700 per delivery point per month.

Demand Charge:

Summer Period:

Onpeak Demand \$10.70 per kW per month of the customer's onpeak billing demand

Maximum Demand \$6.87 per kW per month of the customer's maximum billing demand

Excess Demand \$17.57 per kW per month for each kW of the amount, if any, by which (1) the customer's onpeak billing demand exceeds its onpeak contract demand or (2) the customer's offpeak billing demand exceeds its offpeak contract demand, whichever is higher

Winter Period:

Onpeak Demand \$9.69 per kW per month of the customer's onpeak billing demand

Maximum Demand \$6.87 per kW per month of the customer's maximum billing demand

Excess Demand \$16.56 per kW per month for each kW of the amount, if any, by which (1) the customer's onpeak billing demand exceeds its onpeak contract demand or (2) the customer's offpeak billing demand exceeds its offpeak contract demand, whichever is higher

Transition Period:

Onpeak Demand \$9.69 per kW per month of the customer's onpeak billing demand

Maximum Demand \$6.87 per kW per month of the customer's maximum billing demand

Excess Demand \$16.56 per kW per month for each kW of the amount, if any, by which (1) the customer's onpeak billing demand exceeds its onpeak contract demand or (2) the customer's offpeak billing demand exceeds its offpeak contract demand, whichever is higher

Energy Charge:

Summer Period:

Onpeak \$0.10012 per kWh per month for all metered onpeak kWh

Offpeak

Block 1 \$0.07400 per kWh per month for the first 200 hours use of onpeak metered demand multiplied by the ratio of offpeak energy to total energy

Block 2 \$0.04535 per kWh per month for the next 200 hours use of onpeak metered demand multiplied by the ratio of offpeak energy to total energy

Block 3 \$0.04269 per kWh per month for the hours use of onpeak metered demand in excess of 400 hours multiplied by the ratio of offpeak energy to total energy

Winter Period:

Onpeak \$0.08819 per kWh per month for all metered onpeak kWh

Offpeak

Block 1 \$0.07632 per kWh per month for the first 200 hours use of onpeak metered demand multiplied by the ratio of offpeak energy to total energy

Block 2 \$0.04535 per kWh per month for the next 200 hours use of onpeak metered demand multiplied by the ratio of offpeak energy to total energy

Block 3 \$0.04269 per kWh per month for the hours use of onpeak metered demand in excess of 400 hours multiplied by the ratio of offpeak energy to total energy

Transition Period:

Onpeak \$0.07725 per kWh per month for all metered onpeak kWh

Offpeak

Block 1 \$0.07725 per kWh per month for the first 200 hours use of onpeak metered demand multiplied by the ratio of offpeak energy to total energy

Block 2 \$0.04535 per kWh per month for the next 200 hours use of onpeak metered demand multiplied by the ratio of offpeak energy to total energy

Block 3 \$0.04269 per kWh per month for the hours use of onpeak metered demand in excess of 400 hours multiplied by the ratio of offpeak energy to total energy

For the Summer Period, Winter Period, and Transition Period, Offpeak Block 1 energy rates less fuel rate of \$0.01851 per kWh per month shall be applied to the portion, if any, of the minimum offpeak energy takings amount that is greater than the metered energy.

Facilities Rental Charge

There shall be no facilities rental charge under this rate schedule for delivery at bulk transmission voltage levels of 161kV or higher. For delivery at less than 161kV, there shall be added to the customer's bill a facilities rental charge. This charge shall be 37 cents per kW per month except for delivery at voltages below 46 kV, in which case the charge shall be 97 cents per kW per month for the first 10,000 kW and 76 cents per kW per month for the excess over 10,000 kW. Such charge shall be applied to the higher of (1) the highest billing demand established during the latest 12-consecutive-month period or (2) the higher of the customer's currently effective onpeak or offpeak contract demand and shall be in addition to all other charges under this rate schedule, including minimum bill charges.

Reactive Demand Charge

If the reactive demand (in kVAR) is lagging during the 30-consecutive-minute period beginning or ending on a clock hour of the month in which the customer's highest metered demand occurs, there shall be added to the customer's bill a reactive charge of \$1.46 per kVAR of the amount, if any, by which the reactive demand exceeds 33 percent of such metered demand. If the reactive demand (in kVAR) is leading during the 30-consecutive-minute period beginning or ending on a clock hour of the month in which the customer's lowest metered demand (excluding any metered demands which are less than 25 percent of the highest metered demand) occurs, there shall be added to the customer's bill a reactive charge of \$1.14 per kVAR of the amount of reactive demand. Such charges shall be in addition to all other charges under this rate schedule, including minimum bill charges.

Adjustment

Charges under this rate schedule may be increased or decreased to reflect changes in purchased power costs as determined by any purchased power adjustment adopted by the Board. Rates shown above are inclusive of the Purchased Power Adjustment for the current month.

Determination of Seasonal Periods

Summer Period shall mean the June, July, August, and September billing months. Winter Period shall mean the December, January, February, and March billing months. Transition Period shall mean the April, May, October, and November billing months. The Seasonal Periods under this rate schedule are subject to change by KUB. In the event KUB determines that changed Seasonal Periods are appropriate, such decision shall be made at least 11 months prior to the effective date of such changed periods, and KUB shall promptly notify customer.

Determination of Onpeak and Offpeak Hours

Except for Saturdays, Sundays, November 1, and the weekdays that are observed as Federal holidays for New Year's Day, Memorial Day, Independence Day, Labor Day, Thanksgiving Day, and Christmas Day, onpeak hours for each day shall for purposes of this rate schedule be 1 p.m. to 7 p.m. during the months of April, May, June, July, August, September and October and from 4 a.m. to 10 a.m. during the months of January, February, March, November, and December. All other hours of each day that are not otherwise defined as onpeak hours and all hours of such excepted days shall be offpeak hours. Such times shall be Central Standard Time or Central Daylight Time, whichever is then in effect. Said onpeak and offpeak hours are subject to change by KUB. In the event KUB determines that such changed onpeak and offpeak hours are appropriate, such decision shall be made at least 11 months prior to the effective date of such changed hours, and KUB shall promptly notify customer.

Determination of Onpeak and Offpeak Demands, Maximum Metered Demand, and Energy Amounts

The onpeak and offpeak kWh for any month shall be the energy amounts taken during the respective hours of the month designated under this rate schedule as onpeak and offpeak hours; provided, however, that notwithstanding the metered energy amount, the offpeak energy for any month shall in no case be less than the product of (1) the offpeak billing demand as calculated in the last sentence of the paragraph below and (2) 110 hours (reflecting a 15 percent load factor applied to the average number of hours in a month).

KUB shall meter the onpeak and offpeak demands in kW of all customers taking service under this rate schedule. The onpeak metered demand and offpeak metered demand for any month shall be determined separately for the respective hours of the month designated under this rate schedule as onpeak and offpeak hours and in each case shall be the highest average during any 30-consecutive-minute period beginning or ending on a clock hour of the month of the load metered in kW, and, except as provided below in this section, such amounts shall be used as the onpeak and offpeak billing demands.

The maximum billing demand for any month shall be the higher of (1) the highest onpeak billing demand in the month or (2) the highest offpeak billing demand in the month. The onpeak billing demand shall in no case be less than the sum of (1) 30 percent of the first 5,000 kW and (2) 40 percent of any kW in excess of 5,000 kW of the higher of the currently effective onpeak contract demand or the highest onpeak billing demand established during the preceding 12 months. The offpeak billing demand shall in no case be less than the sum of (1) 30 percent of the first 5,000 kW and (2) 40 percent of any kW in excess of 5,000 kW of the higher of the currently effective offpeak contract demand or the highest offpeak billing demand established during the preceding 12 months.

Minimum Bill

The monthly bill under this rate schedule, excluding any facilities rental charges and any reactive charges, shall not be less than the sum of (1) the base customer charge and administrative charge, (2) the portion of the base demand charge, as adjusted (but excluding the additional portion thereof applicable to excess of billing demand over contract demand) applicable to onpeak billing demand applied to the customer's onpeak billing demand, (3) the portion of the base demand charge, as adjusted, (but excluding the additional portion thereof applicable to excess of billing demand over contract demand) applicable to maximum billing demand applied to the customer's maximum billing demand, (4) the base onpeak energy charge, as adjusted, applied to the customer's onpeak energy takings, and (5) the base offpeak energy charge, as adjusted, applied to the higher of customer's actual offpeak energy takings or the minimum offpeak energy takings amount provided for in the first paragraph of the section of this rate schedule entitled "Determination of Onpeak and Offpeak Demands, Maximum Metered Demand, and Energy Amounts". Notwithstanding the foregoing, any fuel cost that is included in ***any purchased power adjustment adopted by the Board*** shall not be applied to any billed offpeak energy that exceeds the metered offpeak energy.

KUB may require minimum bills higher than those stated above.

Contract Requirement

KUB shall require contracts for all service provided under this rate schedule. The contract shall be for an initial term of at least five years and any renewals or extensions of the initial contract shall be for a term of at least one year; after ten years of service, any such contract for the renewal or extension of service may provide for termination upon not less than four months notice. The customer shall contract for its maximum requirements, which shall not exceed the amount of power capable of being used by customer, and KUB shall not be obligated to supply power in greater amount at any time than the customer's currently effective onpeak or offpeak contract demand. If the customer uses any power other than that supplied by KUB under this rate schedule, the contract may include other special provisions. The rate schedule in any power contract shall be subject to adjustment, modification, change, or replacement from time to time as approved by the Board.

Single Point Delivery

The charges under this rate schedule are based upon the supply of service through a single delivery point and at a single voltage. If service is supplied to the same customer through more than one point of delivery or at different voltages, the supply of service at each delivery point and at each different voltage shall be separately metered and billed.

Rules and Regulations

Service is subject to Rules and Regulations of KUB.

MANUFACTURING SERVICE POWER RATE - SCHEDULE MSB

Availability

This rate, subject to availability from TVA, shall be available for firm electric power requirements where (a) a customer's currently effective onpeak or offpeak contract demand, whichever is higher, is greater than 5,000 kW but not more than 15,000 kW, and (b) the major use of electricity is for activities conducted at the delivery point serving that customer which are classified with a 2-digit Standard Industrial Classification Code between 20 and 39, inclusive, or classified with 2002 North American Industry Classification System (NAICS) code 5181, or 2007 NAICS codes 5182, 522320, and 541214.

Prior to initially taking any service under this schedule, and from time to time thereafter as may be required by KUB, a customer shall certify to KUB that it meets the requirements set forth in condition (b) above. The certification form to be used shall be furnished by KUB to the customer, and signed and promptly returned by the customer to KUB. Further, such customer shall promptly certify any change in the status of any of the information contained in the certification form.

Service during any period for which a customer does not meet the eligibility requirements set forth in condition (b) above will be made available by KUB under, and billed in accordance with, the applicable General Power schedule.

For a customer requesting that its onpeak contract demand be different from its offpeak contract demand, this rate schedule shall be available only for (1) a new contract, (2) a replacement or renewal contract following expiration of the existing contract, or (3) a replacement or renewal contract or an amended existing contract in which the customer is increasing its demand requirements above the existing contract demand level, but under this item (3) neither the new onpeak nor the new offpeak contract demand shall be lower than the customer's existing contract demand.

Prior to participation in this rate, contract amendments may be required for continued participation in certain other programs and rate overlays as determined at KUB's sole discretion.

Character of Service

Alternating current, single or three-phase, 60 hertz. Power shall be delivered at a transmission voltage of 161 kV or, if such transmission voltage is not available, at the highest voltage available in the vicinity, unless at the customer's request a lower standard voltage is agreed upon.

Rates

Customer Charge: \$1,500 per delivery point per month.

Administrative Charge: \$700 per delivery point per month.

Demand Charge:

Summer Period:

Onpeak Demand \$10.59 per kW per month of the customer's onpeak billing demand

Maximum Demand \$3.45 per kW per month of the customer's maximum billing demand

Excess Demand \$14.04 per kW per month for each kW of the amount, if any, by which (1) the customer's onpeak billing demand exceeds its onpeak contract demand or (2) the customer's offpeak billing demand exceeds its offpeak contract demand, whichever is higher

Winter Period:

Onpeak Demand \$9.59 per kW per month of the customer's onpeak billing demand

Maximum Demand \$3.45 per kW per month of the customer's maximum billing demand

Excess Demand \$13.04 per kW per month for each kW of the amount, if any, by which (1) the customer's onpeak billing demand exceeds its onpeak contract demand or (2) the customer's offpeak billing demand exceeds its offpeak contract demand, whichever is higher

Transition Period:

Onpeak Demand \$9.59 per kW per month of the customer's onpeak billing demand

Maximum Demand \$3.45 per kW per month of the customer's maximum billing demand

Excess Demand \$13.04 per kW per month for each kW of the amount, if any, by which (1) the customer's onpeak billing demand exceeds its onpeak contract demand or (2) the customer's offpeak billing demand exceeds its offpeak contract demand, whichever is higher

Energy Charge:

Summer Period:

Onpeak \$0.08384 per kWh per month for all metered onpeak kWh

Offpeak

Block 1 \$0.05798 per kWh per month for the first 200 hours use of onpeak metered demand multiplied by the ratio of offpeak energy to total energy

Block 2 \$0.02728 per kWh per month for the next 200 hours use of onpeak metered demand multiplied by the ratio of offpeak energy to total energy

Block 3 \$0.02465 per kWh per month for the hours use of onpeak metered demand in excess of 400 hours multiplied by the ratio of offpeak energy to total energy

Winter Period:

Onpeak \$0.07204 per kWh per month for all metered onpeak kWh

Offpeak

Block 1 \$0.06029 per kWh per month for the first 200 hours use of onpeak metered demand multiplied by the ratio of offpeak energy to total energy

Block 2 \$0.02728 per kWh per month for the next 200 hours use of onpeak metered demand multiplied by the ratio of offpeak energy to total energy

Block 3 \$0.02465 per kWh per month for the hours use of onpeak metered demand in excess of 400 hours multiplied by the ratio of offpeak energy to total energy

Transition Period:

Onpeak \$0.06119 per kWh per month for all metered onpeak kWh

Offpeak

Block 1 \$0.06119 per kWh per month for the first 200 hours use of onpeak metered demand multiplied by the ratio of offpeak energy to total energy

Block 2 \$0.02728 per kWh per month for the next 200 hours use of onpeak metered demand multiplied by the ratio of offpeak energy to total energy

Block 3 \$0.02465 per kWh per month for the hours use of onpeak metered demand in excess of 400 hours multiplied by the ratio of offpeak energy to total energy

For the Summer Period, Winter Period, and Transition Period, Offpeak Block 1 energy rates less fuel rate of \$0.01851 per kWh per month shall be applied to the portion, if any, of the minimum offpeak energy takings amount that is greater than the metered energy.

Facilities Rental Charge

There shall be no facilities rental charge under this rate schedule for delivery at bulk transmission voltage levels of 161kV or higher. For delivery at less than 161kV, there shall be added to the customer's bill a facilities rental charge. This charge shall be 37 cents per kW per month except for delivery at voltages below 46 kV, in which case the charge shall be 97 cents per kW per month for the first 10,000 kW and 76 cents per kW per month for the excess over 10,000 kW. Such charge shall be applied to the higher of (1) the highest billing demand established during the latest 12-consecutive-month period or (2) the higher of the customer's currently effective onpeak or offpeak contract demand and shall be in addition to all other charges under this rate schedule, including minimum bill charges.

Reactive Demand Charge

If the reactive demand (in kVAR) is lagging during the 30-consecutive-minute period beginning or ending on a clock hour of the month in which the customer's highest metered demand occurs, there shall be added to the customer's bill a reactive charge of \$1.46 per kVAR of the amount, if any, by which the reactive demand exceeds 33 percent of such metered demand. If the reactive demand (in kVAR) is leading during the 30-consecutive-minute period beginning or ending on a clock hour of the month in which the customer's lowest metered demand (excluding any metered demands which are less than 25 percent of the highest metered demand) occurs, there shall be added to the customer's bill a reactive charge of \$1.14 per kVAR of the amount of reactive demand. Such charges shall be in addition to all other charges under this rate schedule, including minimum bill charges.

Adjustment

Charges under this rate schedule may be increased or decreased to reflect changes in purchased power costs as determined by any purchased power adjustment adopted by the Board. Rates shown above are inclusive of the Purchased Power Adjustment for the current month.

Determination of Seasonal Periods

Summer Period shall mean the June, July, August, and September billing months. Winter Period shall mean the December, January, February, and March billing months. Transition Period shall mean the April, May, October, and November billing months. The Seasonal Periods under this rate schedule are subject to change by KUB. In the event KUB determines that changed Seasonal Periods are appropriate, such decision shall be made at least 11 months prior to the effective date of such changed periods, and KUB shall promptly notify customer.

Determination of Onpeak and Offpeak Hours

Except for Saturdays, Sundays, November 1, and the weekdays that are observed as Federal holidays for New Year's Day, Memorial Day, Independence Day, Labor Day, Thanksgiving Day, and Christmas Day, onpeak hours for each day shall for purposes of this rate schedule be 1 p.m. to 7 p.m. during the months of April, May, June, July, August, September and October and from 4 a.m. to 10 a.m. during the months of January, February, March, November, and December. All other hours of each day that are not otherwise defined as onpeak hours and all hours of such excepted days shall be offpeak hours. Such times shall be Central Standard Time or Central Daylight Time, whichever is then in effect. Said onpeak and offpeak hours are subject to change by KUB. In the event KUB determines that such changed onpeak and offpeak hours are appropriate, such decision shall be made at least 11 months prior to the effective date of such changed hours, and KUB shall promptly notify customer.

Determination of Onpeak and Offpeak Demands, Maximum Metered Demand, and Energy Amounts

The onpeak and offpeak kWh for any month shall be the energy amounts taken during the respective hours of the month designated under this rate schedule as onpeak and offpeak hours; provided, however, that notwithstanding the metered energy amount, the offpeak energy for any month shall in no case be less than the product of (1) the offpeak billing demand as calculated in the last sentence of the paragraph below and (2) 110 hours (reflecting a 15 percent load factor applied to the average number of hours in a month).

KUB shall meter the onpeak and offpeak demands in kW of all customers taking service under this rate schedule. The onpeak metered demand and offpeak metered demand for any month shall be determined separately for the respective hours of the month designated under this rate schedule as onpeak and offpeak hours and in each case shall be the highest average during any 30-consecutive-minute period beginning or ending on a clock hour of the month of the load metered in kW, and, except as provided below in this section, such amounts shall be used as the onpeak and offpeak billing demands.

The maximum billing demand for any month shall be the higher of (1) the highest onpeak billing demand in the month or (2) the highest offpeak billing demand in the month. The onpeak billing demand shall in no case be less than the sum of (1) 30 percent of the first 5,000 kW and (2) 40 percent of any kW in excess of 5,000 kW of the higher of the currently effective onpeak contract demand or the highest onpeak billing demand established during the preceding 12 months. The offpeak billing demand shall in no case be less than the sum of (1) 30 percent of the first 5,000 kW and (2) 40 percent of any kW in excess of 5,000 kW of the higher of the currently effective offpeak contract demand or the highest offpeak billing demand established during the preceding 12 months.

Minimum Bill

The monthly bill under this rate schedule, excluding any facilities rental charges and any reactive charges, shall not be less than the sum of (1) the base customer charge and administrative charge, (2) the portion of the base demand charge, as adjusted (but excluding the additional portion thereof applicable to excess of billing demand over contract demand) applicable to onpeak billing demand applied to the customer's onpeak billing demand, (3) the portion of the base demand charge, as adjusted, (but excluding the additional portion thereof applicable to excess of billing demand over contract demand) applicable to maximum billing demand applied to the customer's maximum billing demand, (4) the base onpeak energy charge, as adjusted, applied to the customer's onpeak energy takings, and (5) the base offpeak energy charge, as adjusted, applied to the higher of customer's actual offpeak energy takings or the minimum offpeak energy takings amount provided for in the first paragraph of the section of this rate schedule entitled "Determination of Onpeak and Offpeak Demands, Maximum Metered Demand, and Energy Amounts". Notwithstanding the foregoing, any fuel cost that is included in ***any purchased power adjustment adopted by the Board*** shall not be applied to any billed offpeak energy that exceeds the metered offpeak energy.

KUB may require minimum bills higher than those stated above.

Contract Requirement

KUB shall require contracts for all service provided under this rate schedule. The contract shall be for an initial term of at least five years and any renewals or extensions of the initial contract shall be for a term of at least one year; after ten years of service, any such contract for the renewal or extension of service may provide for termination upon not less than four months notice. The customer shall contract for its maximum requirements, which shall not exceed the amount of power capable of being used by customer, and KUB shall not be obligated to supply power in greater amount at any time than the customer's currently effective onpeak or offpeak contract demand. If the customer uses any power other than that supplied by KUB under this rate schedule, the contract may include other special provisions. The rate schedule in any power contract shall be subject to adjustment, modification, change, or replacement from time to time as approved by the Board.

Single Point Delivery

The charges under this rate schedule are based upon the supply of service through a single delivery point and at a single voltage. If service is supplied to the same customer through more than one point of delivery or at different voltages, the supply of service at each delivery point and at each different voltage shall be separately metered and billed.

Rules and Regulations

Service is subject to Rules and Regulations of KUB.

MANUFACTURING SERVICE POWER RATE - SCHEDULE MSC

Availability

This rate, subject to availability from TVA, shall be available for firm electric power requirements where (a) a customer's currently effective onpeak or offpeak contract demand, whichever is higher, is greater than 15,000 kW but not more than 25,000 kW, and (b) the major use of electricity is for activities conducted at the delivery point serving that customer which are classified with a 2-digit Standard Industrial Classification Code between 20 and 39, inclusive, or classified with 2002 North American Industry Classification System (NAICS) code 5181, or 2007 NAICS codes 5182, 522320, and 541214.

Prior to initially taking any service under this schedule, and from time to time thereafter as may be required by KUB, a customer shall certify to KUB that it meets the requirements set forth in condition (b) above. The certification form to be used shall be furnished by KUB to the customer, and signed and promptly returned by the customer to KUB. Further, such customer shall promptly certify any change in the status of any of the information contained in the certification form.

Service during any period for which a customer does not meet the eligibility requirements set forth in condition (b) above will be made available by KUB under, and billed in accordance with, the applicable General Power schedule.

For a customer requesting that its onpeak contract demand be different from its offpeak contract demand, this rate schedule shall be available only for (1) a new contract, (2) a replacement or renewal contract following expiration of the existing contract, or (3) a replacement or renewal contract or an amended existing contract in which the customer is increasing its demand requirements above the existing contract demand level, but under this item (3) neither the new onpeak nor the new offpeak contract demand shall be lower than the customer's existing contract demand.

Prior to participation in this rate, contract amendments may be required for continued participation in certain other programs and rate overlays as determined at KUB's sole discretion.

Character of Service

Alternating current, single or three-phase, 60 hertz. Power shall be delivered at a transmission voltage of 161 kV or, if such transmission voltage is not available, at the highest voltage available in the vicinity, unless at the customer's request a lower standard voltage is agreed upon.

Rates

Customer Charge: \$1,500 per delivery point per month.

Administrative Charge: \$700 per delivery point per month.

Demand Charge:

Summer Period:

Onpeak Demand \$10.59 per kW per month of the customer's onpeak billing demand

Maximum Demand \$3.33 per kW per month of the customer's maximum billing demand

Excess Demand \$13.92 per kW per month for each kW of the amount, if any, by which (1) the customer's onpeak billing demand exceeds its onpeak contract demand or (2) the customer's offpeak billing demand exceeds its offpeak contract demand, whichever is higher

Winter Period:

Onpeak Demand \$9.59 per kW per month of the customer's onpeak billing demand

Maximum Demand \$3.33 per kW per month of the customer's maximum billing demand

Excess Demand \$12.92 per kW per month for each kW of the amount, if any, by which (1) the customer's onpeak billing demand exceeds its onpeak contract demand or (2) the customer's offpeak billing demand exceeds its offpeak contract demand, whichever is higher

Transition Period:

Onpeak Demand \$9.59 per kW per month of the customer's onpeak billing demand

Maximum Demand \$3.33 per kW per month of the customer's maximum billing demand

Excess Demand \$12.92 per kW per month for each kW of the amount, if any, by which (1) the customer's onpeak billing demand exceeds its onpeak contract demand or (2) the customer's offpeak billing demand exceeds its offpeak contract demand, whichever is higher

Energy Charge:

Summer Period:

Onpeak \$0.08321 per kWh per month for all metered onpeak kWh

Offpeak

Block 1 \$0.05734 per kWh per month for the first 200 hours use of onpeak metered demand multiplied by the ratio of offpeak energy to total energy

Block 2 \$0.02926 per kWh per month for the next 200 hours use of onpeak metered demand multiplied by the ratio of offpeak energy to total energy

Block 3 \$0.02926 per kWh per month for the hours use of onpeak metered demand in excess of 400 hours multiplied by the ratio of offpeak energy to total energy

Winter Period:

Onpeak \$0.07140 per kWh per month for all metered onpeak kWh

Offpeak

Block 1 \$0.05964 per kWh per month for the first 200 hours use of onpeak metered demand multiplied by the ratio of offpeak energy to total energy

Block 2 \$0.02926 per kWh per month for the next 200 hours use of onpeak metered demand multiplied by the ratio of offpeak energy to total energy

Block 3 \$0.02926 per kWh per month for the hours use of onpeak metered demand in excess of 400 hours multiplied by the ratio of offpeak energy to total energy

Transition Period:

Onpeak \$0.06055 per kWh per month for all metered onpeak kWh

Offpeak

Block 1 \$0.06055 per kWh per month for the first 200 hours use of onpeak metered demand multiplied by the ratio of offpeak energy to total energy

Block 2 \$0.02926 per kWh per month for the next 200 hours use of onpeak metered demand multiplied by the ratio of offpeak energy to total energy

Block 3 \$0.02926 per kWh per month for the hours use of onpeak metered demand in excess of 400 hours multiplied by the ratio of offpeak energy to total energy

For the Summer Period, Winter Period, and Transition Period, Offpeak Block 1 energy rates less fuel rate of \$0.01851 per kWh per month shall be applied to the portion, if any, of the minimum offpeak energy takings amount that is greater than the metered energy.

Facilities Rental Charge

There shall be no facilities rental charge under this rate schedule for delivery at bulk transmission voltage levels of 161kV or higher. For delivery at less than 161kV, there shall be added to the customer's bill a facilities rental charge. This charge shall be 37 cents per kW per month except for delivery at voltages below 46 kV, in which case the charge shall be 97 cents per kW per month for the first 10,000 kW and 76 cents per kW per month for the excess over 10,000 kW. Such charge shall be applied to the higher of (1) the highest billing demand established during the latest 12-consecutive-month period or (2) the higher of the customer's currently effective onpeak or offpeak contract demand and shall be in addition to all other charges under this rate schedule, including minimum bill charges.

Reactive Demand Charge

If the reactive demand (in kVAR) is lagging during the 30-consecutive-minute period beginning or ending on a clock hour of the month in which the customer's highest metered demand occurs, there shall be added to the customer's bill a reactive charge of \$1.46 per kVAR of the amount, if any, by which the reactive demand exceeds 33 percent of such metered demand. If the reactive demand (in kVAR) is leading during the 30-consecutive-minute period beginning or ending on a clock hour of the month in which the customer's lowest metered demand (excluding any metered demands which are less than 25 percent of the highest metered demand) occurs, there shall be added to the customer's bill a reactive charge of \$1.14 per kVAR of the amount of reactive demand. Such charges shall be in addition to all other charges under this rate schedule, including minimum bill charges.

Adjustment

Charges under this rate schedule may be increased or decreased to reflect changes in purchased power costs as determined by any purchased power adjustment adopted by the Board. Rates shown above are inclusive of the Purchased Power Adjustment for the current month.

Determination of Seasonal Periods

Summer Period shall mean the June, July, August, and September billing months. Winter Period shall mean the December, January, February, and March billing months. Transition Period shall mean the April, May, October, and November billing months. The Seasonal Periods under this rate schedule are subject to change by KUB. In the event KUB determines that changed Seasonal Periods are appropriate, such decision shall be made at least 11 months prior to the effective date of such changed periods, and KUB shall promptly notify customer.

Determination of Onpeak and Offpeak Hours

Except for Saturdays, Sundays, November 1, and the weekdays that are observed as Federal holidays for New Year's Day, Memorial Day, Independence Day, Labor Day, Thanksgiving Day, and Christmas Day, onpeak hours for each day shall for purposes of this rate schedule be 1 p.m. to 7 p.m. during the months of April, May, June, July, August, September and October and from 4 a.m. to 10 a.m. during the months of January, February, March, November, and December. All other hours of each day that are not otherwise defined as onpeak hours and all hours of such excepted days shall be offpeak hours. Such times shall be Central Standard Time or Central Daylight Time, whichever is then in effect. Said onpeak and offpeak hours are subject to change by KUB. In the event KUB determines that such changed onpeak and offpeak hours are appropriate, such decision shall be made at least 11 months prior to the effective date of such changed hours, and KUB shall promptly notify customer.

Determination of Onpeak and Offpeak Demands, Maximum Metered Demand, and Energy Amounts

The onpeak and offpeak kWh for any month shall be the energy amounts taken during the respective hours of the month designated under this rate schedule as onpeak and offpeak hours; provided, however, that notwithstanding the metered energy amount, the offpeak energy for any month shall in no case be less than the product of (1) the offpeak billing demand as calculated in the last sentence of the paragraph below and (2) 110 hours (reflecting a 15 percent load factor applied to the average number of hours in a month).

KUB shall meter the onpeak and offpeak demands in kW of all customers taking service under this rate schedule. The onpeak metered demand and offpeak metered demand for any month shall be determined separately for the respective hours of the month designated under this rate schedule as onpeak and offpeak hours and in each case shall be the highest average during any 30-consecutive-minute period beginning or ending on a clock hour of the month of the load metered in kW, and, except as provided below in this section, such amounts shall be used as the onpeak and offpeak billing demands.

The maximum billing demand for any month shall be the higher of (1) the highest onpeak billing demand in the month or (2) the highest offpeak billing demand in the month. The onpeak billing demand shall in no case be less than the sum of (1) 30 percent of the first 5,000 kW, (2) 40 percent of the next 20,000 kW, and (3) 50 percent of any kW in excess of 25,000 kW of the higher of the currently effective onpeak contract demand or the highest onpeak billing demand established during the preceding 12 months. The offpeak billing demand shall in no case be less than the sum of (1) 30 percent of the first 5,000 kW, (2) 40 percent of the next 20,000 kW, and (3) 50 percent of any kW in excess of 25,000 kW of the higher of the currently effective offpeak contract demand or the highest offpeak billing demand established during the preceding 12 months.

Minimum Bill

The monthly bill under this rate schedule, excluding any facilities rental charges and any reactive charges, shall not be less than the sum of (1) the base customer charge and administrative charge, (2) the portion of the base demand charge, as adjusted (but excluding the additional portion thereof applicable to excess of billing demand over contract demand) applicable to onpeak billing demand applied to the customer's onpeak billing demand, (3) the portion of the base demand charge, as adjusted, (but excluding the additional portion thereof applicable to excess of billing demand over contract demand) applicable to maximum billing demand applied to the customer's maximum billing demand, (4) the base onpeak energy charge, as adjusted, applied to the customer's onpeak energy takings, and (5) the base offpeak energy charge, as adjusted, applied to the higher of customer's actual offpeak energy takings or the minimum offpeak energy takings amount provided for in the first paragraph of the section of this rate schedule entitled "Determination of Onpeak and Offpeak Demands, Maximum Metered Demand, and Energy Amounts". Notwithstanding the foregoing, any fuel cost that is included in ***any purchased power adjustment adopted by the Board*** shall not be applied to any billed offpeak energy that exceeds the metered offpeak energy.

KUB may require minimum bills higher than those stated above.

Contract Requirement

KUB shall require contracts for all service provided under this rate schedule. The contract shall be for an initial term of at least five years and any renewals or extensions of the initial contract shall be for a term of at least one year; after ten years of service, any such contract for the renewal or extension of service may provide for termination upon not less than four months notice. The customer shall contract for its maximum requirements, which shall not exceed the amount of power capable of being used by customer, and KUB shall not be obligated to supply power in greater amount at any time than the customer's currently effective onpeak or offpeak contract demand. If the customer uses any power other than that supplied by KUB under this rate schedule, the contract may include other special provisions. The rate schedule in any power contract shall be subject to adjustment, modification, change, or replacement from time to time as approved by the Board.

Single Point Delivery

The charges under this rate schedule are based upon the supply of service through a single delivery point and at a single voltage. If service is supplied to the same customer through more than one point of delivery or at different voltages, the supply of service at each delivery point and at each different voltage shall be separately metered and billed.

Rules and Regulations

Service is subject to Rules and Regulations of KUB.

MANUFACTURING SERVICE POWER RATE - SCHEDULE MSD

Availability

This rate, subject to availability from TVA, shall be available for firm electric power requirements where (a) a customer's currently effective onpeak or offpeak contract demand, whichever is higher, is greater than 25,000 kW, and (b) the major use of electricity is for activities conducted at the delivery point serving that customer which are classified with a 2-digit Standard Industrial Classification Code between 20 and 39, inclusive, or classified with 2002 North American Industry Classification System (NAICS) code 5181, or 2007 NAICS codes 5182, 522320, and 541214.

Prior to initially taking any service under this schedule, and from time to time thereafter as may be required by KUB, a customer shall certify to KUB that it meets the requirements set forth in condition (b) above. The certification form to be used shall be furnished by KUB to the customer, and signed and promptly returned by the customer to KUB. Further, such customer shall promptly certify any change in the status of any of the information contained in the certification form.

Service during any period for which a customer does not meet the eligibility requirements set forth in condition (b) above will be made available by KUB under, and billed in accordance with, the applicable General Power schedule.

For a customer requesting that its onpeak contract demand be different from its offpeak contract demand, this rate schedule shall be available only for (1) a new contract, (2) a replacement or renewal contract following expiration of the existing contract, or (3) a replacement or renewal contract or an amended existing contract in which the customer is increasing its demand requirements above the existing contract demand level, but under this item (3) neither the new onpeak nor the new offpeak contract demand shall be lower than the customer's existing contract demand.

Prior to participation in this rate, contract amendments may be required for continued participation in certain other programs and rate overlays as determined at KUB's sole discretion.

Character of Service

Alternating current, single or three-phase, 60 hertz. Power shall be delivered at a transmission voltage of 161 kV or, if such transmission voltage is not available, at the highest voltage available in the vicinity, unless at the customer's request a lower standard voltage is agreed upon.

Rates

Customer Charge: \$1,500 per delivery point per month.

Administrative Charge: \$700 per delivery point per month.

Demand Charge:

Summer Period:

Onpeak Demand	\$10.59 per kW per month of the customer's onpeak billing demand
Maximum Demand	\$2.88 per kW per month of the customer's maximum billing demand
Excess Demand	\$13.47 per kW per month for each kW of the amount, if any, by which (1) the customer's onpeak billing demand exceeds its onpeak contract demand or (2) the customer's offpeak billing demand exceeds its offpeak contract demand, whichever is higher

Winter Period:

Onpeak Demand	\$9.59 per kW per month of the customer's onpeak billing demand
Maximum Demand	\$2.88 per kW per month of the customer's maximum billing demand
Excess Demand	\$12.47 per kW per month for each kW of the amount, if any, by which (1) the customer's onpeak billing demand exceeds its onpeak contract demand or (2) the customer's offpeak billing demand exceeds its offpeak contract demand, whichever is higher

Transition Period:

Onpeak Demand	\$9.59 per kW per month of the customer's onpeak billing demand
Maximum Demand	\$2.88 per kW per month of the customer's maximum billing demand
Excess Demand	\$12.47 per kW per month for each kW of the amount, if any, by which (1) the customer's onpeak billing demand exceeds its onpeak contract demand or (2) the customer's offpeak billing demand exceeds its offpeak contract demand, whichever is higher

Energy Charge:

Summer Period:

Onpeak	\$0.07951 per kWh per month for all metered onpeak kWh
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Offpeak	
Block 1	\$0.05366 per kWh per month for the first 200 hours use of onpeak metered demand multiplied by the ratio of offpeak energy to total energy
Block 2	\$0.02617 per kWh per month for the next 200 hours use of onpeak metered demand multiplied by the ratio of offpeak energy to total energy
Block 3	\$0.02557 per kWh per month for the hours use of onpeak metered demand in excess of 400 hours multiplied by the ratio of offpeak energy to total energy

Winter Period:

Onpeak \$0.06771 per kWh per month for all metered onpeak kWh

Offpeak

Block 1	\$0.05594 per kWh per month for the first 200 hours use of onpeak metered demand multiplied by the ratio of offpeak energy to total energy
Block 2	\$0.02617 per kWh per month for the next 200 hours use of onpeak metered demand multiplied by the ratio of offpeak energy to total energy
Block 3	\$0.02557 per kWh per month for the hours use of onpeak metered demand in excess of 400 hours multiplied by the ratio of offpeak energy to total energy

Transition Period:

Onpeak \$0.05685 per kWh per month for all metered onpeak kWh

Offpeak

Block 1	\$0.05685 per kWh per month for the first 200 hours use of onpeak metered demand multiplied by the ratio of offpeak energy to total energy
Block 2	\$0.02617 per kWh per month for the next 200 hours use of onpeak metered demand multiplied by the ratio of offpeak energy to total energy
Block 3	\$0.02557 per kWh per month for the hours use of onpeak metered demand in excess of 400 hours multiplied by the ratio of offpeak energy to total energy

For the Summer Period, Winter Period, and Transition Period, Offpeak Block 1 energy rates less fuel rate of \$0.01851 per kWh per month shall be applied to the portion, if any, of the minimum offpeak energy takings amount that is greater than the metered energy.

Facilities Rental Charge

There shall be no facilities rental charge under this rate schedule for delivery at bulk transmission voltage levels of 161kV or higher. For delivery at less than 161kV, there shall be added to the customer's bill a facilities rental charge. This charge shall be 37 cents per kW per month except for delivery at voltages below 46 kV, in which case the charge shall be 97 cents per kW per month for the first 10,000 kW and 76 cents per kW per month for the excess over 10,000 kW. Such charge shall be applied to the higher of (1) the highest billing demand established during the latest 12-consecutive-month period or (2) the higher of the customer's currently effective onpeak or offpeak contract demand and shall be in addition to all other charges under this rate schedule, including minimum bill charges.

Reactive Demand Charge

If the reactive demand (in kVAR) is lagging during the 30-consecutive-minute period beginning or ending on a clock hour of the month in which the customer's highest metered demand occurs, there shall be added to the customer's bill a reactive charge of \$1.46 per kVAR of the amount, if any, by which the reactive demand exceeds 33 percent of such metered demand. If the reactive demand (in kVAR) is leading during the 30-consecutive-minute period beginning or ending on a clock hour of the month in which the customer's lowest metered demand (excluding any metered demands which are less than 25 percent of the highest metered demand) occurs, there shall be added to the customer's bill a reactive charge of \$1.14 per kVAR of the amount of reactive demand. Such charges shall be in addition to all other charges under this rate schedule, including minimum bill charges.

Adjustment

Charges under this rate schedule may be increased or decreased to reflect changes in purchased power costs as determined by any purchased power adjustment adopted by the Board. Rates shown above are inclusive of the Purchased Power Adjustment for the current month.

Determination of Seasonal Periods

Summer Period shall mean the June, July, August, and September billing months. Winter Period shall mean the December, January, February, and March billing months. Transition Period shall mean the April, May, October, and November billing months. The Seasonal Periods under this rate schedule are subject to change by KUB. In the event KUB determines that changed Seasonal Periods are appropriate, such decision shall be

made at least 11 months prior to the effective date of such changed periods, and KUB shall promptly notify customer.

Determination of Onpeak and Offpeak Hours

Except for Saturdays, Sundays, November 1, and the weekdays that are observed as Federal holidays for New Year's Day, Memorial Day, Independence Day, Labor Day, Thanksgiving Day, and Christmas Day, onpeak hours for each day shall for purposes of this rate schedule be 1 p.m. to 7 p.m. during the months of April, May, June, July, August, September and October and from 4 a.m. to 10 a.m. during the months of January, February, March, November, and December. All other hours of each day that are not otherwise defined as onpeak hours and all hours of such excepted days shall be offpeak hours. Such times shall be Central Standard Time or Central Daylight Time, whichever is then in effect. Said onpeak and offpeak hours are subject to change by KUB. In the event KUB determines that such changed onpeak and offpeak hours are appropriate, such decision shall be made at least 11 months prior to the effective date of such changed hours, and KUB shall promptly notify customer.

Determination of Onpeak and Offpeak Demands, Maximum Metered Demand, and Energy Amounts

The onpeak and offpeak kWh for any month shall be the energy amounts taken during the respective hours of the month designated under this rate schedule as onpeak and offpeak hours; provided, however, that notwithstanding the metered energy amount, the offpeak energy for any month shall in no case be less than the product of (1) the offpeak billing demand as calculated in the last sentence of the paragraph below and (2) 110 hours (reflecting a 15 percent load factor applied to the average number of hours in a month).

KUB shall meter the onpeak and offpeak demands in kW of all customers taking service under this rate schedule. The onpeak metered demand and offpeak metered demand for any month shall be determined separately for the respective hours of the month designated under this rate schedule as onpeak and offpeak hours and in each case shall be the highest average during any 30-consecutive-minute period beginning or ending on a clock hour of the month of the load metered in kW, and, except as provided below in this section, such amounts shall be used as the onpeak and offpeak billing demands.

The maximum billing demand for any month shall be the higher of (1) the highest onpeak billing demand in the month or (2) the highest offpeak billing demand in the month. The onpeak billing demand shall in no case be less than the sum of (1) 30 percent of the first 5,000 kW and (2) 40 percent of the next 20,000 kW (3) 50 percent of the next 25,000 kW, (4) 60 percent of the next 50,000 kW, (5) 70 percent of the next 100,000 kW, (6) 80 percent of the next 150,000 kW, and (7) 85 percent of all kW in excess of 350,000 kW of the higher of the currently effective onpeak contract demand or the highest onpeak billing

demand established during the preceding 12 months. The offpeak billing demand shall in no case be less than the sum of (1) 30 percent of the first 5,000 kW, (2) 40 percent of the next 20,000 kW, (3) 50 percent of the next 25,000 kW, (4) 60 percent of the next 50,000 kW, and (5) 70 percent of the next 100,000 kW, (6) 80 percent of the next 150,000 kW, and (7) 85 percent of all kW in excess of 350,000 kW of the higher of the currently effective offpeak contract demand or the highest offpeak billing demand established during the preceding 12 months.

Minimum Bill

The monthly bill under this rate schedule, excluding any facilities rental charges and any reactive charges, shall not be less than the sum of (1) the base customer charge and administrative charge, (2) the portion of the base demand charge, as adjusted (but excluding the additional portion thereof applicable to excess of billing demand over contract demand) applicable to onpeak billing demand applied to the customer's onpeak billing demand, (3) the portion of the base demand charge, as adjusted, (but excluding the additional portion thereof applicable to excess of billing demand over contract demand) applicable to maximum billing demand applied to the customer's maximum billing demand, (4) the base onpeak energy charge, as adjusted, applied to the customer's onpeak energy takings, and (5) the base offpeak energy charge, as adjusted, applied to the higher of customer's actual offpeak energy takings or the minimum offpeak energy takings amount provided for in the first paragraph of the section of this rate schedule entitled "Determination of Onpeak and Offpeak Demands, Maximum Metered Demand, and Energy Amounts". Notwithstanding the foregoing, any fuel cost that is included in ***any purchased power adjustment adopted by the Board*** shall not be applied to any billed offpeak energy that exceeds the metered offpeak energy.

KUB may require minimum bills higher than those stated above.

Contract Requirement

KUB shall require contracts for all service provided under this rate schedule. The contract shall be for an initial term of at least five years and any renewals or extensions of the initial contract shall be for a term of at least five years; after ten years of service, any such contract for the renewal or extension of service may provide for termination upon not less than sixteen months notice. The customer shall contract for its maximum requirements, which shall not exceed the amount of power capable of being used by customer, and KUB shall not be obligated to supply power in greater amount at any time than the customer's currently effective onpeak or offpeak contract demand. If the customer uses any power other than that supplied by KUB under this rate schedule, the contract may include other special provisions. The rate schedule in any power contract shall be subject to adjustment, modification, change, or replacement from time to time as approved by the Board.

Single Point Delivery

The charges under this rate schedule are based upon the supply of service through a single delivery point and at a single voltage. If service is supplied to the same customer through more than one point of delivery or at different voltages, the supply of service at each delivery point and at each different voltage shall be separately metered and billed.

Rules and Regulations

Service is subject to Rules and Regulations of KUB.

ELECTRIC VEHICLE CHARGING POWER RATE - SCHEDULE EVC

Availability

This rate shall exclusively apply to separately metered charging stations for electric vehicles where the charging station's demand is greater than 50 kW but not more than 5,000 kW.

All customers participating under this rate schedule shall agree to a full requirements service from KUB. In addition, customers must agree that the sole use of the electric service is for the purpose of charging electric vehicles used for transportation purposes only.

Character of Service

Alternating current, single- or three-phase, 60 hertz. Power shall be delivered at a transmission voltage of 161 kV or, if such transmission voltage is not available, at the highest voltage available in the vicinity, unless at the customer's request a lower standard voltage is agreed upon.

Rates

Customer Charge: \$107.00 per delivery point per month

Monthly Energy Charge: Onpeak \$0.33231 per kWh for all metered onpeak kWh
 Offpeak \$0.21142 per kWh for all metered offpeak kWh

Adjustment

Charges under this rate schedule may be increased or decreased to reflect changes in purchased power costs as determined by any purchased power adjustment adopted by the Board. Rates shown above are inclusive of the Purchased Power Adjustment for the current month.

Determination of Seasonal Periods

Summer Period shall mean the June, July, August, and September billing months. Winter Period shall mean the December, January, February, and March billing months. Transition Period shall mean the April, May, October, and November billing months. The Seasonal Periods under this rate schedule are subject to change by KUB. In the event KUB determines that changed Seasonal Periods are appropriate, such decision shall be made at least 11 months prior to the effective date of such changed periods, and KUB shall promptly notify customer.

Determination of Onpeak and Offpeak Hours

Except for Saturdays, Sundays, November 1, and the weekdays that are observed as Federal holidays for New Year's Day, Memorial Day, Independence Day, Labor Day, Thanksgiving Day, and Christmas Day, onpeak hours for each day shall for purposes of this rate schedule be from 2 p.m. to 8 p.m. during the months of April, May, June, July, August, September and October and from 5 a.m. to 11 a.m. during the months of January, February, March, November, and December. For all other hours of each day and all hours of such excepted days shall be offpeak hours. Such times shall be EST or EDT, whichever is then in effect. Said onpeak and offpeak hours are subject to change by KUB. In the event KUB determines that such changed onpeak and offpeak hours are appropriate, such decision shall be made at least 11 months prior to the effective date of such changed hours, and KUB shall promptly notify customer.

Minimum Bill

The base customer charge constitutes the minimum monthly bill for all customers served under this rate schedule except those customers for which a higher minimum monthly bill is required under KUB's standard policy because of special circumstances affecting the cost of rendering service.

Contract Requirement

At its sole discretion, KUB may require contracts for service provided under this rate schedule and such contracts shall be for an initial term of at least 90 days. The customer shall contract for its maximum requirements, which shall not exceed the amount of power capable of being used by customer, and KUB shall not be obligated to supply power in greater amount at any time than the customer's currently effective contract demand. The customer is prohibited from using any power other than that supplied by KUB under this rate schedule. All other power sources are prohibited. The contract may include other special provisions. The rate schedule in any power contract shall be subject to adjustment, modification, change, or replacement from time to time as approved by the Board.

After having received service for at least 90 days under this rate schedule, the customer, subject to 90 days prior written notice and appropriate amendments in its power contract with KUB, may receive service under the General Power Time-Of-Use Rate - Schedule GSA TOU. In such case the term of the power contract shall remain the same and the contract demand for service under the General Power Time-Of-Use Rate - Schedule GSA TOU shall not be less than the contract demand in effect when service was taken under this rate schedule.

Single-Point Delivery

The charges under this rate schedule are based upon the supply of service through a single delivery and metering point, and at a single voltage. If service is supplied to the same customer through more than one point of delivery or at different voltages, the supply of service at each delivery and metering point and at each different voltage shall be separately metered and billed.

Rules and Regulations

Service is subject to Rules and Regulations of KUB.

POWERFLEX

Availability

KUB provides PowerFlex to qualified power users through its wholesale power supplier, the Tennessee Valley Authority (TVA), in accordance with the power supply contract between KUB and TVA.

PowerFlex shall be made available to qualified power users pursuant to specific contractual arrangements between KUB and the customer (such contractual arrangements may be contained in one or more written instruments and are hereinafter sometimes referred to as the "Agreement").

Charges for PowerFlex

KUB Administrative Charge: \$350.00 per month

All other PowerFlex related charges including TVA Administrative Cost Charges shall be established in accordance with the Agreement.

Interruptibility

PowerFlex furnished to a customer under the Agreement shall be subject to interruption and to suspension of availability as provided for in the Agreement.

Rules and Regulations

Service is subject to Rules and Regulations of KUB.

INTERRUPTIBLE POWER 5 (IP5)

Availability

KUB provides Interruptible Power 5 (IP5) to qualified power users through its wholesale power supplier, the Tennessee Valley Authority (TVA), in accordance with the power supply contract between KUB and TVA.

IP5 shall be made available to qualified power users pursuant to specific contractual arrangements between KUB and the customer (such contractual arrangements may be contained in one or more written instruments and are hereinafter sometimes referred to as the "Contract").

Charges for IP5

KUB Administrative Charge: \$350.00 per month

All other IP5-related charges including TVA Administrative Cost Charges shall be established in accordance with the Contract.

Interruptibility

IP5 furnished to a customer under the Contract shall be subject to interruption and to suspension of availability as provided for in the Contract.

Rules and Regulations

Service is subject to Rules and Regulations of KUB.

INTERRUPTIBLE POWER 30 (IP30)

Availability

KUB provides Interruptible Power 30 (IP30) to qualified power users through its wholesale power supplier, the Tennessee Valley Authority (TVA), in accordance with the power supply contract between KUB and TVA.

IP30 shall be made available to qualified power users pursuant to specific contractual arrangements between KUB and the customer (such contractual arrangements may be contained in one or more written instruments and are hereinafter sometimes referred to as the "Contract").

Charges for IP30

KUB Administrative Charge: \$350.00 per month

All other IP30-related charges including TVA Administrative Cost Charges shall be established in accordance with the Contract.

Interruptibility

IP30 furnished to a customer under the Contract shall be subject to interruption and to suspension of availability as provided for in the Contract.

Rules and Regulations

Service is subject to Rules and Regulations of KUB.

TWO-PART REAL TIME PRICING (RTP)

Availability

KUB provides Two-Part Real Time Pricing (Two-Part RTP) to qualified general power users through its wholesale power supplier, the Tennessee Valley Authority (TVA), in accordance with the power supply contract between KUB and TVA.

Two-Part RTP shall be made available to qualified general power users pursuant to specific contractual arrangements between KUB and the customer (such contractual arrangements may be contained in one or more written instruments and are hereinafter sometimes referred to as the "Contract").

Charges for Two-Part RTP

KUB Administrative Charge: \$350.00 per month

All other Two-Part RTP charges including TVA Administrative Charges shall be established in accordance with the Contract.

Interruptibility

Two-Part RTP furnished to a customer under the Contract may be subject to interruption and to suspension of availability as provided for in the Contract.

Rules and Regulations

Service is subject to Rules and Regulations of KUB.

START-UP AND TESTING POWER (STP)

Availability

KUB provides Start-up and Testing Power (STP) to qualified power users through its wholesale power supplier, the Tennessee Valley Authority (TVA), in accordance with the power supply contract between KUB and TVA.

STP shall be made available to qualified power users pursuant to specific contractual arrangements between KUB and the customer (such contractual arrangements may be contained in one or more written instruments and are hereinafter sometimes referred to as the "Contract").

Charges for STP

KUB Administrative Charge: \$350.00 per month

All other STP-related charges including TVA Administrative Cost Charges shall be established in accordance with the Contract.

Interruptibility

STP furnished to a customer under the Contract shall be subject to interruption and to suspension of availability as provided for in the Contract.

Rules and Regulations

Service is subject to Rules and Regulations of KUB.

RESIDENTIAL POWER TIME-OF-USE RATE - SCHEDULE RS-TOU

Availability

Service under this rate schedule shall be available only to residential customers served individually through a separate meter or through a KUB-approved multiple meter configuration designed as a single billing point.

Character of Service

Alternating current, single-phase, 60 hertz. Power shall be delivered at a service voltage available in the vicinity or agreed to by KUB. Multi-phase service shall be supplied in accordance with KUB's standard policy.

Rates

Basic Service Charge:	\$20.50 per month
Monthly Energy Charge:	Onpeak: \$0.21750 per kWh
	Offpeak: \$0.08574 per kWh

Adjustment

Charges under this rate schedule may be increased or decreased to reflect changes in purchased power costs as determined by any purchased power adjustment adopted by the Board. Rates shown above are inclusive of the Purchased Power Adjustment for the current month.

Determination of Onpeak and Offpeak Hours *All hours stated in Eastern Prevailing Time*

Weekdays (Monday - Friday)

Onpeak	2 PM to 8 PM calendar months April through October 5 AM to 11 AM calendar months November through March
Offpeak	All other hours

Weekends (Saturday – Sunday) and Holidays - all hours are Offpeak

Holidays include the weekdays that are observed as holidays:
New Year's Day, Memorial Day, Independence Day, Labor Day, Thanksgiving Day, and Christmas Day

Minimum Bill

The basic service charge constitutes the minimum monthly bill for all customers served under this rate schedule except those customers for which a higher minimum monthly bill is required under KUB's standard policy because of special circumstances affecting the cost of rendering service.

Single Point Delivery

The charges under this rate schedule are based upon the supply of service through a single delivery and at a single voltage.

Rules and Regulations

Service is subject to Rules and Regulations of KUB.

GENERAL POWER TIME-OF-USE RATE - SCHEDULE GSA-TOU

Availability

This rate shall be available for the firm power requirements for electric service to non-residential customers, where a customer's contract demand is 1,000 kW or less.

Character of Service

Alternating current, single or three-phase, 60 hertz. Power shall be delivered at a service voltage available in the vicinity or agreed to by KUB.

Rates

1. If the higher of (a) the customer's currently effective contract demand, if any, or (b) its highest billing demand during the latest 12-month period is not more than 50 kW:

Customer Charge: \$34.00 per delivery point per month

Monthly Demand Charge: \$2.34 per kW of maximum billing demand

Monthly Energy Charge:	Onpeak	\$0.22338 per kWh
	Offpeak	\$0.09052 per kWh

- 2A. If the higher of (a) the customer's currently effective contract demand or (b) its highest billing demand during the latest 12-month period is greater than 50 kW but not more than 100 kW:

Customer Charge: \$145.00 per delivery point per month

Monthly Demand Charge: \$5.34 per kW of maximum billing demand

Monthly Energy Charge:	Onpeak	\$0.23507 per kWh
	Offpeak	\$0.10221 per kWh

2B.If the higher of (a) the customer's currently effective contract demand or (b) its highest billing demand during the latest 12-month period is greater than 100 kW but not more than 1,000 kW:

Customer Charge: \$163.00 per delivery point per month

Monthly Demand Charge: \$7.84 per kW of maximum billing demand

Monthly Energy Charge: Onpeak \$0.20853 per kWh
Offpeak \$0.07567 per kWh

3. If the higher of (a) the customer's currently effective contract demand or (b) its highest billing demand during the latest 12-month period is greater than 1,000 kW, these customers are not eligible for the GSA-TOU rate schedule. The customer will be removed from this rate and billed under the default General Power Rate – Schedule GSA unless the customer qualifies and selects TDGSA or TDMSA rates.

Adjustment

Charges under this rate schedule may be increased or decreased to reflect changes in purchased power costs as determined by any purchased power adjustment adopted by the Board. Rates shown above are inclusive of the Purchased Power Adjustment for the current month.

Determination of Onpeak and Offpeak Hours *All hours stated in Eastern Prevailing Time*

Weekdays (Monday - Friday)

Onpeak 2 PM to 8 PM calendar months April through October
5 AM to 11 AM calendar months November through March

Offpeak All other hours

Weekends (Saturday – Sunday) and Holidays - all hours are Offpeak

Holidays include the weekdays that are observed as holidays:
New Year's Day, Memorial Day, Independence Day, Labor Day, Thanksgiving Day, and Christmas Day

Determination of Demand

KUB shall meter the demands in kW of all customers served under the GSA-TOU rate schedule. The Metered Demand for any month shall be the highest average during any 30-minute-consecutive period of the month of the load metered in kW. The Measured Demand for any month shall be the higher of (a) or (b) below.

The Billing Demand for any month shall be **the higher of** the following:

- (a) Metered Demand
- (b) 85 percent of the load in kVA
- (c) 30 percent of the higher of the currently effective contract demand or the highest billing demand established during the preceding 12 months.

Minimum Bill

The monthly bill under this rate schedule shall not be less than the sum of (a) the customer charge, (b) the demand charge, as adjusted, applied to the customer's billing demand, and (c) the energy charges, as adjusted, applied to the customer's energy takings.

KUB may require minimum bills higher than those stated above.

Contract Requirements

At its sole discretion, KUB may require contracts for service provided under this rate schedule and such contracts shall be for an initial term of at least one year. The customer shall contract for its maximum requirements, which shall not exceed the amount of power capable of being used by customer, and KUB shall not be obligated to supply power in greater amount at any time than the customer's currently effective contract demand. If the customer uses any power other than that supplied by KUB under this rate schedule, the contract may include other special provisions. The rate schedule in any power contract shall be subject to adjustment, modification, change, or replacement from time to time as approved by the Board.

Single – Point Delivery

The charges under this rate schedule are based upon the supply of service through a single delivery and at a single voltage. If service is supplied to the same customer through more than one point of delivery or at different voltages, the supply of service at each delivery and metering point at each different voltage shall be separately metered and billed.

Rules and Regulations

Service is subject to Rules and Regulations of KUB.

RATE SCHEDULE EVCP - Electric Vehicle Charging Pump Rate

Availability

Service under Rate Schedule EVCP is available to any vehicle served at KUB owned EV charging stations. This fuel is solely for use for charging commercial or personal vehicles.

Rate

Base Rate

\$0.43 per kWh

Plus

All applicable local, state, and federal taxes and applicable transaction fees.

Other Charges

Idle fees and any other charges can be found in the KUB Electric Service Procedures.

Rules and Regulations

Service is subject to Rules and Regulations of KUB.

RESOLUTION 1493
EXHIBIT C
RATE SCHEDULES OF THE ELECTRIC DIVISION
EFFECTIVE APRIL 1, 2027

RESIDENTIAL POWER RATE - SCHEDULE RS

Availability

Service under this rate schedule shall be available only to residential customers served individually through a separate meter or through a KUB-approved multiple meter configuration designed as a single billing point.

Character of Service

Alternating current, single-phase, 60 hertz. Power shall be delivered at a service voltage available in the vicinity or agreed to by KUB. Multi-phase service shall be supplied in accordance with KUB's standard policy.

Rates

Basic Service Charge:	\$20.50 per month
Monthly Energy Charge:	Summer Period \$0.11341 per kWh
	Winter Period \$0.11300 per kWh
	Transition Period \$0.11300 per kWh

Adjustment

Charges under this rate schedule may be increased or decreased to reflect changes in purchased power costs as determined by any purchased power adjustment adopted by the Board. Rates shown above are inclusive of the Purchased Power Adjustment for the current month.

Determination of Seasonal Periods

Summer Period shall mean the June, July, August, and September billing months.
Winter Period shall mean the December, January, February, and March billing months.
Transition Period shall mean the April, May, October, and November billing months.

Minimum Bill

The basic service charge constitutes the minimum monthly bill for all customers served under this rate schedule except those customers for which a higher minimum monthly bill is required under KUB's standard policy because of special circumstances affecting the cost of rendering service.

Single Point Delivery

The charges under this rate schedule are based upon the supply of service through a single delivery and at a single voltage.

Rules and Regulations

Service is subject to Rules and Regulations of KUB.

GENERAL POWER RATE - SCHEDULE GSA

Availability

This rate shall be available for the firm power requirements for electric service to non-residential customers, where a customer's contract demand is 5,000 kW or less. This rate shall also apply to customers to whom service is not available under any other resale rate schedule.

Character of Service

Alternating current, single or three-phase, 60 hertz. Power shall be delivered at a service voltage available in the vicinity or agreed to by KUB.

Rates

1. If (a) the higher of (i) the customer's currently effective contract demand, if any, or (ii) its highest billing demand during the latest 12-month period is not more than 50 kW and (b) the customer's monthly energy takings for any month during such period do not exceed 15,000 kWh:

Customer Charge: \$34.00 per month

Monthly Demand Charge:

Summer Period	\$1.50 per kW of billing demand
Winter Period	\$1.50 per kW of billing demand
Transition Period	\$1.50 per kW of billing demand

Monthly Energy Charge:

Summer Period	\$0.13139 per kWh
Winter Period	\$0.13098 per kWh
Transition Period	\$0.13098 per kWh

2. If (a) the higher of (i) the customer's currently effective contract demand or (ii) its highest billing demand during the latest 12-month period is greater than 50 kW but not more than 1,000 kW or (b) the customer's billing demand is less than 50 kW and its energy takings for any month during such period exceed 15,000 kWh:

Customer Charge: \$165.00 per month

Monthly Demand Charge:

Summer Period	First 50 kW of billing demand	\$1.50 per kW
	Over 50 kW of billing demand	\$18.11 per kW
Winter Period	First 50 kW of billing demand	\$1.50 per kW
	Over 50 kW of billing demand	\$17.32 per kW
Transition Period	First 50 kW of billing demand	\$1.50 per kW
	Over 50 kW of billing demand	\$17.32 per kW

Monthly Energy Charge:

Summer Period	First 15,000 kWh	\$0.16633 per kWh
	Additional kWh	\$0.07348 per kWh
Winter Period	First 15,000 kWh	\$0.16592 per kWh
	Additional kWh	\$0.07348 per kWh
Transition Period	First 15,000 kWh	\$0.16592 per kWh
	Additional kWh	\$0.07348 per kWh

3. If the higher of (a) the customer's currently effective contract demand or (b) its highest billing demand during the latest 12-month period is greater than 1,000 kW:

Customer Charge: \$365.00 per month

Monthly Demand Charge:

Summer Period	First 1,000 kW of billing demand	\$19.17 per kW
	Over 1,000 kW of billing demand	\$19.95 per kW
	Excess kW of billing demand	\$19.95 per kW
Winter Period	First 1,000 kW of billing demand	\$18.41 per kW
	Over 1,000 kW of billing demand	\$19.19 per kW
	Excess kW of billing demand	\$19.19 per kW
Transition Period	First 1,000 kW of billing demand	\$18.41 per kW
	Over 1,000 kW of billing demand	\$19.19 per kW
	Excess kW of billing demand	\$19.19 per kW

Monthly Excess Demand Charges are applicable to the amount by which the customer's billing demand exceeds the higher of 2,500 kW or its contract demand.

Monthly Energy Charge:

Summer Period	\$0.08608 per kWh
Winter Period	\$0.08608 per kWh
Transition Period	\$0.08608 per kWh

Adjustment

Charges under this rate schedule may be increased or decreased to reflect changes in purchased power costs as determined by any purchased power adjustment adopted by the Board. Rates shown above are inclusive of the Purchased Power Adjustment for the current month.

Determination of Seasonal Periods

Summer Period shall mean the June, July, August, and September billing months. Winter Period shall mean the December, January, February, and March billing months. Transition Period shall mean the April, May, October, and November billing months.

Determination of Demand

KUB shall meter the demands in kW of all GSA customers. The metered demand for any month shall be the highest average during any 30-consecutive-minute period of the month of the load metered in kW. The measured demand for any month shall be the higher of the highest average during any 30-consecutive-minute period of the month of (a) the load metered in kW or (b) 85 percent of the load in kVA plus an additional 10 percent for that part of the load over 5,000 kVA, and such measured demand shall be used as the billing demand, except that the billing demand for any month shall in no case be less than 30 percent of the higher of the currently effective contract demand or the highest billing demand established during the preceding 12 months.

Minimum Bill

The monthly bill under this rate schedule shall not be less than the sum of (a) the base customer charge, (b) the base demand charge, as adjusted, applied to the customer's billing demand, and (c) the base energy charge, as adjusted, applied to the customer's energy takings; provided, however, that, under (2.) of the Base Charges, the monthly bill shall in no event be less than the sum (a) the base customer charge and (b) 20 percent of the portion of the base demand charge, as adjusted, applicable to the second block (excess over 50kW) of billing demand, multiplied by the higher of the customer's currently effective contract demand or its highest billing demand established during the preceding 12 months.

KUB may require minimum bills higher than those stated above.

Contract Requirements

KUB shall require contracts for service provided under this rate schedule to customers whose demand requirements exceed 1,000 kW and such contracts shall be for an initial term of at least one year. The customer shall contract for its maximum requirements, which shall not exceed the amount of power capable of being used by customer, and KUB shall not be obligated to supply power in greater amount at any time than the customer's

currently effective contract demand. If the customer uses any power other than that supplied by KUB under this rate schedule, the contract may include other special provisions. The rate schedule in any power contract shall be subject to adjustment, modification, change, or replacement from time to time as approved by the Board.

Single – Point Delivery

The charges under this rate schedule are based upon the supply of service through a single delivery and at a single voltage. If service is supplied to the same customer through more than one point of delivery or at different voltages, the supply of service at each delivery point at each different voltage shall be separately metered and billed.

Rules and Regulations

Service is subject to Rules and Regulations of KUB.

OUTDOOR LIGHTING POWER RATE - SCHEDULE LS

Availability

Available for service to street and park lighting systems, traffic signal systems, athletic field lighting installations, and outdoor lighting for individual customers.

Determination of Seasonal Periods

Summer Period shall mean the June, July, August, and September billing months. Winter Period shall mean the December, January, February, and March billing months. Transition Period shall mean the April, May, October, and November billing months.

PART A

CHARGES FOR STREET AND PARK LIGHTING SYSTEMS, TRAFFIC SIGNAL SYSTEMS, AND ATHLETIC FIELD LIGHTING INSTALLATIONS

I. Monthly Energy Charge:

Summer Period	\$0.10179 per kWh
Winter Period	\$0.10179 per kWh
Transition Period	\$0.10179 per kWh

II. Facility Charge

The annual facility charge shall be **13.00** percent of the installed cost to KUB's electric system of the facilities devoted to street and park lighting service specified in this Part A. Such installed cost shall be recomputed on July 1 of each year, or more often if substantial changes in the facilities are made. Each month, one-twelfth of the then total annual facility charge shall be billed to the customer. If any part of the facilities has not been provided at the electric system's expense or if the installed cost of any portion thereof is reflected on the books of another municipality or agency or department, the annual facility charge shall be adjusted to reflect properly the remaining cost to be borne by the electric system.

Traffic signal systems and athletic field lighting installations shall be provided, owned, and maintained by and at the expense of the customer, except as KUB may agree otherwise in accordance with the provisions of the paragraph next following in this Section II. The facilities necessary to provide service to such systems and installations shall be provided by and at the expense of KUB's electric system, and the annual facility charge provided for first above in this Section II shall apply to the installed cost of such facilities.

When so authorized by policy duly adopted by the Board, traffic signal systems and athletic field lighting installations may be provided, owned, and maintained by KUB's electric system for the customer's benefit. In such cases KUB may require reimbursement from the customer for a portion of the initial installed cost of any such system or installation and shall require payment by the customer of a facility charge sufficient to cover all of KUB's costs (except reimbursed costs), including appropriate overheads, of providing, owning, and maintaining such system or installation; provided that, for athletic field lighting installations, such facility charge shall be **12.00** percent per year of such costs. Said facility charge shall be in addition to the annual facility charge on the facilities necessary to provide service to such system or installation as provided for in the preceding paragraph. Replacement of lamps and related glassware for traffic signal systems and athletic field lighting installations provided under this paragraph shall be paid for under the provisions of paragraph A in section IV.

III. Customer Charge – Traffic Signal Systems and Athletic Field Lighting Installations.

KUB shall apply a uniform **monthly customer charge of \$2.50** for service to each traffic signal system or athletic field lighting installation.

IV. Replacement of Lamps and Related Glassware – Street and Park Lighting

Customer shall be billed and shall pay for replacements as provided in paragraph A below, which shall be applied to all service for street and park lighting.

- A. KUB shall bill the customer monthly for such replacements during each month at KUB's cost of materials, including appropriate storeroom expense.
- B. KUB shall bill the customer monthly for one-twelfth of the amount by which KUB's cost of materials, including appropriate storeroom expenses, exceeds the products of 3 mills multiplied by the number of kilowatt-hours used for street and park lighting during the fiscal year immediately preceding the fiscal year in which such month occurs.

Metering

For any billing month or part of such month in which the energy is not metered or for which a meter reading is found to be in error or a meter is found to have failed, the energy for billing purposes for that billing month or part of such month shall be computed from the rated capacity of the lamps (including ballast) plus 3 percent of such capacity to reflect secondary circuit losses, multiplied by the number of hours of use.

Revenue and Cost Review

KUB's costs of providing service under Part A of this rate schedule are subject to review at any time to determine if KUB's revenues from the charges being applied are sufficient

to cover its costs. (Such costs, including applicable overheads, include, but are not limited to, those incurred in the operation and maintenance of the systems provided and those resulting from depreciation and payments for taxes, tax equivalents and interest). If any such review discloses that revenues are either less or more than sufficient to cover said costs, the Board shall revise the above facility charges so that revenues will be sufficient to cover said costs.

PART B
Outdoor Lighting for Individual Customers

Type of Fixture	<u>Monthly Charges by Lamp Type</u>			
	Lamp Size	Rated kWh	Facility Charge	Total Lamp Charge
Light-Emitting Diode (LED)	100WE	21	\$ 7.00	\$ 9.14
	250WE	58	\$ 8.68	\$14.58
	400WE	79	\$11.90	\$19.94
High Pressure Sodium (HPS)	100W	42	\$6.09	\$10.37
	250W	105	\$7.23	\$17.92
	400W	165	\$8.50	\$25.30
	1,000W*	385	\$13.60	\$52.79
Decorative	100W	42	\$6.95	\$11.23

* 1,000 watt fixtures not offered for new service.

Monthly Energy Charge for each lamp size above:

Summer Period	\$0.10179 per kWh
Winter Period	\$0.10179 per kWh
Transition Period	\$0.10179 per kWh

Additional Facilities

The above charges in this Part B are limited to service from a photoelectrically controlled standard lighting fixture installed on a pole already in place. If the customer wishes to have the fixture installed at a location other than on a pole already in place, the customer shall pay an **additional monthly charge of \$6.13 per pole** for additional poles required to serve the fixture from KUB's nearest available source. (This section does not apply to Decorative Lighting Fixtures).

Adjustment

Charges under this rate schedule may be increased or decreased to reflect changes in purchased power costs as determined by any purchased power adjustment adopted by the Board. Rates shown above are inclusive of the Purchased Power Adjustment for the current month.

Lamp Replacements

Replacements of lamps and related glassware will be made in accordance with replacement policies of KUB.

Special Outdoor Lighting Installations

When so authorized by policy duly adopted by the Board, special outdoor lighting installations (other than as provided for under Parts A and B above) may be provided, owned, and maintained by KUB's electric system. In such cases, KUB may require reimbursement from the customer for a portion of the initial installed cost of any such installation and shall require payment by the customer of monthly charges sufficient to cover all of KUB's costs (except reimbursed costs), including appropriate overheads of providing, owning, and maintaining such installations, and making lamp replacements.

Rules and Regulations

Service is subject to Rules and Regulations of KUB.

GENERAL POWER RATE - SCHEDULE TDGSA

Availability

This rate, subject to availability from TVA, shall be available for firm electric power requirements where the higher of a customer's currently effective onpeak or offpeak contract demand is greater than 1,000 kW but not more than 5,000 kW for electric service to commercial, industrial, and governmental customers, and to institutional customers, including, without limitation, churches, clubs, fraternities, orphanages, nursing homes, rooming or boarding houses, and like customers, provided that the other conditions of this section are met.

For a customer requesting that its onpeak contract demand be different from its offpeak contract demand, this rate schedule shall be available only for (1) a new contract, (2) a replacement or renewal contract following expiration of the existing contract, or (3) a replacement or renewal contract or an amended existing contract in which the customer is increasing its demand requirements above the existing contract demand level, but under this item (3) neither the new onpeak nor the new offpeak contract demand shall be lower than the customer's existing contract demand.

Prior to participation in this rate, contract amendments may be required for continued participation in certain other programs and rate overlays as determined at KUB's sole discretion.

Character of Service

Alternating current, single or three-phase, 60 hertz. Power shall be delivered at a transmission voltage of 161 kV or, if such transmission voltage is not available, at the highest voltage available in the vicinity, unless at the customer's request a lower standard voltage is agreed upon.

Rates

Customer Charge: \$1,500 per delivery point per month.

Administrative Charge: \$700 per delivery point per month.

Demand Charge:

Summer Period:

Onpeak Demand \$11.44 per kW per month of the customer's onpeak billing demand

Maximum Demand \$8.98 per kW per month of the customer's maximum billing demand

Excess Demand \$20.42 per kW per month for each kW of the amount, if any, by which (1) the customer's onpeak billing demand exceeds its onpeak contract demand or (2) the customer's offpeak billing demand exceeds its offpeak contract demand, whichever is higher

Winter Period:

Onpeak Demand \$10.44 per kW per month of the customer's onpeak billing demand

Maximum Demand \$8.98 per kW per month of the customer's maximum billing demand

Excess Demand \$19.42 per kW per month for each kW of the amount, if any, by which (1) the customer's onpeak billing demand exceeds its onpeak contract demand or (2) the customer's offpeak billing demand exceeds its offpeak contract demand, whichever is higher

Transition Period:

Onpeak Demand \$10.44 per kW per month of the customer's onpeak billing demand

Maximum Demand \$8.98 per kW per month of the customer's maximum billing demand

Excess Demand \$19.42 per kW per month for each kW of the amount, if any, by which (1) the customer's onpeak billing demand exceeds its onpeak contract demand or (2) the customer's offpeak billing demand exceeds its offpeak contract demand, whichever is higher

Energy Charge:

Summer Period:

Onpeak \$0.12816 per kWh per month for all metered onpeak kWh

Offpeak

Block 1 \$0.09316 per kWh per month for the first 200 hours use of onpeak metered demand multiplied by the ratio of offpeak energy to total energy

Block 2 \$0.04879 per kWh per month for the next 200 hours use of onpeak metered demand multiplied by the ratio of offpeak energy to total energy

Block 3	\$0.04563 per kWh per month for the hours use of onpeak metered demand in excess of 400 hours multiplied by the ratio of offpeak energy to total energy
Winter Period:	
Onpeak	\$0.11219 per kWh per month for all metered onpeak kWh
Offpeak	
Block 1	\$0.09626 per kWh per month for the first 200 hours use of onpeak metered demand multiplied by the ratio of offpeak energy to total energy
Block 2	\$0.04879 per kWh per month for the next 200 hours use of onpeak metered demand multiplied by the ratio of offpeak energy to total energy
Block 3	\$0.04563 per kWh per month for the hours use of onpeak metered demand in excess of 400 hours multiplied by the ratio of offpeak energy to total energy
Transition Period:	
Onpeak	\$0.09751 per kWh per month for all metered onpeak kWh
Offpeak	
Block 1	\$0.09751 per kWh per month for the first 200 hours use of onpeak metered demand multiplied by the ratio of offpeak energy to total energy
Block 2	\$0.04879 per kWh per month for the next 200 hours use of onpeak metered demand multiplied by the ratio of offpeak energy to total energy
Block 3	\$0.04563 per kWh per month for the hours use of onpeak metered demand in excess of 400 hours multiplied by the ratio of offpeak energy to total energy

For the Summer Period, Winter Period, and Transition Period, Offpeak Block 1 energy rates less fuel rate of \$0.01851 per kWh per month shall be applied to the portion, if any, of the minimum offpeak energy takings amount that is greater than the metered energy.

Facilities Rental Charge

There shall be no facilities rental charge under this rate schedule for delivery at bulk transmission voltage levels of 161kV or higher. For delivery at less than 161kV, there shall be added to the customer's bill a facilities rental charge. This charge shall be 37 cents per kW per month except for delivery at voltages below 46 kV, in which case the charge shall be 97 cents per kW per month for the first 10,000 kW and 76 cents per kW per month for the excess over 10,000 kW. Such charge shall be applied to the higher of (1) the highest billing demand established during the latest 12-consecutive-month period or (2) the higher of the customer's currently effective onpeak or offpeak contract demand and shall be in addition to all other charges under this rate schedule, including minimum bill charges.

Reactive Demand Charge

If the reactive demand (in kVAR) is lagging during the 30-consecutive-minute period beginning or ending on a clock hour of the month in which the customer's highest metered demand occurs, there shall be added to the customer's bill a reactive charge of \$1.46 per kVAR of the amount, if any, by which the reactive demand exceeds 33 percent of such metered demand. If the reactive demand (in kVAR) is leading during the 30-consecutive-minute period beginning or ending on a clock hour of the month in which the customer's lowest metered demand (excluding any metered demands which are less than 25 percent of the highest metered demand) occurs, there shall be added to the customer's bill a reactive charge of \$1.14 per kVAR of the amount of reactive demand. Such charges shall be in addition to all other charges under this rate schedule, including minimum bill charges.

Adjustment

Charges under this rate schedule may be increased or decreased to reflect changes in purchased power costs as determined by any purchased power adjustment adopted by the Board. Rates shown above are inclusive of the Purchased Power Adjustment for the current month.

Determination of Seasonal Periods

Summer Period shall mean the June, July, August, and September billing months. Winter Period shall mean the December, January, February, and March billing months. Transition Period shall mean the April, May, October, and November billing months. The Seasonal Periods under this rate schedule are subject to change by KUB. In the event KUB determines that changed Seasonal Periods are appropriate, such decision shall be made at least 11 months prior to the effective date of such changed periods, and KUB shall promptly notify customer.

Determination of Onpeak and Offpeak Hours

Except for Saturdays, Sundays, November 1, and the weekdays that are observed as Federal holidays for New Year's Day, Memorial Day, Independence Day, Labor Day, Thanksgiving Day, and Christmas Day, onpeak hours for each day shall for purposes of this rate schedule be 1 p.m. to 7 p.m. during the months of April, May, June, July, August, September and October and from 4 a.m. to 10 a.m. during the months of January, February, March, November, and December. All other hours of each day that are not otherwise defined as onpeak hours and all hours of such excepted days shall be offpeak hours. Such times shall be Central Standard Time or Central Daylight Time, whichever is then in effect. Said onpeak and offpeak hours are subject to change by KUB. In the event KUB determines that such changed onpeak and offpeak hours are appropriate, such decision shall be made at least 11 months prior to the effective date of such changed hours, and KUB shall promptly notify customer.

Determination of Onpeak and Offpeak Demands, Maximum Metered Demand, and Energy Amounts

The onpeak and offpeak kWh for any month shall be the energy amounts taken during the respective hours of the month designated under this rate schedule as onpeak and offpeak hours; provided, however, that notwithstanding the metered energy amount, the offpeak energy for any month shall in no case be less than the product of (1) the offpeak billing demand as calculated in the last sentence of the paragraph below and (2) 110 hours (reflecting a 15 percent load factor applied to the average number of hours in a month).

KUB shall meter the onpeak and offpeak demands in kW of all customers taking service under this rate schedule. The onpeak metered demand and offpeak metered demand for any month shall be determined separately for the respective hours of the month designated under this rate schedule as onpeak and offpeak hours and in each case shall be the highest average during any 30-consecutive-minute period beginning or ending on a clock hour of the month of the load metered in kW, and, except as provided below in this section, such amounts shall be used as the onpeak and offpeak billing demands.

The maximum billing demand for any month shall be the higher of (1) the highest onpeak billing demand in the month or (2) the highest offpeak billing demand in the month. The onpeak billing demand shall in no case be less than the sum of (1) 30 percent of the first 5,000 kW and (2) 40 percent of any kW in excess of 5,000 kW of the higher of the currently effective onpeak contract demand or the highest onpeak billing demand established during the preceding 12 months. The offpeak billing demand shall in no case be less than the sum of (1) 30 percent of the first 5,000 kW and (2) 40 percent of any kW in excess of 5,000 kW of the higher of the currently effective offpeak contract demand or the highest offpeak billing demand established during the preceding 12 months.

Minimum Bill

The monthly bill under this rate schedule, excluding any facilities rental charges and any reactive charges, shall not be less than the sum of (1) the base customer charge and administrative charge, (2) the portion of the base demand charge, as adjusted (but excluding the additional portion thereof applicable to excess of billing demand over contract demand) applicable to onpeak billing demand applied to the customer's onpeak billing demand, (3) the portion of the base demand charge, as adjusted, (but excluding the additional portion thereof applicable to excess of billing demand over contract demand) applicable to maximum billing demand applied to the customer's maximum billing demand, (4) the base onpeak energy charge, as adjusted, applied to the customer's onpeak energy takings, and (5) the base offpeak energy charge, as adjusted, applied to the higher of customer's actual offpeak energy takings or the minimum offpeak energy takings amount provided for in the first paragraph of the section of this rate schedule entitled "Determination of Onpeak and Offpeak Demands, Maximum Metered Demand, and Energy Amounts". Notwithstanding the foregoing, any fuel cost that is included in ***any purchased power adjustment adopted by the Board*** shall not be applied to any billed offpeak energy that exceeds the metered offpeak energy.

KUB may require minimum bills higher than those stated above.

Contract Requirement

KUB shall require contracts for all service provided under this rate schedule. The contract shall be for an initial term of at least five years and any renewals or extensions of the initial contract shall be for a term of at least one year; after ten years of service, any such contract for the renewal or extension of service may provide for termination upon not less than four months notice. The customer shall contract for its maximum requirements, which shall not exceed the amount of power capable of being used by customer, and KUB shall not be obligated to supply power in greater amount at any time than the customer's currently effective onpeak or offpeak contract demand. If the customer uses any power other than that supplied by KUB under this rate schedule, the contract may include other special provisions. The rate schedule in any power contract shall be subject to adjustment, modification, change, or replacement from time to time as approved by the Board.

Single Point Delivery

The charges under this rate schedule are based upon the supply of service through a single delivery point and at a single voltage. If service is supplied to the same customer through more than one point of delivery or at different voltages, the supply of service at each delivery point and at each different voltage shall be separately metered and billed.

Rules and Regulations

Service is subject to Rules and Regulations of KUB.

GENERAL POWER RATE - SCHEDULE GSB

Availability

This rate, subject to availability from TVA, shall be available for firm electric power requirements where the higher of a customer's currently effective onpeak or offpeak contract demand is greater than 5,000 kW but not more than 15,000 kW; provided that the other conditions of this section are met.

For a customer requesting that its onpeak contract demand be different from its offpeak contract demand, this rate schedule shall be available only for (1) a new contract, (2) a replacement or renewal contract following expiration of the existing contract, or (3) a replacement or renewal contract or an amended existing contract in which the customer is increasing its demand requirements above the existing contract demand level, but under this item (3) neither the new onpeak nor the new offpeak contract demand shall be lower than the customer's existing contract demand.

Prior to participation in this rate, contract amendments may be required for continued participation in certain other programs and rate overlays as determined at KUB's sole discretion.

Character of Service

Alternating current, single or three-phase, 60 hertz. Power shall be delivered at a transmission voltage of 161 kV or, if such transmission voltage is not available, at the highest voltage available in the vicinity, unless at the customer's request a lower standard voltage is agreed upon.

Rates

Customer Charge: \$1,500 per delivery point per month.

Administrative Charge: \$700 per delivery point per month.

Demand Charge:

Summer Period:

Onpeak Demand \$11.23 per kW per month of the customer's onpeak billing demand

Maximum Demand \$6.85 per kW per month of the customer's maximum billing demand

Excess Demand \$18.08 per kW per month for each kW of the amount, if any, by which (1) the customer's onpeak billing demand

exceeds its onpeak contract demand or (2) the customer's offpeak billing demand exceeds its offpeak contract demand, whichever is higher

Winter Period:

Onpeak Demand \$10.23 per kW per month of the customer's onpeak billing demand

Maximum Demand \$6.85 per kW per month of the customer's maximum billing demand

Excess Demand \$17.08 per kW per month for each kW of the amount, if any, by which (1) the customer's onpeak billing demand exceeds its onpeak contract demand or (2) the customer's offpeak billing demand exceeds its offpeak contract demand, whichever is higher

Transition Period:

Onpeak Demand \$10.23 per kW per month of the customer's onpeak billing demand

Maximum Demand \$6.85 per kW per month of the customer's maximum billing demand

Excess Demand \$17.08 per kW per month for each kW of the amount, if any, by which (1) the customer's onpeak billing demand exceeds its onpeak contract demand or (2) the customer's offpeak billing demand exceeds its offpeak contract demand, whichever is higher

Energy Charge:

Summer Period:

Onpeak \$0.09285 per kWh per month for all metered onpeak kWh

Offpeak

Block 1 \$0.06708 per kWh per month for the first 200 hours use of onpeak metered demand multiplied by the ratio of offpeak energy to total energy

Block 2 \$0.03133 per kWh per month for the next 200 hours use of onpeak metered demand multiplied by the ratio of offpeak energy to total energy

Block 3 \$0.02780 per kWh per month for the hours use of onpeak metered demand in excess of 400 hours multiplied by the ratio of offpeak energy to total energy

Winter Period:

Onpeak \$0.08110 per kWh per month for all metered onpeak kWh

Offpeak

Block 1 \$0.06938 per kWh per month for the first 200 hours use of onpeak metered demand multiplied by the ratio of offpeak energy to total energy

Block 2 \$0.03133 per kWh per month for the next 200 hours use of onpeak metered demand multiplied by the ratio of offpeak energy to total energy

Block 3 \$0.02780 per kWh per month for the hours use of onpeak metered demand in excess of 400 hours multiplied by the ratio of offpeak energy to total energy

Transition Period:

Onpeak \$0.06675 per kWh per month for all metered onpeak kWh

Offpeak

Block 1 \$0.06675 per kWh per month for the first 200 hours use of onpeak metered demand multiplied by the ratio of offpeak energy to total energy

Block 2 \$0.03133 per kWh per month for the next 200 hours use of onpeak metered demand multiplied by the ratio of offpeak energy to total energy

Block 3 \$0.02780 per kWh per month for the hours use of onpeak metered demand in excess of 400 hours multiplied by the ratio of offpeak energy to total energy

For the Summer Period, Winter Period, and Transition Period, Offpeak Block 1 energy rates less fuel rate of \$0.01851 per kWh per month shall be applied to the portion, if any, of the minimum offpeak energy takings amount that is greater than the metered energy.

Facilities Rental Charge

There shall be no facilities rental charge under this rate schedule for delivery at bulk transmission voltage levels of 161kV or higher. For delivery at less than 161kV, there shall be added to the customer's bill a facilities rental charge. This charge shall be 37 cents per kW per month except for delivery at voltages below 46 kV, in which case the

charge shall be 97 cents per kW per month for the first 10,000 kW and 76 cents per kW per month for the excess over 10,000 kW. Such charge shall be applied to the higher of (1) the highest billing demand established during the latest 12-consecutive-month period or (2) the higher of the customer's currently effective onpeak or offpeak contract demand and shall be in addition to all other charges under this rate schedule, including minimum bill charges.

Reactive Demand Charge

If the reactive demand (in kVAR) is lagging during the 30-consecutive-minute period beginning or ending on a clock hour of the month in which the customer's highest metered demand occurs, there shall be added to the customer's bill a reactive charge of \$1.46 per kVAR of the amount, if any, by which the reactive demand exceeds 33 percent of such metered demand. If the reactive demand (in kVAR) is leading during the 30-consecutive-minute period beginning or ending on a clock hour of the month in which the customer's lowest metered demand (excluding any metered demands which are less than 25 percent of the highest metered demand) occurs, there shall be added to the customer's bill a reactive charge of \$1.14 per kVAR of the amount of reactive demand. Such charges shall be in addition to all other charges under this rate schedule, including minimum bill charges.

Adjustment

Charges under this rate schedule may be increased or decreased to reflect changes in purchased power costs as determined by any purchased power adjustment adopted by the Board. Rates shown above are inclusive of the Purchased Power Adjustment for the current month.

Determination of Seasonal Periods

Summer Period shall mean the June, July, August, and September billing months. Winter Period shall mean the December, January, February, and March billing months. Transition Period shall mean the April, May, October, and November billing months. The Seasonal Periods under this rate schedule are subject to change by KUB. In the event KUB determines that changed Seasonal Periods are appropriate, such decision shall be made at least 11 months prior to the effective date of such changed periods, and KUB shall promptly notify customer.

Determination of Onpeak and Offpeak Hours

Except for Saturdays, Sundays, November 1, and the weekdays that are observed as Federal holidays for New Year's Day, Memorial Day, Independence Day, Labor Day, Thanksgiving Day, and Christmas Day, onpeak hours for each day shall for purposes of this rate schedule be 1 p.m. to 7 p.m. during the months of April, May, June, July, August, September and October and from 4 a.m. to 10 a.m. during the months of January, February, March, November, and December. All other hours of each day that are not

otherwise defined as onpeak hours and all hours of such excepted days shall be offpeak hours. Such times shall be Central Standard Time or Central Daylight Time, whichever is then in effect. Said onpeak and offpeak hours are subject to change by KUB. In the event KUB determines that such changed onpeak and offpeak hours are appropriate, such decision shall be made at least 11 months prior to the effective date of such changed hours, and KUB shall promptly notify customer.

Determination of Onpeak and Offpeak Demands,
Maximum Metered Demand, and Energy Amounts

The onpeak and offpeak kWh for any month shall be the energy amounts taken during the respective hours of the month designated under this rate schedule as onpeak and offpeak hours; provided, however, that notwithstanding the metered energy amount, the offpeak energy for any month shall in no case be less than the product of (1) the offpeak billing demand as calculated in the last sentence of the paragraph below and (2) 110 hours (reflecting a 15 percent load factor applied to the average number of hours in a month).

KUB shall meter the onpeak and offpeak demands in kW of all customers taking service under this rate schedule. The onpeak metered demand and offpeak metered demand for any month shall be determined separately for the respective hours of the month designated under this rate schedule as onpeak and offpeak hours and in each case shall be the highest average during any 30-consecutive-minute period beginning or ending on a clock hour of the month of the load metered in kW, and, except as provided below in this section, such amounts shall be used as the onpeak and offpeak billing demands.

The maximum billing demand for any month shall be the higher of (1) the highest onpeak billing demand in the month or (2) the highest offpeak billing demand in the month. The onpeak billing demand shall in no case be less than the sum of (1) 30 percent of the first 5,000 kW and (2) 40 percent of any kW in excess of 5,000 kW of the higher of the currently effective onpeak contract demand or the highest onpeak billing demand established during the preceding 12 months. The offpeak billing demand shall in no case be less than the sum of (1) 30 percent of the first 5,000 kW and (2) 40 percent of any kW in excess of 5,000 kW of the higher of the currently effective offpeak contract demand or the highest offpeak billing demand established during the preceding 12 months.

Minimum Bill

The monthly bill under this rate schedule, excluding any facilities rental charges and any reactive charges, shall not be less than the sum of (1) the base customer charge and administrative charge, (2) the portion of the base demand charge, as adjusted (but excluding the additional portion thereof applicable to excess of billing demand over contract demand) applicable to onpeak billing demand applied to the customer's onpeak billing demand, (3) the portion of the base demand charge, as adjusted, (but excluding the additional portion thereof applicable to excess of billing demand over contract demand) applicable to maximum billing demand applied to the customer's maximum

billing demand, (4) the base onpeak energy charge, as adjusted, applied to the customer's onpeak energy takings, and (5) the base offpeak energy charge, as adjusted, applied to the higher of customer's actual offpeak energy takings or the minimum offpeak energy takings amount provided for in the first paragraph of the section of this rate schedule entitled "Determination of Onpeak and Offpeak Demands, Maximum Metered Demand, and Energy Amounts". Notwithstanding the foregoing, any fuel cost that is included in ***any purchased power adjustment adopted by the Board*** shall not be applied to any billed offpeak energy that exceeds the metered offpeak energy.

KUB may require minimum bills higher than those stated above.

Contract Requirement

KUB shall require contracts for all service provided under this rate schedule. The contract shall be for an initial term of at least five years and any renewals or extensions of the initial contract shall be for a term of at least one year; after ten years of service, any such contract for the renewal or extension of service may provide for termination upon not less than four months notice. The customer shall contract for its maximum requirements, which shall not exceed the amount of power capable of being used by customer, and KUB shall not be obligated to supply power in greater amount at any time than the customer's currently effective onpeak or offpeak contract demand. If the customer uses any power other than that supplied by KUB under this rate schedule, the contract may include other special provisions. The rate schedule in any power contract shall be subject to adjustment, modification, change, or replacement from time to time as approved by the Board.

Single Point Delivery

The charges under this rate schedule are based upon the supply of service through a single delivery point and at a single voltage. If service is supplied to the same customer through more than one point of delivery or at different voltages, the supply of service at each delivery point and at each different voltage shall be separately metered and billed.

Rules and Regulations

Service is subject to Rules and Regulations of KUB.

GENERAL POWER RATE - SCHEDULE GSC

Availability

This rate, subject to availability from TVA, shall be available for firm electric power requirements where the higher of a customer's currently effective onpeak or offpeak contract demand is greater than 15,000 kW but not more than 25,000 kW; provided that the other conditions of this section are met.

For a customer requesting that its onpeak contract demand be different from its offpeak contract demand, this rate schedule shall be available only for (1) a new contract, (2) a replacement or renewal contract following expiration of the existing contract, or (3) a replacement or renewal contract or an amended existing contract in which the customer is increasing its demand requirements above the existing contract demand level, but under this item (3) neither the new onpeak nor the new offpeak contract demand shall be lower than the customer's existing contract demand.

Prior to participation in this rate, contract amendments may be required for continued participation in certain other programs and rate overlays as determined at KUB's sole discretion.

Character of Service

Alternating current, single or three-phase, 60 hertz. Power shall be delivered at a transmission voltage of 161 kV or, if such transmission voltage is not available, at the highest voltage available in the vicinity, unless at the customer's request a lower standard voltage is agreed upon.

Rates

Customer Charge: \$1,500 per delivery point per month.

Administrative Charge: \$700 per delivery point per month.

Demand Charge:

Summer Period:

Onpeak Demand \$11.23 per kW per month of the customer's onpeak billing demand

Maximum Demand \$6.67 per kW per month of the customer's maximum billing demand

Excess Demand \$17.90 per kW per month for each kW of the amount, if any, by which (1) the customer's onpeak billing demand

exceeds its onpeak contract demand or (2) the customer's offpeak billing demand exceeds its offpeak contract demand, whichever is higher

Winter Period:

Onpeak Demand \$10.23 per kW per month of the customer's onpeak billing demand

Maximum Demand \$6.67 per kW per month of the customer's maximum billing demand

Excess Demand \$16.90 per kW per month for each kW of the amount, if any, by which (1) the customer's onpeak billing demand exceeds its onpeak contract demand or (2) the customer's offpeak billing demand exceeds its offpeak contract demand, whichever is higher

Transition Period:

Onpeak Demand \$10.23 per kW per month of the customer's onpeak billing demand

Maximum Demand \$6.67 per kW per month of the customer's maximum billing demand

Excess Demand \$16.90 per kW per month for each kW of the amount, if any, by which (1) the customer's onpeak billing demand exceeds its onpeak contract demand or (2) the customer's offpeak billing demand exceeds its offpeak contract demand, whichever is higher

Energy Charge:

Summer Period:

Onpeak \$0.09298 per kWh per month for all metered onpeak kWh

Offpeak

Block 1 \$0.06721 per kWh per month for the first 200 hours use of onpeak metered demand multiplied by the ratio of offpeak energy to total energy

Block 2 \$0.03146 per kWh per month for the next 200 hours use of onpeak metered demand multiplied by the ratio of offpeak energy to total energy

Block 3 \$0.02793 per kWh per month for the hours use of onpeak metered demand in excess of 400 hours multiplied by the ratio of offpeak energy to total energy

Winter Period:

Onpeak \$0.08123 per kWh per month for all metered onpeak kWh

Offpeak

Block 1 \$0.06951 per kWh per month for the first 200 hours use of onpeak metered demand multiplied by the ratio of offpeak energy to total energy

Block 2 \$0.03146 per kWh per month for the next 200 hours use of onpeak metered demand multiplied by the ratio of offpeak energy to total energy

Block 3 \$0.02793 per kWh per month for the hours use of onpeak metered demand in excess of 400 hours multiplied by the ratio of offpeak energy to total energy

Transition Period:

Onpeak \$0.06688 per kWh per month for all metered onpeak kWh

Offpeak

Block 1 \$0.06688 per kWh per month for the first 200 hours use of onpeak metered demand multiplied by the ratio of offpeak energy to total energy

Block 2 \$0.03146 per kWh per month for the next 200 hours use of onpeak metered demand multiplied by the ratio of offpeak energy to total energy

Block 3 \$0.02793 per kWh per month for the hours use of onpeak metered demand in excess of 400 hours multiplied by the ratio of offpeak energy to total energy

For the Summer Period, Winter Period, and Transition Period, Offpeak Block 1 energy rates less fuel rate of \$0.01851 per kWh per month shall be applied to the portion, if any, of the minimum offpeak energy takings amount that is greater than the metered energy.

Facilities Rental Charge

There shall be no facilities rental charge under this rate schedule for delivery at bulk transmission voltage levels of 161kV or higher. For delivery at less than 161kV, there shall be added to the customer's bill a facilities rental charge. This charge shall be 37 cents per kW per month except for delivery at voltages below 46 kV, in which case the charge shall be 97 cents per kW per month for the first 10,000 kW and 76 cents per kW per month for the excess over 10,000 kW. Such charge shall be applied to the higher of

(1) the highest billing demand established during the latest 12-consecutive-month period or (2) the higher of the customer's currently effective onpeak or offpeak contract demand and shall be in addition to all other charges under this rate schedule, including minimum bill charges.

Reactive Demand Charge

If the reactive demand (in kVAR) is lagging during the 30-consecutive-minute period beginning or ending on a clock hour of the month in which the customer's highest metered demand occurs, there shall be added to the customer's bill a reactive charge of \$1.46 per kVAR of the amount, if any, by which the reactive demand exceeds 33 percent of such metered demand. If the reactive demand (in kVAR) is leading during the 30-consecutive-minute period beginning or ending on a clock hour of the month in which the customer's lowest metered demand (excluding any metered demands which are less than 25 percent of the highest metered demand) occurs, there shall be added to the customer's bill a reactive charge of \$1.14 per kVAR of the amount of reactive demand. Such charges shall be in addition to all other charges under this rate schedule, including minimum bill charges.

Adjustment

Charges under this rate schedule may be increased or decreased to reflect changes in purchased power costs as determined by any purchased power adjustment adopted by the Board. Rates shown above are inclusive of the Purchased Power Adjustment for the current month.

Determination of Seasonal Periods

Summer Period shall mean the June, July, August, and September billing months. Winter Period shall mean the December, January, February, and March billing months. Transition Period shall mean the April, May, October, and November billing months. The Seasonal Periods under this rate schedule are subject to change by KUB. In the event KUB determines that changed Seasonal Periods are appropriate, such decision shall be made at least 11 months prior to the effective date of such changed periods, and KUB shall promptly notify customer.

Determination of Onpeak and Offpeak Hours

Except for Saturdays, Sundays, November 1, and the weekdays that are observed as Federal holidays for New Year's Day, Memorial Day, Independence Day, Labor Day, Thanksgiving Day, and Christmas Day, onpeak hours for each day shall for purposes of this rate schedule be 1 p.m. to 7 p.m. during the months of April, May, June, July, August, September and October and from 4 a.m. to 10 a.m. during the months of January, February, March, November, and December. All other hours of each day that are not otherwise defined as onpeak hours and all hours of such excepted days shall be offpeak hours. Such times shall be Central Standard Time or Central Daylight Time, whichever is

then in effect. Said onpeak and offpeak hours are subject to change by KUB. In the event KUB determines that such changed onpeak and offpeak hours are appropriate, such decision shall be made at least 11 months prior to the effective date of such changed hours, and KUB shall promptly notify customer.

Determination of Onpeak and Offpeak Demands,
Maximum Metered Demand, and Energy Amounts

The onpeak and offpeak kWh for any month shall be the energy amounts taken during the respective hours of the month designated under this rate schedule as onpeak and offpeak hours; provided, however, that notwithstanding the metered energy amount, the offpeak energy for any month shall in no case be less than the product of (1) the offpeak billing demand as calculated in the last sentence of the paragraph below and (2) 110 hours (reflecting a 15 percent load factor applied to the average number of hours in a month).

KUB shall meter the onpeak and offpeak demands in kW of all customers taking service under this rate schedule. The onpeak metered demand and offpeak metered demand for any month shall be determined separately for the respective hours of the month designated under this rate schedule as onpeak and offpeak hours and in each case shall be the highest average during any 30-consecutive-minute period beginning or ending on a clock hour of the month of the load metered in kW, and, except as provided below in this section, such amounts shall be used as the onpeak and offpeak billing demands.

The maximum billing demand for any month shall be the higher of (1) the highest onpeak billing demand in the month or (2) the highest offpeak billing demand in the month. The onpeak billing demand shall in no case be less than the sum of (1) 30 percent of the first 5,000 kW, (2) 40 percent of the next 20,000 kW, and (3) 50 percent of any kW in excess of 25,000 kW of the higher of the currently effective onpeak contract demand or the highest onpeak billing demand established during the preceding 12 months. The offpeak billing demand shall in no case be less than the sum of (1) 30 percent of the first 5,000 kW, (2) 40 percent of the next 20,000 kW, and (3) 50 percent of any kW in excess of 25,000 kW of the higher of the currently effective offpeak contract demand or the highest offpeak billing demand established during the preceding 12 months.

Minimum Bill

The monthly bill under this rate schedule, excluding any facilities rental charges and any reactive charges, shall not be less than the sum of (1) the base customer charge and administrative charge, (2) the portion of the base demand charge, as adjusted (but excluding the additional portion thereof applicable to excess of billing demand over contract demand) applicable to onpeak billing demand applied to the customer's onpeak billing demand, (3) the portion of the base demand charge, as adjusted, (but excluding the additional portion thereof applicable to excess of billing demand over contract

demand) applicable to maximum billing demand applied to the customer's maximum billing demand, (4) the base onpeak energy charge, as adjusted, applied to the customer's onpeak energy takings, and (5) the base offpeak energy charge, as adjusted, applied to the higher of customer's actual offpeak energy takings or the minimum offpeak energy takings amount provided for in the first paragraph of the section of this rate schedule entitled "Determination of Onpeak and Offpeak Demands, Maximum Metered Demand, and Energy Amounts". Notwithstanding the foregoing, any fuel cost that is included in ***any purchased power adjustment adopted by the Board*** shall not be applied to any billed offpeak energy that exceeds the metered offpeak energy.

KUB may require minimum bills higher than those stated above.

Contract Requirement

KUB shall require contracts for all service provided under this rate schedule. The contract shall be for an initial term of at least five years and any renewals or extensions of the initial contract shall be for a term of at least one year; after ten years of service, any such contract for the renewal or extension of service may provide for termination upon not less than four months notice. The customer shall contract for its maximum requirements, which shall not exceed the amount of power capable of being used by customer, and KUB shall not be obligated to supply power in greater amount at any time than the customer's currently effective onpeak or offpeak contract demand. If the customer uses any power other than that supplied by KUB under this rate schedule, the contract may include other special provisions. The rate schedule in any power contract shall be subject to adjustment, modification, change, or replacement from time to time as approved by the Board.

Single Point Delivery

The charges under this rate schedule are based upon the supply of service through a single delivery point and at a single voltage. If service is supplied to the same customer through more than one point of delivery or at different voltages, the supply of service at each delivery point and at each different voltage shall be separately metered and billed.

Rules and Regulations

Service is subject to Rules and Regulations of KUB.

GENERAL POWER RATE - SCHEDULE GSD

Availability

This rate, subject to availability from TVA, shall be available for firm electric power requirements where the higher of a customer's currently effective onpeak or offpeak contract demand is greater than 25,000 kW; provided that the other conditions of this section are met.

For a customer requesting that its onpeak contract demand be different from its offpeak contract demand, this rate schedule shall be available only for (1) a new contract, (2) a replacement or renewal contract following expiration of the existing contract, or (3) a replacement or renewal contract or an amended existing contract in which the customer is increasing its demand requirements above the existing contract demand level, but under this item (3) neither the new onpeak nor the new offpeak contract demand shall be lower than the customer's existing contract demand.

Prior to participation in this rate, contract amendments may be required for continued participation in certain other programs and rate overlays as determined at KUB's sole discretion.

Character of Service

Alternating current, single or three-phase, 60 hertz. Power shall be delivered at a transmission voltage of 161 kV or, if such transmission voltage is not available, at the highest voltage available in the vicinity, unless at the customer's request a lower standard voltage is agreed upon.

Rates

Customer Charge: \$1,500 per delivery point per month.

Administrative Charge: \$700 per delivery point per month.

Demand Charge:

Summer Period:

Onpeak Demand \$11.23 per kW per month of the customer's onpeak billing demand

Maximum Demand \$6.54 per kW per month of the customer's maximum billing demand

Excess Demand \$17.77 per kW per month for each kW of the amount, if any, by which (1) the customer's onpeak billing demand

exceeds its onpeak contract demand or (2) the customer's offpeak billing demand exceeds its offpeak contract demand, whichever is higher

Winter Period:

Onpeak Demand \$10.23 per kW per month of the customer's onpeak billing demand

Maximum Demand \$6.54 per kW per month of the customer's maximum billing demand

Excess Demand \$16.77 per kW per month for each kW of the amount, if any, by which (1) the customer's onpeak billing demand exceeds its onpeak contract demand or (2) the customer's offpeak billing demand exceeds its offpeak contract demand, whichever is higher

Transition Period:

Onpeak Demand \$10.23 per kW per month of the customer's onpeak billing demand

Maximum Demand \$6.54 per kW per month of the customer's maximum billing demand

Excess Demand \$16.77 per kW per month for each kW of the amount, if any, by which (1) the customer's onpeak billing demand exceeds its onpeak contract demand or (2) the customer's offpeak billing demand exceeds its offpeak contract demand, whichever is higher

Energy Charge:

Summer Period:

Onpeak \$0.09300 per kWh per month for all metered onpeak kWh

Offpeak

Block 1 \$0.06723 per kWh per month for the first 200 hours use of onpeak metered demand multiplied by the ratio of offpeak energy to total energy

Block 2 \$0.03029 per kWh per month for the next 200 hours use of onpeak metered demand multiplied by the ratio of offpeak energy to total energy

Block 3 \$0.02795 per kWh per month for the hours use of onpeak metered demand in excess of 400 hours multiplied by the ratio of offpeak energy to total energy

Winter Period:

Onpeak \$0.08125 per kWh per month for all metered onpeak kWh

Offpeak

Block 1 \$0.06953 per kWh per month for the first 200 hours use of onpeak metered demand multiplied by the ratio of offpeak energy to total energy

Block 2 \$0.03029 per kWh per month for the next 200 hours use of onpeak metered demand multiplied by the ratio of offpeak energy to total energy

Block 3 \$0.02795 per kWh per month for the hours use of onpeak metered demand in excess of 400 hours multiplied by the ratio of offpeak energy to total energy

Transition Period:

Onpeak \$0.06690 per kWh per month for all metered onpeak kWh

Offpeak

Block 1 \$0.06690 per kWh per month for the first 200 hours use of onpeak metered demand multiplied by the ratio of offpeak energy to total energy

Block 2 \$0.03029 per kWh per month for the next 200 hours use of onpeak metered demand multiplied by the ratio of offpeak energy to total energy

Block 3 \$0.02795 per kWh per month for the hours use of onpeak metered demand in excess of 400 hours multiplied by the ratio of offpeak energy to total energy

For the Summer Period, Winter Period, and Transition Period, Offpeak Block 1 energy rates less fuel rate of \$0.01851 per kWh per month shall be applied to the portion, if any, of the minimum offpeak energy takings amount that is greater than the metered energy.

Facilities Rental Charge

There shall be no facilities rental charge under this rate schedule for delivery at bulk transmission voltage levels of 161kV or higher. For delivery at less than 161kV, there shall be added to the customer's bill a facilities rental charge. This charge shall be 37 cents per kW per month except for delivery at voltages below 46 kV, in which case the charge shall be 97 cents per kW per month for the first 10,000 kW and 76 cents per kW per month for the excess over 10,000 kW. Such charge shall be applied to the higher of (1) the highest billing demand established during the latest 12-consecutive-month period

or (2) the higher of the customer's currently effective onpeak or offpeak contract demand and shall be in addition to all other charges under this rate schedule, including minimum bill charges.

Reactive Demand Charge

If the reactive demand (in kVAR) is lagging during the 30-consecutive-minute period beginning or ending on a clock hour of the month in which the customer's highest metered demand occurs, there shall be added to the customer's bill a reactive charge of \$1.46 per kVAR of the amount, if any, by which the reactive demand exceeds 33 percent of such metered demand. If the reactive demand (in kVAR) is leading during the 30-consecutive-minute period beginning or ending on a clock hour of the month in which the customer's lowest metered demand (excluding any metered demands which are less than 25 percent of the highest metered demand) occurs, there shall be added to the customer's bill a reactive charge of \$1.14 per kVAR of the amount of reactive demand. Such charges shall be in addition to all other charges under this rate schedule, including minimum bill charges.

Adjustment

Charges under this rate schedule may be increased or decreased to reflect changes in purchased power costs as determined by any purchased power adjustment adopted by the Board. Rates shown above are inclusive of the Purchased Power Adjustment for the current month.

Determination of Seasonal Periods

Summer Period shall mean the June, July, August, and September billing months. Winter Period shall mean the December, January, February, and March billing months. Transition Period shall mean the April, May, October, and November billing months. The Seasonal Periods under this rate schedule are subject to change by KUB. In the event KUB determines that changed Seasonal Periods are appropriate, such decision shall be made at least 11 months prior to the effective date of such changed periods, and KUB shall promptly notify customer.

Determination of Onpeak and Offpeak Hours

Except for Saturdays, Sundays, November 1, and the weekdays that are observed as Federal holidays for New Year's Day, Memorial Day, Independence Day, Labor Day, Thanksgiving Day, and Christmas Day, onpeak hours for each day shall for purposes of this rate schedule be 1 p.m. to 7 p.m. during the months of April, May, June, July, August, September and October and from 4 a.m. to 10 a.m. during the months of January, February, March, November, and December. All other hours of each day that are not otherwise defined as onpeak hours and all hours of such excepted days shall be offpeak hours. Such times shall be Central Standard Time or Central Daylight Time, whichever is

then in effect. Said onpeak and offpeak hours are subject to change by KUB. In the event KUB determines that such changed onpeak and offpeak hours are appropriate, such decision shall be made at least 11 months prior to the effective date of such changed hours, and KUB shall promptly notify customer.

Determination of Onpeak and Offpeak Demands,
Maximum Metered Demand, and Energy Amounts

The onpeak and offpeak kWh for any month shall be the energy amounts taken during the respective hours of the month designated under this rate schedule as onpeak and offpeak hours; provided, however, that notwithstanding the metered energy amount, the offpeak energy for any month shall in no case be less than the product of (1) the offpeak billing demand as calculated in the last sentence of the paragraph below and (2) 110 hours (reflecting a 15 percent load factor applied to the average number of hours in a month).

KUB shall meter the onpeak and offpeak demands in kW of all customers taking service under this rate schedule. The onpeak metered demand and offpeak metered demand for any month shall be determined separately for the respective hours of the month designated under this rate schedule as onpeak and offpeak hours and in each case shall be the highest average during any 30-consecutive-minute period beginning or ending on a clock hour of the month of the load metered in kW, and, except as provided below in this section, such amounts shall be used as the onpeak and offpeak billing demands.

The maximum billing demand for any month shall be the higher of (1) the highest onpeak billing demand in the month or (2) the highest offpeak billing demand in the month. The onpeak billing demand shall in no case be less than the sum of (1) 30 percent of the first 5,000 kW, (2) 40 percent of the next 20,000 kW; (3) 50 percent of the next 25,000 kW, (4) 60 percent of the next 50,000 kW, (5) 70 percent of the next 100,000 kW, (6) 80 percent of the next 150,000 kW, and (7) 85 percent of all kW in excess of 350,000 kW of the higher of the currently effective onpeak contract demand or the highest onpeak billing demand established during the preceding 12 months. The offpeak billing demand shall in no case be less than the sum of (1) 30 percent of the first 5,000 kW, (2) 40 percent of the next 20,000 kW, (3) 50 percent of the next 25,000 kW, (4) 60 percent of the next 50,000 kW, (5) 70 percent of the next 100,000 kW, (6) 80 percent of the next 150,000 kW, and (7) 85 percent of all kW in excess of 350,000 kW of the higher of the currently effective offpeak contract demand or the highest offpeak billing demand established during the preceding 12 months.

Minimum Bill

The monthly bill under this rate schedule, excluding any facilities rental charges and any reactive charges, shall not be less than the sum of (1) the base customer charge and administrative charge, (2) the portion of the base demand charge, as adjusted (but excluding the additional portion thereof applicable to excess of billing demand over

contract demand) applicable to onpeak billing demand applied to the customer's onpeak billing demand, (3) the portion of the base demand charge, as adjusted, (but excluding the additional portion thereof applicable to excess of billing demand over contract demand) applicable to maximum billing demand applied to the customer's maximum billing demand, (4) the base onpeak energy charge, as adjusted, applied to the customer's onpeak energy takings, and (5) the base offpeak energy charge, as adjusted, applied to the higher of customer's actual offpeak energy takings or the minimum offpeak energy takings amount provided for in the first paragraph of the section of this rate schedule entitled "Determination of Onpeak and Offpeak Demands, Maximum Metered Demand, and Energy Amounts". Notwithstanding the foregoing, any fuel cost that is included in ***any purchased power adjustment adopted by the Board*** shall not be applied to any billed offpeak energy that exceeds the metered offpeak energy.

KUB may require minimum bills higher than those stated above.

Contract Requirement

KUB shall require contracts for all service provided under this rate schedule. The contract shall be for an initial term of at least five years and any renewals or extensions of the initial contract shall be for a term of at least five years; after ten years of service, any such contract for the renewal or extension of service may provide for termination upon not less than sixteen months notice. The customer shall contract for its maximum requirements, which shall not exceed the amount of power capable of being used by customer, and KUB shall not be obligated to supply power in greater amount at any time than the customer's currently effective onpeak or offpeak contract demand. If the customer uses any power other than that supplied by KUB under this rate schedule, the contract may include other special provisions. The rate schedule in any power contract shall be subject to adjustment, modification, change, or replacement from time to time as approved by the Board.

Single Point Delivery

The charges under this rate schedule are based upon the supply of service through a single delivery point and at a single voltage. If service is supplied to the same customer through more than one point of delivery or at different voltages, the supply of service at each delivery point and at each different voltage shall be separately metered and billed.

Rules and Regulations

Service is subject to Rules and Regulations of KUB.

MANUFACTURING SERVICE POWER RATE - SCHEDULE TDMSA

Availability

This rate, subject to availability from TVA, shall be available for firm electric power requirements where (a) a customer's currently effective onpeak or offpeak contract demand, whichever is higher, is greater than 1,000 kW but not more than 5,000 kW, and (b) the major use of electricity is for activities conducted at the delivery point serving that customer which are classified with a 2-digit Standard Industrial Classification Code between 20 and 39, inclusive, or classified with 2002 North American Industry Classification System (NAICS) code 5181, or 2007 NAICS codes 5182, 522320, and 541214.

Prior to initially taking any service under this schedule, and from time to time thereafter as may be required by KUB, a customer shall certify to KUB that it meets the requirements set forth in condition (b) above. The certification form to be used shall be furnished by KUB to the customer, and signed and promptly returned by the customer to KUB. Further, such customer shall promptly certify any change in the status of any of the information contained in the certification form.

Service during any period for which a customer does not meet the eligibility requirements set forth in condition (b) above will be made available by KUB under, and billed in accordance with, the applicable General Power schedule.

For a customer requesting that its onpeak contract demand be different from its offpeak contract demand, this rate schedule shall be available only for (1) a new contract, (2) a replacement or renewal contract following expiration of the existing contract, or (3) a replacement or renewal contract or an amended existing contract in which the customer is increasing its demand requirements above the existing contract demand level, but under this item (3) neither the new onpeak nor the new offpeak contract demand shall be lower than the customer's existing contract demand.

Prior to participation in this rate, contract amendments may be required for continued participation in certain other programs and rate overlays as determined at KUB's sole discretion.

Character of Service

Alternating current, single or three-phase, 60 hertz. Power shall be delivered at a transmission voltage of 161 kV or, if such transmission voltage is not available, at the highest voltage available in the vicinity, unless at the customer's request a lower standard voltage is agreed upon.

Rates

Customer Charge: \$1,500 per delivery point per month.

Administrative Charge: \$700 per delivery point per month.

Demand Charge:

Summer Period:

Onpeak Demand \$10.70 per kW per month of the customer's onpeak billing demand

Maximum Demand \$7.10 per kW per month of the customer's maximum billing demand

Excess Demand \$17.80 per kW per month for each kW of the amount, if any, by which (1) the customer's onpeak billing demand exceeds its onpeak contract demand or (2) the customer's offpeak billing demand exceeds its offpeak contract demand, whichever is higher

Winter Period:

Onpeak Demand \$9.69 per kW per month of the customer's onpeak billing demand

Maximum Demand \$7.10 per kW per month of the customer's maximum billing demand

Excess Demand \$16.79 per kW per month for each kW of the amount, if any, by which (1) the customer's onpeak billing demand exceeds its onpeak contract demand or (2) the customer's offpeak billing demand exceeds its offpeak contract demand, whichever is higher

Transition Period:

Onpeak Demand \$9.69 per kW per month of the customer's onpeak billing demand

Maximum Demand \$7.10 per kW per month of the customer's maximum billing demand

Excess Demand \$16.79 per kW per month for each kW of the amount, if any, by which (1) the customer's onpeak billing demand exceeds its onpeak contract demand or (2) the customer's offpeak billing demand exceeds its offpeak contract demand, whichever is higher

Energy Charge:

Summer Period:

Onpeak \$0.10220 per kWh per month for all metered onpeak kWh

Offpeak

Block 1 \$0.07608 per kWh per month for the first 200 hours use of onpeak metered demand multiplied by the ratio of offpeak energy to total energy

Block 2 \$0.04743 per kWh per month for the next 200 hours use of onpeak metered demand multiplied by the ratio of offpeak energy to total energy

Block 3 \$0.04477 per kWh per month for the hours use of onpeak metered demand in excess of 400 hours multiplied by the ratio of offpeak energy to total energy

Winter Period:

Onpeak \$0.09027 per kWh per month for all metered onpeak kWh

Offpeak

Block 1 \$0.07840 per kWh per month for the first 200 hours use of onpeak metered demand multiplied by the ratio of offpeak energy to total energy

Block 2 \$0.04743 per kWh per month for the next 200 hours use of onpeak metered demand multiplied by the ratio of offpeak energy to total energy

Block 3 \$0.04477 per kWh per month for the hours use of onpeak metered demand in excess of 400 hours multiplied by the ratio of offpeak energy to total energy

Transition Period:

Onpeak \$0.07933 per kWh per month for all metered onpeak kWh

Offpeak

Block 1 \$0.07933 per kWh per month for the first 200 hours use of onpeak metered demand multiplied by the ratio of offpeak energy to total energy

Block 2 \$0.04743 per kWh per month for the next 200 hours use of onpeak metered demand multiplied by the ratio of offpeak energy to total energy

Block 3 \$0.04477 per kWh per month for the hours use of onpeak metered demand in excess of 400 hours multiplied by the ratio of offpeak energy to total energy

For the Summer Period, Winter Period, and Transition Period, Offpeak Block 1 energy rates less fuel rate of \$0.01851 per kWh per month shall be applied to the portion, if any, of the minimum offpeak energy takings amount that is greater than the metered energy.

Facilities Rental Charge

There shall be no facilities rental charge under this rate schedule for delivery at bulk transmission voltage levels of 161kV or higher. For delivery at less than 161kV, there shall be added to the customer's bill a facilities rental charge. This charge shall be 37 cents per kW per month except for delivery at voltages below 46 kV, in which case the charge shall be 97 cents per kW per month for the first 10,000 kW and 76 cents per kW per month for the excess over 10,000 kW. Such charge shall be applied to the higher of (1) the highest billing demand established during the latest 12-consecutive-month period or (2) the higher of the customer's currently effective onpeak or offpeak contract demand and shall be in addition to all other charges under this rate schedule, including minimum bill charges.

Reactive Demand Charge

If the reactive demand (in kVAR) is lagging during the 30-consecutive-minute period beginning or ending on a clock hour of the month in which the customer's highest metered demand occurs, there shall be added to the customer's bill a reactive charge of \$1.46 per kVAR of the amount, if any, by which the reactive demand exceeds 33 percent of such metered demand. If the reactive demand (in kVAR) is leading during the 30-consecutive-minute period beginning or ending on a clock hour of the month in which the customer's lowest metered demand (excluding any metered demands which are less than 25 percent of the highest metered demand) occurs, there shall be added to the customer's bill a reactive charge of \$1.14 per kVAR of the amount of reactive demand. Such charges shall be in addition to all other charges under this rate schedule, including minimum bill charges.

Adjustment

Charges under this rate schedule may be increased or decreased to reflect changes in purchased power costs as determined by any purchased power adjustment adopted by the Board. Rates shown above are inclusive of the Purchased Power Adjustment for the current month.

Determination of Seasonal Periods

Summer Period shall mean the June, July, August, and September billing months. Winter

Period shall mean the December, January, February, and March billing months. Transition Period shall mean the April, May, October, and November billing months. The Seasonal Periods under this rate schedule are subject to change by KUB. In the event KUB determines that changed Seasonal Periods are appropriate, such decision shall be made at least 11 months prior to the effective date of such changed periods, and KUB shall promptly notify customer.

Determination of Onpeak and Offpeak Hours

Except for Saturdays, Sundays, November 1, and the weekdays that are observed as Federal holidays for New Year's Day, Memorial Day, Independence Day, Labor Day, Thanksgiving Day, and Christmas Day, onpeak hours for each day shall for purposes of this rate schedule be 1 p.m. to 7 p.m. during the months of April, May, June, July, August, September and October and from 4 a.m. to 10 a.m. during the months of January, February, March, November, and December. All other hours of each day that are not otherwise defined as onpeak hours and all hours of such excepted days shall be offpeak hours. Such times shall be Central Standard Time or Central Daylight Time, whichever is then in effect. Said onpeak and offpeak hours are subject to change by KUB. In the event KUB determines that such changed onpeak and offpeak hours are appropriate, such decision shall be made at least 11 months prior to the effective date of such changed hours, and KUB shall promptly notify customer.

Determination of Onpeak and Offpeak Demands, Maximum Metered Demand, and Energy Amounts

The onpeak and offpeak kWh for any month shall be the energy amounts taken during the respective hours of the month designated under this rate schedule as onpeak and offpeak hours; provided, however, that notwithstanding the metered energy amount, the offpeak energy for any month shall in no case be less than the product of (1) the offpeak billing demand as calculated in the last sentence of the paragraph below and (2) 110 hours (reflecting a 15 percent load factor applied to the average number of hours in a month).

KUB shall meter the onpeak and offpeak demands in kW of all customers taking service under this rate schedule. The onpeak metered demand and offpeak metered demand for any month shall be determined separately for the respective hours of the month designated under this rate schedule as onpeak and offpeak hours and in each case shall be the highest average during any 30-consecutive-minute period beginning or ending on a clock hour of the month of the load metered in kW, and, except as provided below in this section, such amounts shall be used as the onpeak and offpeak billing demands.

The maximum billing demand for any month shall be the higher of (1) the highest onpeak billing demand in the month or (2) the highest offpeak billing demand in the month. The onpeak billing demand shall in no case be less than the sum of (1) 30 percent of the first

5,000 kW and (2) 40 percent of any kW in excess of 5,000 kW of the higher of the currently effective onpeak contract demand or the highest onpeak billing demand established during the preceding 12 months. The offpeak billing demand shall in no case be less than the sum of (1) 30 percent of the first 5,000 kW and (2) 40 percent of any kW in excess of 5,000 kW of the higher of the currently effective offpeak contract demand or the highest offpeak billing demand established during the preceding 12 months.

Minimum Bill

The monthly bill under this rate schedule, excluding any facilities rental charges and any reactive charges, shall not be less than the sum of (1) the base customer charge and administrative charge, (2) the portion of the base demand charge, as adjusted (but excluding the additional portion thereof applicable to excess of billing demand over contract demand) applicable to onpeak billing demand applied to the customer's onpeak billing demand, (3) the portion of the base demand charge, as adjusted, (but excluding the additional portion thereof applicable to excess of billing demand over contract demand) applicable to maximum billing demand applied to the customer's maximum billing demand, (4) the base onpeak energy charge, as adjusted, applied to the customer's onpeak energy takings, and (5) the base offpeak energy charge, as adjusted, applied to the higher of customer's actual offpeak energy takings or the minimum offpeak energy takings amount provided for in the first paragraph of the section of this rate schedule entitled "Determination of Onpeak and Offpeak Demands, Maximum Metered Demand, and Energy Amounts". Notwithstanding the foregoing, any fuel cost that is included in ***any purchased power adjustment adopted by the Board*** shall not be applied to any billed offpeak energy that exceeds the metered offpeak energy.

KUB may require minimum bills higher than those stated above.

Contract Requirement

KUB shall require contracts for all service provided under this rate schedule. The contract shall be for an initial term of at least five years and any renewals or extensions of the initial contract shall be for a term of at least one year; after ten years of service, any such contract for the renewal or extension of service may provide for termination upon not less than four months notice. The customer shall contract for its maximum requirements, which shall not exceed the amount of power capable of being used by customer, and KUB shall not be obligated to supply power in greater amount at any time than the customer's currently effective onpeak or offpeak contract demand. If the customer uses any power other than that supplied by KUB under this rate schedule, the contract may include other special provisions. The rate schedule in any power contract shall be subject to adjustment, modification, change, or replacement from time to time as approved by the Board.

Single Point Delivery

The charges under this rate schedule are based upon the supply of service through a single delivery point and at a single voltage. If service is supplied to the same customer through more than one point of delivery or at different voltages, the supply of service at each delivery point and at each different voltage shall be separately metered and billed.

Rules and Regulations

Service is subject to Rules and Regulations of KUB.

MANUFACTURING SERVICE POWER RATE - SCHEDULE MSB

Availability

This rate, subject to availability from TVA, shall be available for firm electric power requirements where (a) a customer's currently effective onpeak or offpeak contract demand, whichever is higher, is greater than 5,000 kW but not more than 15,000 kW, and (b) the major use of electricity is for activities conducted at the delivery point serving that customer which are classified with a 2-digit Standard Industrial Classification Code between 20 and 39, inclusive, or classified with 2002 North American Industry Classification System (NAICS) code 5181, or 2007 NAICS codes 5182, 522320, and 541214.

Prior to initially taking any service under this schedule, and from time to time thereafter as may be required by KUB, a customer shall certify to KUB that it meets the requirements set forth in condition (b) above. The certification form to be used shall be furnished by KUB to the customer, and signed and promptly returned by the customer to KUB. Further, such customer shall promptly certify any change in the status of any of the information contained in the certification form.

Service during any period for which a customer does not meet the eligibility requirements set forth in condition (b) above will be made available by KUB under, and billed in accordance with, the applicable General Power schedule.

For a customer requesting that its onpeak contract demand be different from its offpeak contract demand, this rate schedule shall be available only for (1) a new contract, (2) a replacement or renewal contract following expiration of the existing contract, or (3) a replacement or renewal contract or an amended existing contract in which the customer is increasing its demand requirements above the existing contract demand level, but under this item (3) neither the new onpeak nor the new offpeak contract demand shall be lower than the customer's existing contract demand.

Prior to participation in this rate, contract amendments may be required for continued participation in certain other programs and rate overlays as determined at KUB's sole discretion.

Character of Service

Alternating current, single or three-phase, 60 hertz. Power shall be delivered at a transmission voltage of 161 kV or, if such transmission voltage is not available, at the highest voltage available in the vicinity, unless at the customer's request a lower standard voltage is agreed upon.

Rates

Customer Charge: \$1,500 per delivery point per month.

Administrative Charge: \$700 per delivery point per month.

Demand Charge:

Summer Period:

Onpeak Demand \$10.59 per kW per month of the customer's onpeak billing demand

Maximum Demand \$3.49 per kW per month of the customer's maximum billing demand

Excess Demand \$14.08 per kW per month for each kW of the amount, if any, by which (1) the customer's onpeak billing demand exceeds its onpeak contract demand or (2) the customer's offpeak billing demand exceeds its offpeak contract demand, whichever is higher

Winter Period:

Onpeak Demand \$9.59 per kW per month of the customer's onpeak billing demand

Maximum Demand \$3.49 per kW per month of the customer's maximum billing demand

Excess Demand \$13.08 per kW per month for each kW of the amount, if any, by which (1) the customer's onpeak billing demand exceeds its onpeak contract demand or (2) the customer's offpeak billing demand exceeds its offpeak contract demand, whichever is higher

Transition Period:

Onpeak Demand \$9.59 per kW per month of the customer's onpeak billing demand

Maximum Demand \$3.49 per kW per month of the customer's maximum billing demand

Excess Demand \$13.08 per kW per month for each kW of the amount, if any, by which (1) the customer's onpeak billing demand exceeds its onpeak contract demand or (2) the customer's offpeak billing demand exceeds its offpeak contract demand, whichever is higher

Energy Charge:

Summer Period:

Onpeak \$0.08427 per kWh per month for all metered onpeak kWh

Offpeak

Block 1 \$0.05841 per kWh per month for the first 200 hours use of onpeak metered demand multiplied by the ratio of offpeak energy to total energy

Block 2 \$0.02771 per kWh per month for the next 200 hours use of onpeak metered demand multiplied by the ratio of offpeak energy to total energy

Block 3 \$0.02508 per kWh per month for the hours use of onpeak metered demand in excess of 400 hours multiplied by the ratio of offpeak energy to total energy

Winter Period:

Onpeak \$0.07247 per kWh per month for all metered onpeak kWh

Offpeak

Block 1 \$0.06072 per kWh per month for the first 200 hours use of onpeak metered demand multiplied by the ratio of offpeak energy to total energy

Block 2 \$0.02771 per kWh per month for the next 200 hours use of onpeak metered demand multiplied by the ratio of offpeak energy to total energy

Block 3 \$0.02508 per kWh per month for the hours use of onpeak metered demand in excess of 400 hours multiplied by the ratio of offpeak energy to total energy

Transition Period:

Onpeak \$0.06162 per kWh per month for all metered onpeak kWh

Offpeak

Block 1 \$0.06162 per kWh per month for the first 200 hours use of onpeak metered demand multiplied by the ratio of offpeak energy to total energy

Block 2 \$0.02771 per kWh per month for the next 200 hours use of onpeak metered demand multiplied by the ratio of offpeak energy to total energy

Block 3 \$0.02508 per kWh per month for the hours use of onpeak metered demand in excess of 400 hours multiplied by the ratio of offpeak energy to total energy

For the Summer Period, Winter Period, and Transition Period, Offpeak Block 1 energy rates less fuel rate of \$0.01851 per kWh per month shall be applied to the portion, if any, of the minimum offpeak energy takings amount that is greater than the metered energy.

Facilities Rental Charge

There shall be no facilities rental charge under this rate schedule for delivery at bulk transmission voltage levels of 161kV or higher. For delivery at less than 161kV, there shall be added to the customer's bill a facilities rental charge. This charge shall be 37 cents per kW per month except for delivery at voltages below 46 kV, in which case the charge shall be 97 cents per kW per month for the first 10,000 kW and 76 cents per kW per month for the excess over 10,000 kW. Such charge shall be applied to the higher of (1) the highest billing demand established during the latest 12-consecutive-month period or (2) the higher of the customer's currently effective onpeak or offpeak contract demand and shall be in addition to all other charges under this rate schedule, including minimum bill charges.

Reactive Demand Charge

If the reactive demand (in kVAR) is lagging during the 30-consecutive-minute period beginning or ending on a clock hour of the month in which the customer's highest metered demand occurs, there shall be added to the customer's bill a reactive charge of \$1.46 per kVAR of the amount, if any, by which the reactive demand exceeds 33 percent of such metered demand. If the reactive demand (in kVAR) is leading during the 30-consecutive-minute period beginning or ending on a clock hour of the month in which the customer's lowest metered demand (excluding any metered demands which are less than 25 percent of the highest metered demand) occurs, there shall be added to the customer's bill a reactive charge of \$1.14 per kVAR of the amount of reactive demand. Such charges shall be in addition to all other charges under this rate schedule, including minimum bill charges.

Adjustment

Charges under this rate schedule may be increased or decreased to reflect changes in purchased power costs as determined by any purchased power adjustment adopted by the Board. Rates shown above are inclusive of the Purchased Power Adjustment for the current month.

Determination of Seasonal Periods

Summer Period shall mean the June, July, August, and September billing months. Winter

Period shall mean the December, January, February, and March billing months. Transition Period shall mean the April, May, October, and November billing months. The Seasonal Periods under this rate schedule are subject to change by KUB. In the event KUB determines that changed Seasonal Periods are appropriate, such decision shall be made at least 11 months prior to the effective date of such changed periods, and KUB shall promptly notify customer.

Determination of Onpeak and Offpeak Hours

Except for Saturdays, Sundays, November 1, and the weekdays that are observed as Federal holidays for New Year's Day, Memorial Day, Independence Day, Labor Day, Thanksgiving Day, and Christmas Day, onpeak hours for each day shall for purposes of this rate schedule be 1 p.m. to 7 p.m. during the months of April, May, June, July, August, September and October and from 4 a.m. to 10 a.m. during the months of January, February, March, November, and December. All other hours of each day that are not otherwise defined as onpeak hours and all hours of such excepted days shall be offpeak hours. Such times shall be Central Standard Time or Central Daylight Time, whichever is then in effect. Said onpeak and offpeak hours are subject to change by KUB. In the event KUB determines that such changed onpeak and offpeak hours are appropriate, such decision shall be made at least 11 months prior to the effective date of such changed hours, and KUB shall promptly notify customer.

Determination of Onpeak and Offpeak Demands, Maximum Metered Demand, and Energy Amounts

The onpeak and offpeak kWh for any month shall be the energy amounts taken during the respective hours of the month designated under this rate schedule as onpeak and offpeak hours; provided, however, that notwithstanding the metered energy amount, the offpeak energy for any month shall in no case be less than the product of (1) the offpeak billing demand as calculated in the last sentence of the paragraph below and (2) 110 hours (reflecting a 15 percent load factor applied to the average number of hours in a month).

KUB shall meter the onpeak and offpeak demands in kW of all customers taking service under this rate schedule. The onpeak metered demand and offpeak metered demand for any month shall be determined separately for the respective hours of the month designated under this rate schedule as onpeak and offpeak hours and in each case shall be the highest average during any 30-consecutive-minute period beginning or ending on a clock hour of the month of the load metered in kW, and, except as provided below in this section, such amounts shall be used as the onpeak and offpeak billing demands.

The maximum billing demand for any month shall be the higher of (1) the highest onpeak billing demand in the month or (2) the highest offpeak billing demand in the month. The onpeak billing demand shall in no case be less than the sum of (1) 30 percent of the first 5,000 kW and (2) 40 percent of any kW in excess of 5,000 kW of the higher of the currently

effective onpeak contract demand or the highest onpeak billing demand established during the preceding 12 months. The offpeak billing demand shall in no case be less than the sum of (1) 30 percent of the first 5,000 kW and (2) 40 percent of any kW in excess of 5,000 kW of the higher of the currently effective offpeak contract demand or the highest offpeak billing demand established during the preceding 12 months.

Minimum Bill

The monthly bill under this rate schedule, excluding any facilities rental charges and any reactive charges, shall not be less than the sum of (1) the base customer charge and administrative charge, (2) the portion of the base demand charge, as adjusted (but excluding the additional portion thereof applicable to excess of billing demand over contract demand) applicable to onpeak billing demand applied to the customer's onpeak billing demand, (3) the portion of the base demand charge, as adjusted, (but excluding the additional portion thereof applicable to excess of billing demand over contract demand) applicable to maximum billing demand applied to the customer's maximum billing demand, (4) the base onpeak energy charge, as adjusted, applied to the customer's onpeak energy takings, and (5) the base offpeak energy charge, as adjusted, applied to the higher of customer's actual offpeak energy takings or the minimum offpeak energy takings amount provided for in the first paragraph of the section of this rate schedule entitled "Determination of Onpeak and Offpeak Demands, Maximum Metered Demand, and Energy Amounts". Notwithstanding the foregoing, any fuel cost that is included in *any purchased power adjustment adopted by the Board* shall not be applied to any billed offpeak energy that exceeds the metered offpeak energy.

KUB may require minimum bills higher than those stated above.

Contract Requirement

KUB shall require contracts for all service provided under this rate schedule. The contract shall be for an initial term of at least five years and any renewals or extensions of the initial contract shall be for a term of at least one year; after ten years of service, any such contract for the renewal or extension of service may provide for termination upon not less than four months notice. The customer shall contract for its maximum requirements, which shall not exceed the amount of power capable of being used by customer, and KUB shall not be obligated to supply power in greater amount at any time than the customer's currently effective onpeak or offpeak contract demand. If the customer uses any power other than that supplied by KUB under this rate schedule, the contract may include other special provisions. The rate schedule in any power contract shall be subject to adjustment, modification, change, or replacement from time to time as approved by the Board.

Single Point Delivery

The charges under this rate schedule are based upon the supply of service through a single delivery point and at a single voltage. If service is supplied to the same customer through more than one point of delivery or at different voltages, the supply of service at each delivery point and at each different voltage shall be separately metered and billed.

Rules and Regulations

Service is subject to Rules and Regulations of KUB.

MANUFACTURING SERVICE POWER RATE - SCHEDULE MSC

Availability

This rate, subject to availability from TVA, shall be available for firm electric power requirements where (a) a customer's currently effective onpeak or offpeak contract demand, whichever is higher, is greater than 15,000 kW but not more than 25,000 kW, and (b) the major use of electricity is for activities conducted at the delivery point serving that customer which are classified with a 2-digit Standard Industrial Classification Code between 20 and 39, inclusive, or classified with 2002 North American Industry Classification System (NAICS) code 5181, or 2007 NAICS codes 5182, 522320, and 541214.

Prior to initially taking any service under this schedule, and from time to time thereafter as may be required by KUB, a customer shall certify to KUB that it meets the requirements set forth in condition (b) above. The certification form to be used shall be furnished by KUB to the customer, and signed and promptly returned by the customer to KUB. Further, such customer shall promptly certify any change in the status of any of the information contained in the certification form.

Service during any period for which a customer does not meet the eligibility requirements set forth in condition (b) above will be made available by KUB under, and billed in accordance with, the applicable General Power schedule.

For a customer requesting that its onpeak contract demand be different from its offpeak contract demand, this rate schedule shall be available only for (1) a new contract, (2) a replacement or renewal contract following expiration of the existing contract, or (3) a replacement or renewal contract or an amended existing contract in which the customer is increasing its demand requirements above the existing contract demand level, but under this item (3) neither the new onpeak nor the new offpeak contract demand shall be lower than the customer's existing contract demand.

Prior to participation in this rate, contract amendments may be required for continued participation in certain other programs and rate overlays as determined at KUB's sole discretion.

Character of Service

Alternating current, single or three-phase, 60 hertz. Power shall be delivered at a transmission voltage of 161 kV or, if such transmission voltage is not available, at the highest voltage available in the vicinity, unless at the customer's request a lower standard voltage is agreed upon.

Rates

Customer Charge: \$1,500 per delivery point per month.

Administrative Charge: \$700 per delivery point per month.

Demand Charge:

Summer Period:

Onpeak Demand \$10.59 per kW per month of the customer's onpeak billing demand

Maximum Demand \$3.37 per kW per month of the customer's maximum billing demand

Excess Demand \$13.96 per kW per month for each kW of the amount, if any, by which (1) the customer's onpeak billing demand exceeds its onpeak contract demand or (2) the customer's offpeak billing demand exceeds its offpeak contract demand, whichever is higher

Winter Period:

Onpeak Demand \$9.59 per kW per month of the customer's onpeak billing demand

Maximum Demand \$3.37 per kW per month of the customer's maximum billing demand

Excess Demand \$12.96 per kW per month for each kW of the amount, if any, by which (1) the customer's onpeak billing demand exceeds its onpeak contract demand or (2) the customer's offpeak billing demand exceeds its offpeak contract demand, whichever is higher

Transition Period:

Onpeak Demand \$9.59 per kW per month of the customer's onpeak billing demand

Maximum Demand \$3.37 per kW per month of the customer's maximum billing demand

Excess Demand \$12.96 per kW per month for each kW of the amount, if any, by which (1) the customer's onpeak billing demand exceeds its onpeak contract demand or (2) the customer's offpeak billing demand exceeds its offpeak contract demand, whichever is higher

Energy Charge:

Summer Period:

Onpeak \$0.08375 per kWh per month for all metered onpeak kWh

Offpeak

Block 1 \$0.05788 per kWh per month for the first 200 hours use of onpeak metered demand multiplied by the ratio of offpeak energy to total energy

Block 2 \$0.02980 per kWh per month for the next 200 hours use of onpeak metered demand multiplied by the ratio of offpeak energy to total energy

Block 3 \$0.02980 per kWh per month for the hours use of onpeak metered demand in excess of 400 hours multiplied by the ratio of offpeak energy to total energy

Winter Period:

Onpeak \$0.07194 per kWh per month for all metered onpeak kWh

Offpeak

Block 1 \$0.06018 per kWh per month for the first 200 hours use of onpeak metered demand multiplied by the ratio of offpeak energy to total energy

Block 2 \$0.02980 per kWh per month for the next 200 hours use of onpeak metered demand multiplied by the ratio of offpeak energy to total energy

Block 3 \$0.02980 per kWh per month for the hours use of onpeak metered demand in excess of 400 hours multiplied by the ratio of offpeak energy to total energy

Transition Period:

Onpeak \$0.06109 per kWh per month for all metered onpeak kWh

Offpeak

Block 1 \$0.06109 per kWh per month for the first 200 hours use of onpeak metered demand multiplied by the ratio of offpeak energy to total energy

Block 2 \$0.02980 per kWh per month for the next 200 hours use of onpeak metered demand multiplied by the ratio of offpeak energy to total energy

Block 3 \$0.02980 per kWh per month for the hours use of onpeak metered demand in excess of 400 hours multiplied by the ratio of offpeak energy to total energy

For the Summer Period, Winter Period, and Transition Period, Offpeak Block 1 energy rates less fuel rate of \$0.01851 per kWh per month shall be applied to the portion, if any, of the minimum offpeak energy takings amount that is greater than the metered energy.

Facilities Rental Charge

There shall be no facilities rental charge under this rate schedule for delivery at bulk transmission voltage levels of 161kV or higher. For delivery at less than 161kV, there shall be added to the customer's bill a facilities rental charge. This charge shall be 37 cents per kW per month except for delivery at voltages below 46 kV, in which case the charge shall be 97 cents per kW per month for the first 10,000 kW and 76 cents per kW per month for the excess over 10,000 kW. Such charge shall be applied to the higher of (1) the highest billing demand established during the latest 12-consecutive-month period or (2) the higher of the customer's currently effective onpeak or offpeak contract demand and shall be in addition to all other charges under this rate schedule, including minimum bill charges.

Reactive Demand Charge

If the reactive demand (in kVAR) is lagging during the 30-consecutive-minute period beginning or ending on a clock hour of the month in which the customer's highest metered demand occurs, there shall be added to the customer's bill a reactive charge of \$1.46 per kVAR of the amount, if any, by which the reactive demand exceeds 33 percent of such metered demand. If the reactive demand (in kVAR) is leading during the 30-consecutive-minute period beginning or ending on a clock hour of the month in which the customer's lowest metered demand (excluding any metered demands which are less than 25 percent of the highest metered demand) occurs, there shall be added to the customer's bill a reactive charge of \$1.14 per kVAR of the amount of reactive demand. Such charges shall be in addition to all other charges under this rate schedule, including minimum bill charges.

Adjustment

Charges under this rate schedule may be increased or decreased to reflect changes in purchased power costs as determined by any purchased power adjustment adopted by the Board. Rates shown above are inclusive of the Purchased Power Adjustment for the current month.

Determination of Seasonal Periods

Summer Period shall mean the June, July, August, and September billing months. Winter

Period shall mean the December, January, February, and March billing months. Transition Period shall mean the April, May, October, and November billing months. The Seasonal Periods under this rate schedule are subject to change by KUB. In the event KUB determines that changed Seasonal Periods are appropriate, such decision shall be made at least 11 months prior to the effective date of such changed periods, and KUB shall promptly notify customer.

Determination of Onpeak and Offpeak Hours

Except for Saturdays, Sundays, November 1, and the weekdays that are observed as Federal holidays for New Year's Day, Memorial Day, Independence Day, Labor Day, Thanksgiving Day, and Christmas Day, onpeak hours for each day shall for purposes of this rate schedule be 1 p.m. to 7 p.m. during the months of April, May, June, July, August, September and October and from 4 a.m. to 10 a.m. during the months of January, February, March, November, and December. All other hours of each day that are not otherwise defined as onpeak hours and all hours of such excepted days shall be offpeak hours. Such times shall be Central Standard Time or Central Daylight Time, whichever is then in effect. Said onpeak and offpeak hours are subject to change by KUB. In the event KUB determines that such changed onpeak and offpeak hours are appropriate, such decision shall be made at least 11 months prior to the effective date of such changed hours, and KUB shall promptly notify customer.

Determination of Onpeak and Offpeak Demands, Maximum Metered Demand, and Energy Amounts

The onpeak and offpeak kWh for any month shall be the energy amounts taken during the respective hours of the month designated under this rate schedule as onpeak and offpeak hours; provided, however, that notwithstanding the metered energy amount, the offpeak energy for any month shall in no case be less than the product of (1) the offpeak billing demand as calculated in the last sentence of the paragraph below and (2) 110 hours (reflecting a 15 percent load factor applied to the average number of hours in a month).

KUB shall meter the onpeak and offpeak demands in kW of all customers taking service under this rate schedule. The onpeak metered demand and offpeak metered demand for any month shall be determined separately for the respective hours of the month designated under this rate schedule as onpeak and offpeak hours and in each case shall be the highest average during any 30-consecutive-minute period beginning or ending on a clock hour of the month of the load metered in kW, and, except as provided below in this section, such amounts shall be used as the onpeak and offpeak billing demands.

The maximum billing demand for any month shall be the higher of (1) the highest onpeak billing demand in the month or (2) the highest offpeak billing demand in the month. The onpeak billing demand shall in no case be less than the sum of (1) 30 percent of the first

5,000 kW, (2) 40 percent of the next 20,000 kW, and (3) 50 percent of any kW in excess of 25,000 kW of the higher of the currently effective onpeak contract demand or the highest onpeak billing demand established during the preceding 12 months. The offpeak billing demand shall in no case be less than the sum of (1) 30 percent of the first 5,000 kW, (2) 40 percent of the next 20,000 kW, and (3) 50 percent of any kW in excess of 25,000 kW of the higher of the currently effective offpeak contract demand or the highest offpeak billing demand established during the preceding 12 months.

Minimum Bill

The monthly bill under this rate schedule, excluding any facilities rental charges and any reactive charges, shall not be less than the sum of (1) the base customer charge and administrative charge, (2) the portion of the base demand charge, as adjusted (but excluding the additional portion thereof applicable to excess of billing demand over contract demand) applicable to onpeak billing demand applied to the customer's onpeak billing demand, (3) the portion of the base demand charge, as adjusted, (but excluding the additional portion thereof applicable to excess of billing demand over contract demand) applicable to maximum billing demand applied to the customer's maximum billing demand, (4) the base onpeak energy charge, as adjusted, applied to the customer's onpeak energy takings, and (5) the base offpeak energy charge, as adjusted, applied to the higher of customer's actual offpeak energy takings or the minimum offpeak energy takings amount provided for in the first paragraph of the section of this rate schedule entitled "Determination of Onpeak and Offpeak Demands, Maximum Metered Demand, and Energy Amounts". Notwithstanding the foregoing, any fuel cost that is included in *any purchased power adjustment adopted by the Board* shall not be applied to any billed offpeak energy that exceeds the metered offpeak energy.

KUB may require minimum bills higher than those stated above.

Contract Requirement

KUB shall require contracts for all service provided under this rate schedule. The contract shall be for an initial term of at least five years and any renewals or extensions of the initial contract shall be for a term of at least one year; after ten years of service, any such contract for the renewal or extension of service may provide for termination upon not less than four months notice. The customer shall contract for its maximum requirements, which shall not exceed the amount of power capable of being used by customer, and KUB shall not be obligated to supply power in greater amount at any time than the customer's currently effective onpeak or offpeak contract demand. If the customer uses any power other than that supplied by KUB under this rate schedule, the contract may include other special provisions. The rate schedule in any power contract shall be subject to adjustment, modification, change, or replacement from time to time as approved by the Board.

Single Point Delivery

The charges under this rate schedule are based upon the supply of service through a single delivery point and at a single voltage. If service is supplied to the same customer through more than one point of delivery or at different voltages, the supply of service at each delivery point and at each different voltage shall be separately metered and billed.

Rules and Regulations

Service is subject to Rules and Regulations of KUB.

MANUFACTURING SERVICE POWER RATE - SCHEDULE MSD

Availability

This rate, subject to availability from TVA, shall be available for firm electric power requirements where (a) a customer's currently effective onpeak or offpeak contract demand, whichever is higher, is greater than 25,000 kW, and (b) the major use of electricity is for activities conducted at the delivery point serving that customer which are classified with a 2-digit Standard Industrial Classification Code between 20 and 39, inclusive, or classified with 2002 North American Industry Classification System (NAICS) code 5181, or 2007 NAICS codes 5182, 522320, and 541214.

Prior to initially taking any service under this schedule, and from time to time thereafter as may be required by KUB, a customer shall certify to KUB that it meets the requirements set forth in condition (b) above. The certification form to be used shall be furnished by KUB to the customer, and signed and promptly returned by the customer to KUB. Further, such customer shall promptly certify any change in the status of any of the information contained in the certification form.

Service during any period for which a customer does not meet the eligibility requirements set forth in condition (b) above will be made available by KUB under, and billed in accordance with, the applicable General Power schedule.

For a customer requesting that its onpeak contract demand be different from its offpeak contract demand, this rate schedule shall be available only for (1) a new contract, (2) a replacement or renewal contract following expiration of the existing contract, or (3) a replacement or renewal contract or an amended existing contract in which the customer is increasing its demand requirements above the existing contract demand level, but under this item (3) neither the new onpeak nor the new offpeak contract demand shall be lower than the customer's existing contract demand.

Prior to participation in this rate, contract amendments may be required for continued participation in certain other programs and rate overlays as determined at KUB's sole discretion.

Character of Service

Alternating current, single or three-phase, 60 hertz. Power shall be delivered at a transmission voltage of 161 kV or, if such transmission voltage is not available, at the highest voltage available in the vicinity, unless at the customer's request a lower standard voltage is agreed upon.

Rates

Customer Charge: \$1,500 per delivery point per month.

Administrative Charge: \$700 per delivery point per month.

Demand Charge:

Summer Period:

Onpeak Demand	\$10.59 per kW per month of the customer's onpeak billing demand
Maximum Demand	\$2.92 per kW per month of the customer's maximum billing demand
Excess Demand	\$13.51 per kW per month for each kW of the amount, if any, by which (1) the customer's onpeak billing demand exceeds its onpeak contract demand or (2) the customer's offpeak billing demand exceeds its offpeak contract demand, whichever is higher

Winter Period:

Onpeak Demand	\$9.59 per kW per month of the customer's onpeak billing demand
Maximum Demand	\$2.92 per kW per month of the customer's maximum billing demand
Excess Demand	\$12.51 per kW per month for each kW of the amount, if any, by which (1) the customer's onpeak billing demand exceeds its onpeak contract demand or (2) the customer's offpeak billing demand exceeds its offpeak contract demand, whichever is higher

Transition Period:

Onpeak Demand	\$9.59 per kW per month of the customer's onpeak billing demand
Maximum Demand	\$2.92 per kW per month of the customer's maximum billing demand
Excess Demand	\$12.51 per kW per month for each kW of the amount, if any, by which (1) the customer's onpeak billing demand exceeds its onpeak contract demand or (2) the customer's offpeak billing demand exceeds its offpeak contract demand, whichever is higher

Energy Charge:

Summer Period:

Onpeak	\$0.08005 per kWh per month for all metered onpeak kWh
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Offpeak		
Block 1	\$0.05420 per kWh per month for the first 200 hours use of onpeak metered demand multiplied by the ratio of offpeak energy to total energy	
Block 2	\$0.02671 per kWh per month for the next 200 hours use of onpeak metered demand multiplied by the ratio of offpeak energy to total energy	
Block 3	\$0.02611 per kWh per month for the hours use of onpeak metered demand in excess of 400 hours multiplied by the ratio of offpeak energy to total energy	

Winter Period:

Onpeak \$0.06825 per kWh per month for all metered onpeak kWh

Offpeak

Block 1	\$0.05648 per kWh per month for the first 200 hours use of onpeak metered demand multiplied by the ratio of offpeak energy to total energy
Block 2	\$0.02671 per kWh per month for the next 200 hours use of onpeak metered demand multiplied by the ratio of offpeak energy to total energy
Block 3	\$0.02611 per kWh per month for the hours use of onpeak metered demand in excess of 400 hours multiplied by the ratio of offpeak energy to total energy

Transition Period:

Onpeak \$0.05739 per kWh per month for all metered onpeak kWh

Offpeak

Block 1	\$0.05739 per kWh per month for the first 200 hours use of onpeak metered demand multiplied by the ratio of offpeak energy to total energy
Block 2	\$0.02671 per kWh per month for the next 200 hours use of onpeak metered demand multiplied by the ratio of offpeak energy to total energy
Block 3	\$0.02611 per kWh per month for the hours use of onpeak metered demand in excess of 400 hours multiplied by the ratio of offpeak energy to total energy

For the Summer Period, Winter Period, and Transition Period, Offpeak Block 1 energy rates less fuel rate of \$0.01851 per kWh per month shall be applied to the portion, if any, of the minimum offpeak energy takings amount that is greater than the metered energy.

Facilities Rental Charge

There shall be no facilities rental charge under this rate schedule for delivery at bulk transmission voltage levels of 161kV or higher. For delivery at less than 161kV, there shall be added to the customer's bill a facilities rental charge. This charge shall be 37 cents per kW per month except for delivery at voltages below 46 kV, in which case the charge shall be 97 cents per kW per month for the first 10,000 kW and 76 cents per kW per month for the excess over 10,000 kW. Such charge shall be applied to the higher of (1) the highest billing demand established during the latest 12-consecutive-month period or (2) the higher of the customer's currently effective onpeak or offpeak contract demand and shall be in addition to all other charges under this rate schedule, including minimum bill charges.

Reactive Demand Charge

If the reactive demand (in kVAR) is lagging during the 30-consecutive-minute period beginning or ending on a clock hour of the month in which the customer's highest metered demand occurs, there shall be added to the customer's bill a reactive charge of \$1.46 per kVAR of the amount, if any, by which the reactive demand exceeds 33 percent of such metered demand. If the reactive demand (in kVAR) is leading during the 30-consecutive-minute period beginning or ending on a clock hour of the month in which the customer's lowest metered demand (excluding any metered demands which are less than 25 percent of the highest metered demand) occurs, there shall be added to the customer's bill a reactive charge of \$1.14 per kVAR of the amount of reactive demand. Such charges shall be in addition to all other charges under this rate schedule, including minimum bill charges.

Adjustment

Charges under this rate schedule may be increased or decreased to reflect changes in purchased power costs as determined by any purchased power adjustment adopted by the Board. Rates shown above are inclusive of the Purchased Power Adjustment for the current month.

Determination of Seasonal Periods

Summer Period shall mean the June, July, August, and September billing months. Winter Period shall mean the December, January, February, and March billing months. Transition Period shall mean the April, May, October, and November billing months. The Seasonal Periods under this rate schedule are subject to change by KUB. In the event

KUB determines that changed Seasonal Periods are appropriate, such decision shall be made at least 11 months prior to the effective date of such changed periods, and KUB shall promptly notify customer.

Determination of Onpeak and Offpeak Hours

Except for Saturdays, Sundays, November 1, and the weekdays that are observed as Federal holidays for New Year's Day, Memorial Day, Independence Day, Labor Day, Thanksgiving Day, and Christmas Day, onpeak hours for each day shall for purposes of this rate schedule be 1 p.m. to 7 p.m. during the months of April, May, June, July, August, September and October and from 4 a.m. to 10 a.m. during the months of January, February, March, November, and December. All other hours of each day that are not otherwise defined as onpeak hours and all hours of such excepted days shall be offpeak hours. Such times shall be Central Standard Time or Central Daylight Time, whichever is then in effect. Said onpeak and offpeak hours are subject to change by KUB. In the event KUB determines that such changed onpeak and offpeak hours are appropriate, such decision shall be made at least 11 months prior to the effective date of such changed hours, and KUB shall promptly notify customer.

Determination of Onpeak and Offpeak Demands, Maximum Metered Demand, and Energy Amounts

The onpeak and offpeak kWh for any month shall be the energy amounts taken during the respective hours of the month designated under this rate schedule as onpeak and offpeak hours; provided, however, that notwithstanding the metered energy amount, the offpeak energy for any month shall in no case be less than the product of (1) the offpeak billing demand as calculated in the last sentence of the paragraph below and (2) 110 hours (reflecting a 15 percent load factor applied to the average number of hours in a month).

KUB shall meter the onpeak and offpeak demands in kW of all customers taking service under this rate schedule. The onpeak metered demand and offpeak metered demand for any month shall be determined separately for the respective hours of the month designated under this rate schedule as onpeak and offpeak hours and in each case shall be the highest average during any 30-consecutive-minute period beginning or ending on a clock hour of the month of the load metered in kW, and, except as provided below in this section, such amounts shall be used as the onpeak and offpeak billing demands.

The maximum billing demand for any month shall be the higher of (1) the highest onpeak billing demand in the month or (2) the highest offpeak billing demand in the month. The onpeak billing demand shall in no case be less than the sum of (1) 30 percent of the first 5,000 kW and (2) 40 percent of the next 20,000 kW (3) 50 percent of the next 25,000 kW, (4) 60 percent of the next 50,000 kW, (5) 70 percent of the next 100,000 kW, (6) 80 percent of the next 150,000 kW, and (7) 85 percent of all kW in excess of 350,000 kW of

the higher of the currently effective onpeak contract demand or the highest onpeak billing demand established during the preceding 12 months. The offpeak billing demand shall in no case be less than the sum of (1) 30 percent of the first 5,000 kW, (2) 40 percent of the next 20,000 kW, (3) 50 percent of the next 25,000 kW, (4) 60 percent of the next 50,000 kW, and (5) 70 percent of the next 100,000 kW, (6) 80 percent of the next 150,000 kW, and (7) 85 percent of all kW in excess of 350,000 kW of the higher of the currently effective offpeak contract demand or the highest offpeak billing demand established during the preceding 12 months.

Minimum Bill

The monthly bill under this rate schedule, excluding any facilities rental charges and any reactive charges, shall not be less than the sum of (1) the base customer charge and administrative charge, (2) the portion of the base demand charge, as adjusted (but excluding the additional portion thereof applicable to excess of billing demand over contract demand) applicable to onpeak billing demand applied to the customer's onpeak billing demand, (3) the portion of the base demand charge, as adjusted, (but excluding the additional portion thereof applicable to excess of billing demand over contract demand) applicable to maximum billing demand applied to the customer's maximum billing demand, (4) the base onpeak energy charge, as adjusted, applied to the customer's onpeak energy takings, and (5) the base offpeak energy charge, as adjusted, applied to the higher of customer's actual offpeak energy takings or the minimum offpeak energy takings amount provided for in the first paragraph of the section of this rate schedule entitled "Determination of Onpeak and Offpeak Demands, Maximum Metered Demand, and Energy Amounts". Notwithstanding the foregoing, any fuel cost that is included in any purchased power adjustment adopted by the Board shall not be applied to any billed offpeak energy that exceeds the metered offpeak energy.

KUB may require minimum bills higher than those stated above.

Contract Requirement

KUB shall require contracts for all service provided under this rate schedule. The contract shall be for an initial term of at least five years and any renewals or extensions of the initial contract shall be for a term of at least five years; after ten years of service, any such contract for the renewal or extension of service may provide for termination upon not less than sixteen months notice. The customer shall contract for its maximum requirements, which shall not exceed the amount of power capable of being used by customer, and KUB shall not be obligated to supply power in greater amount at any time than the customer's currently effective onpeak or offpeak contract demand. If the customer uses any power other than that supplied by KUB under this rate schedule, the contract may include other special provisions. The rate schedule in any power contract shall be subject to adjustment, modification, change, or replacement from time to time as approved by the Board.

Single Point Delivery

The charges under this rate schedule are based upon the supply of service through a single delivery point and at a single voltage. If service is supplied to the same customer through more than one point of delivery or at different voltages, the supply of service at each delivery point and at each different voltage shall be separately metered and billed.

Rules and Regulations

Service is subject to Rules and Regulations of KUB.

ELECTRIC VEHICLE CHARGING POWER RATE - SCHEDULE EVC

Availability

This rate shall exclusively apply to separately metered charging stations for electric vehicles where the charging station's demand is greater than 50 kW but not more than 5,000 kW.

All customers participating under this rate schedule shall agree to a full requirements service from KUB. In addition, customers must agree that the sole use of the electric service is for the purpose of charging electric vehicles used for transportation purposes only.

Character of Service

Alternating current, single- or three-phase, 60 hertz. Power shall be delivered at a transmission voltage of 161 kV or, if such transmission voltage is not available, at the highest voltage available in the vicinity, unless at the customer's request a lower standard voltage is agreed upon.

Rates

Customer Charge: \$109.00 per delivery point per month

Monthly Energy Charge: Onpeak \$0.33896 per kWh for all metered onpeak kWh
 Offpeak \$0.21565 per kWh for all metered offpeak kWh

Adjustment

Charges under this rate schedule may be increased or decreased to reflect changes in purchased power costs as determined by any purchased power adjustment adopted by the Board. Rates shown above are inclusive of the Purchased Power Adjustment for the current month.

Determination of Seasonal Periods

Summer Period shall mean the June, July, August, and September billing months. Winter Period shall mean the December, January, February, and March billing months. Transition Period shall mean the April, May, October, and November billing months. The Seasonal Periods under this rate schedule are subject to change by KUB. In the event KUB determines that changed Seasonal Periods are appropriate, such decision shall be made at least 11 months prior to the effective date of such changed periods, and KUB shall promptly notify customer.

Determination of Onpeak and Offpeak Hours

Except for Saturdays, Sundays, November 1, and the weekdays that are observed as Federal holidays for New Year's Day, Memorial Day, Independence Day, Labor Day, Thanksgiving Day, and Christmas Day, onpeak hours for each day shall for purposes of this rate schedule be from 2 p.m. to 8 p.m. during the months of April, May, June, July, August, September and October and from 5 a.m. to 11 a.m. during the months of January, February, March, November, and December. For all other hours of each day and all hours of such excepted days shall be offpeak hours. Such times shall be EST or EDT, whichever is then in effect. Said onpeak and offpeak hours are subject to change by KUB. In the event KUB determines that such changed onpeak and offpeak hours are appropriate, such decision shall be made at least 11 months prior to the effective date of such changed hours, and KUB shall promptly notify customer.

Minimum Bill

The base customer charge constitutes the minimum monthly bill for all customers served under this rate schedule except those customers for which a higher minimum monthly bill is required under KUB's standard policy because of special circumstances affecting the cost of rendering service.

Contract Requirement

At its sole discretion, KUB may require contracts for service provided under this rate schedule and such contracts shall be for an initial term of at least 90 days. The customer shall contract for its maximum requirements, which shall not exceed the amount of power capable of being used by customer, and KUB shall not be obligated to supply power in greater amount at any time than the customer's currently effective contract demand. The customer is prohibited from using any power other than that supplied by KUB under this rate schedule. All other power sources are prohibited. The contract may include other special provisions. The rate schedule in any power contract shall be subject to adjustment, modification, change, or replacement from time to time as approved by the Board.

After having received service for at least 90 days under this rate schedule, the customer, subject to 90 days prior written notice and appropriate amendments in its power contract with KUB, may receive service under the General Power Time-Of-Use Rate - Schedule GSA TOU. In such case the term of the power contract shall remain the same and the contract demand for service under the General Power Time-Of-Use Rate - Schedule GSA TOU shall not be less than the contract demand in effect when service was taken under this rate schedule.

Single-Point Delivery

The charges under this rate schedule are based upon the supply of service through a single delivery and metering point, and at a single voltage. If service is supplied to the same customer through more than one point of delivery or at different voltages, the supply of service at each delivery and metering point and at each different voltage shall be separately metered and billed.

Rules and Regulations

Service is subject to Rules and Regulations of KUB.

POWERFLEX

Availability

KUB provides PowerFlex to qualified power users through its wholesale power supplier, the Tennessee Valley Authority (TVA), in accordance with the power supply contract between KUB and TVA.

PowerFlex shall be made available to qualified power users pursuant to specific contractual arrangements between KUB and the customer (such contractual arrangements may be contained in one or more written instruments and are hereinafter sometimes referred to as the "Agreement").

Charges for PowerFlex

KUB Administrative Charge: \$350.00 per month

All other PowerFlex related charges including TVA Administrative Cost Charges shall be established in accordance with the Agreement.

Interruptibility

PowerFlex furnished to a customer under the Agreement shall be subject to interruption and to suspension of availability as provided for in the Agreement.

Rules and Regulations

Service is subject to Rules and Regulations of KUB.

INTERRUPTIBLE POWER 5 (IP5)

Availability

KUB provides Interruptible Power 5 (IP5) to qualified power users through its wholesale power supplier, the Tennessee Valley Authority (TVA), in accordance with the power supply contract between KUB and TVA.

IP5 shall be made available to qualified power users pursuant to specific contractual arrangements between KUB and the customer (such contractual arrangements may be contained in one or more written instruments and are hereinafter sometimes referred to as the "Contract").

Charges for IP5

KUB Administrative Charge: \$350.00 per month

All other IP5-related charges including TVA Administrative Cost Charges shall be established in accordance with the Contract.

Interruptibility

IP5 furnished to a customer under the Contract shall be subject to interruption and to suspension of availability as provided for in the Contract.

Rules and Regulations

Service is subject to Rules and Regulations of KUB.

INTERRUPTIBLE POWER 30 (IP30)

Availability

KUB provides Interruptible Power 30 (IP30) to qualified power users through its wholesale power supplier, the Tennessee Valley Authority (TVA), in accordance with the power supply contract between KUB and TVA.

IP30 shall be made available to qualified power users pursuant to specific contractual arrangements between KUB and the customer (such contractual arrangements may be contained in one or more written instruments and are hereinafter sometimes referred to as the "Contract").

Charges for IP30

KUB Administrative Charge: \$350.00 per month

All other IP30-related charges including TVA Administrative Cost Charges shall be established in accordance with the Contract.

Interruptibility

IP30 furnished to a customer under the Contract shall be subject to interruption and to suspension of availability as provided for in the Contract.

Rules and Regulations

Service is subject to Rules and Regulations of KUB.

TWO-PART REAL TIME PRICING (RTP)

Availability

KUB provides Two-Part Real Time Pricing (Two-Part RTP) to qualified general power users through its wholesale power supplier, the Tennessee Valley Authority (TVA), in accordance with the power supply contract between KUB and TVA.

Two-Part RTP shall be made available to qualified general power users pursuant to specific contractual arrangements between KUB and the customer (such contractual arrangements may be contained in one or more written instruments and are hereinafter sometimes referred to as the "Contract").

Charges for Two-Part RTP

KUB Administrative Charge: \$350.00 per month

All other Two-Part RTP charges including TVA Administrative Charges shall be established in accordance with the Contract.

Interruptibility

Two-Part RTP furnished to a customer under the Contract may be subject to interruption and to suspension of availability as provided for in the Contract.

Rules and Regulations

Service is subject to Rules and Regulations of KUB.

START-UP AND TESTING POWER (STP)

Availability

KUB provides Start-up and Testing Power (STP) to qualified power users through its wholesale power supplier, the Tennessee Valley Authority (TVA), in accordance with the power supply contract between KUB and TVA.

STP shall be made available to qualified power users pursuant to specific contractual arrangements between KUB and the customer (such contractual arrangements may be contained in one or more written instruments and are hereinafter sometimes referred to as the "Contract").

Charges for STP

KUB Administrative Charge: \$350.00 per month

All other STP-related charges including TVA Administrative Cost Charges shall be established in accordance with the Contract.

Interruptibility

STP furnished to a customer under the Contract shall be subject to interruption and to suspension of availability as provided for in the Contract.

Rules and Regulations

Service is subject to Rules and Regulations of KUB.

RESIDENTIAL POWER TIME-OF-USE RATE - SCHEDULE RS-TOU

Availability

Service under this rate schedule shall be available only to residential customers served individually through a separate meter or through a KUB-approved multiple meter configuration designed as a single billing point.

Character of Service

Alternating current, single-phase, 60 hertz. Power shall be delivered at a service voltage available in the vicinity or agreed to by KUB. Multi-phase service shall be supplied in accordance with KUB's standard policy.

Rates

Basic Service Charge:	\$20.50 per month
Monthly Energy Charge:	Onpeak: \$0.22020 per kWh
	Offpeak: \$0.08844 per kWh

Adjustment

Charges under this rate schedule may be increased or decreased to reflect changes in purchased power costs as determined by any purchased power adjustment adopted by the Board. Rates shown above are inclusive of the Purchased Power Adjustment for the current month.

Determination of Onpeak and Offpeak Hours *All hours stated in Eastern Prevailing Time*

Weekdays (Monday - Friday)

Onpeak	2 PM to 8 PM calendar months April through October 5 AM to 11 AM calendar months November through March
Offpeak	All other hours

Weekends (Saturday – Sunday) and Holidays - all hours are Offpeak

Holidays include the weekdays that are observed as holidays:
New Year's Day, Memorial Day, Independence Day, Labor Day, Thanksgiving Day, and Christmas Day

Minimum Bill

The basic service charge constitutes the minimum monthly bill for all customers served under this rate schedule except those customers for which a higher minimum monthly bill is required under KUB's standard policy because of special circumstances affecting the cost of rendering service.

Single Point Delivery

The charges under this rate schedule are based upon the supply of service through a single delivery and at a single voltage.

Rules and Regulations

Service is subject to Rules and Regulations of KUB.

GENERAL POWER TIME-OF-USE RATE - SCHEDULE GSA-TOU

Availability

This rate shall be available for the firm power requirements for electric service to non-residential customers, where a customer's contract demand is 1,000 kW or less.

Character of Service

Alternating current, single or three-phase, 60 hertz. Power shall be delivered at a service voltage available in the vicinity or agreed to by KUB.

Rates

1. If the higher of (a) the customer's currently effective contract demand, if any, or (b) its highest billing demand during the latest 12-month period is not more than 50 kW:

Customer Charge: \$34.00 per delivery point per month

Monthly Demand Charge: \$2.39 per kW of maximum billing demand

Monthly Energy Charge:	Onpeak	\$0.22584 per kWh
	Offpeak	\$0.09243 per kWh

- 2A. If the higher of (a) the customer's currently effective contract demand or (b) its highest billing demand during the latest 12-month period is greater than 50 kW but not more than 100 kW:

Customer Charge: \$165.00 per delivery point per month

Monthly Demand Charge: \$5.46 per kW of maximum billing demand

Monthly Energy Charge:	Onpeak	\$0.23746 per kWh
	Offpeak	\$0.10405 per kWh

2B.If the higher of (a) the customer's currently effective contract demand or (b) its highest billing demand during the latest 12-month period is greater than 100 kW but not more than 1,000 kW:

Customer Charge: \$183.00 per delivery point per month

Monthly Demand Charge: \$8.01 per kW of maximum billing demand

Monthly Energy Charge: Onpeak \$0.21063 per kWh
Offpeak \$0.07722 per kWh

3. If the higher of (a) the customer's currently effective contract demand or (b) its highest billing demand during the latest 12-month period is greater than 1,000 kW, these customers are not eligible for the GSA-TOU rate schedule. The customer will be removed from this rate and billed under the default General Power Rate – Schedule GSA unless the customer qualifies and selects TDGSA or TDMSA rates.

Adjustment

Charges under this rate schedule may be increased or decreased to reflect changes in purchased power costs as determined by any purchased power adjustment adopted by the Board. Rates shown above are inclusive of the Purchased Power Adjustment for the current month.

Determination of Onpeak and Offpeak Hours *All hours stated in Eastern Prevailing Time*

Weekdays (Monday - Friday)

Onpeak 2 PM to 8 PM calendar months April through October
5 AM to 11 AM calendar months November through March

Offpeak All other hours

Weekends (Saturday – Sunday) and Holidays - all hours are Offpeak

Holidays include the weekdays that are observed as holidays:
New Year's Day, Memorial Day, Independence Day, Labor Day, Thanksgiving Day, and Christmas Day

Determination of Demand

KUB shall meter the demands in kW of all customers served under the GSA-TOU rate schedule. The Metered Demand for any month shall be the highest average during any 30-minute-consecutive period of the month of the load metered in kW. The Measured Demand for any month shall be the higher of (a) or (b) below.

The Billing Demand for any month shall be the higher of the following:

- (a) Metered Demand
- (b) 85 percent of the load in kVA
- (c) 30 percent of the higher of the currently effective contract demand or the highest billing demand established during the preceding 12 months.

Minimum Bill

The monthly bill under this rate schedule shall not be less than the sum of (a) the customer charge, (b) the demand charge, as adjusted, applied to the customer's billing demand, and (c) the energy charges, as adjusted, applied to the customer's energy takings.

KUB may require minimum bills higher than those stated above.

Contract Requirements

At its sole discretion, KUB may require contracts for service provided under this rate schedule and such contracts shall be for an initial term of at least one year. The customer shall contract for its maximum requirements, which shall not exceed the amount of power capable of being used by customer, and KUB shall not be obligated to supply power in greater amount at any time than the customer's currently effective contract demand. If the customer uses any power other than that supplied by KUB under this rate schedule, the contract may include other special provisions. The rate schedule in any power contract shall be subject to adjustment, modification, change, or replacement from time to time as approved by the Board.

Single – Point Delivery

The charges under this rate schedule are based upon the supply of service through a single delivery and at a single voltage. If service is supplied to the same customer through more than one point of delivery or at different voltages, the supply of service at each delivery and metering point at each different voltage shall be separately metered and billed.

Rules and Regulations

Service is subject to Rules and Regulations of KUB.

RATE SCHEDULE EVCP - Electric Vehicle Charging Pump Rate

Availability

Service under Rate Schedule EVCP is available to any vehicle served at KUB owned EV charging stations. This fuel is solely for use for charging commercial or personal vehicles.

Rate

Base Rate

\$0.44 per kWh

Plus

All applicable local, state, and federal taxes and applicable transaction fees.

Other Charges

Idle fees and any other charges can be found in the KUB Electric Service Procedures.

Rules and Regulations

Service is subject to Rules and Regulations of KUB.

RESOLUTION 1493
EXHIBIT D
RATE SCHEDULES OF THE GAS DIVISION
EFFECTIVE OCTOBER 1, 2024

RESIDENTIAL GAS SERVICE

RATE SCHEDULE G-2

Availability

Service under this rate schedule shall be available only to residential customers served individually through a separate meter or through a KUB-approved multiple meter configuration designed as a single billing point.

Rates

For the monthly billing periods of November through March:

Basic Service Charge: \$10.90 per month

Commodity Charge: \$1.2332 per therm for first 30 therms
\$1.0133 per therm for over 30 therms

For the monthly billing periods of April through October:

Basic Service Charge: \$10.90 per month

Commodity Charge: \$1.0480 per therm for first 50 therms
\$0.9251 per therm for over 50 therms

Adjustment

The Commodity Charge shall be subject to KUB's Purchased Gas Adjustment. Rates shown above are inclusive of the Purchased Gas Adjustment for the current month.

Minimum Bill

The minimum bill under this rate schedule shall be the Basic Service Charge.

Rules and Regulations

Service is subject to Rules and Regulations of KUB.

COMMERCIAL AND INDUSTRIAL GAS SERVICE

RATE SCHEDULE G-4

Availability

Service under Rate Schedule G-4 is available to any commercial or industrial customer. Unless otherwise approved by KUB, a customer receiving service under Rate Schedule G-4, after previously receiving service under Rate Schedule G-6, shall not be allowed to return to service under Rate Schedule G-6 until at least twelve months have elapsed since service was last received under Rate Schedule G-6.

Rates

Customer Charge: \$36.00 per month

Monthly Commodity Charge: \$1.1789 per therm for the first 250 therms;
\$1.0583 per therm for the excess over 250 therms.

Adjustment

The Commodity Charge shall be subject to KUB's Purchased Gas Adjustment. Rates shown above are inclusive of the Purchased Gas Adjustment for the current month.

Minimum Bill

The minimum bill for each monthly billing period shall be the Customer Charge.

Rules and Regulations

Service is subject to Rules and Regulations of KUB.

COMMERCIAL AND INDUSTRIAL GAS SERVICE

RATE SCHEDULE G-6

Availability

Service under this rate is available to any commercial or industrial customer that incurs a demand of twenty-seven therms or more during the current monthly billing period or during any of the eleven most recent monthly billing periods. Unless otherwise approved by KUB, a customer receiving service under Rate Schedule G-6, after previously receiving service under Rate Schedule G-4, shall not be allowed to return to service under Rate Schedule G-4 until at least twelve months have elapsed since service was last received under Rate Schedule G-4.

Rates

Customer Charge:	\$215.00 per month
Monthly Demand Charge:	\$2.10 per therm of demand
Monthly Commodity Charge:	\$0.8202 per therm for the first 30,000 therms; \$0.7200 per therm for over 30,000 therms

Adjustment

The Commodity Charge shall be subject to KUB's Purchased Gas Adjustment. The above rates are inclusive of the Purchased Gas Adjustment for the current month.

Determination of Demand

At the option of KUB, the demand shall be determined either (a) by demand type meter, or (b) by electronic measuring device, or (c) by test, or (d) by estimate. If determined by estimate, the demand shall be considered to be equal to five percent (5%) of the total quantity of gas used during the applicable monthly billing period.

The billed demand shall be the amount as determined in the above paragraph, but not less than eighty percent (80%) of the greatest demand of the previous 12 months.

Minimum Bill

The minimum bill for each monthly billing period shall be the sum of the Customer Charge and the Demand Charge.

Rules and Regulations

Service is subject to Rules and Regulations of KUB.

INTERRUPTIBLE GAS SERVICE

RATE SCHEDULE G-7

Definitions

“Customer” means a person or entity contracting with or otherwise receiving service from KUB for interruptible gas service under this rate.

“Day” means a period of twenty-four (24) consecutive hours, beginning and ending at 10:00 A.M. prevailing Knoxville time or such other period as may be established by the applicable connecting pipeline(s) to KUB’s system.

“Delivery” means the delivery of Transport Gas or Supplemental Gas to KUB.

“Firm Gas” means the amount of gas designated as such in a written contract between KUB and the Customer; Firm Gas is not subject to interruption or curtailment except for emergency or other causes as provided in KUB’s Rules and Regulations.

“Interruptible Gas” means that gas which is subject to interruption or curtailment by KUB at any time and to the extent that KUB, in its sole discretion, deems desirable.

“Notice of Interruption” means the notice given by KUB to a Customer that a Period of Interruption has commenced or will commence.

“Period of Interruption” means any period of time during which KUB shall interrupt or curtail the delivery of gas to the Customer.

“Redelivery” means the delivery of Transport Gas or Supplemental Gas to the Customer by KUB.

“Supplemental Gas” means gas procured by KUB for the account of a Customer for Delivery to KUB and Redelivery to the Customer.

“Transport Gas” means gas purchased by a Customer from a supplier other than KUB that the Customer has arranged to have Delivered to KUB for Redelivery to the Customer.

“Unauthorized Gas” means the quantity of gas taken by Customer exceeding the amount which is permitted during a Period of Interruption.

Availability

Service under this rate is available to any customer who meets the following conditions:

- (a) Customer's annual Interruptible Gas use, on an actual or projected basis, shall not be less than 25,000 dekatherms (one dekatherm is equivalent to ten therms);
- (b) Customer shall be permitted to purchase only one (1) dekatherm of Firm Gas under this rate for each two (2) dekatherms of Interruptible Gas which are purchased;
- (c) Customer must have standby equipment of sufficient capacity capable of providing Customer's normal gas service requirements for a period of five (5) working days without replenishment when Interruptible Gas is completely interrupted. Customer shall maintain such equipment ready for operation at any time and shall utilize a fuel other than gas furnished by KUB and shall be subject to periodic inspections by KUB to ensure compliance with this provision; and
- (d) KUB must determine that its existing distribution system facilities are adequate and available for the requested service.

In the event Customer shall fail at any time to continue to meet the conditions (a) through (c), service under Rate Schedule G-7 shall no longer be available; but at KUB's option, gas service may be provided to the Customer under Rate Schedule G-6.

Notwithstanding the foregoing, any Customer receiving service under Rate Schedule G-7 immediately prior to September 1, 1992 may continue to receive service under Rate Schedule G-7 without fulfilling each of the above stated conditions until such time as service to Customer is terminated or Customer begins receiving gas service under a different rate schedule. Such Customer shall continue to comply with any conditions in effect prior to September 1, 1992.

Character of Service

Interruptible Gas shall be available only to the extent that KUB has gas available that is not required by firm customers. If a Customer is served by gas purchased on an interruptible rate from KUB's suppliers, all conditions imposed by KUB's suppliers on the use of such Interruptible Gas shall likewise apply to such Customer as if KUB imposed the condition on the Customer.

Transportation Service

During any Period of Interruption, Customer may request Transportation Service from KUB whereby Customer may either (i) purchase Transport Gas and arrange to Deliver such Transport Gas to KUB via any connected interstate natural gas pipeline to one or more of KUB's designated delivery points for Redelivery to the Customer or (ii) solicit the service of KUB in procuring Supplemental Gas for Customer whereby upon agreeing to provide such service, KUB will attempt to: (a) procure Supplemental Gas on

the open market for the account of Customer; (b) arrange for such Supplemental Gas to be transported at Customer's cost via connecting interstate natural gas pipelines to one or more of KUB's designated delivery points, and (c) Redeliver such Supplemental Gas to Customer.

Redeliveries by KUB to Customer are subject to interruption when, in the sole discretion of KUB, conditions warrant a suspension of Transportation Service.

Prior to the commencement of a Period of Interruption or within a reasonable period of time subsequent to the commencement of a Period of Interruption, as determined by KUB in its sole discretion, Customer must: (a) notify KUB of its intent to receive Transportation Service from KUB and (b) provide KUB with a schedule showing the proposed daily volumes to be delivered to KUB and Redelivered to the Customer. KUB shall notify Customer of those volumes KUB has approved on a daily basis for Delivery to KUB and Redelivery to Customer (Approved Daily Volumes) prior to the Delivery of any gas to KUB. KUB reserves the right to adjust the Approved Daily Volumes as conditions warrant. KUB shall notify Customer promptly of any adjustment in the Approved Daily Volumes.

KUB shall not be obligated to Redeliver any volumes of gas to Customer: (a) in excess of the Customer's Approved Daily Volumes and (b) in the case of Transport Gas, for which KUB has not received a confirmation of receipt from the applicable connecting pipeline on any given Day.

Transportation Service under this Rate Schedule shall be subject to the following charges, as applicable: (a) the Commodity Charge, as set forth in the Rate Schedule, for Redeliveries of Supplemental Gas to Customer, and (b) the Transportation Charge, as set forth in this Rate Schedule, for Redeliveries to Customer.

Upon conclusion of Customer's Period of Interruption, if total previous Deliveries of Transport Gas or Supplemental Gas to KUB exceeds total Redeliveries of Transport Gas or Supplemental Gas to Customer by KUB, as applicable, the excess will be treated as the first gas (excluding Firm Gas) through Customer's meter following Customer's Period of Interruption.

Gas purchased or transported under this rate shall be used only by the Customer at its facilities and shall be delivered at a single point of delivery located within the service area of KUB and shall not be resold by the Customer.

Quantities of Gas Delivered

For the purpose of allocating the daily volume of gas delivered to a Customer under this rate schedule, the first gas delivered shall be considered Firm Gas up to the daily quantity contracted for as Firm Gas, the next gas delivered shall be the Approved Daily Volumes of Transport Gas or Supplemental Gas for that Day, as applicable, and all additional gas delivered shall be considered Interruptible Gas except during a Period of Interruption, then all additional gas delivered shall be considered Unauthorized Gas.

Rates

Customer Charge: \$775.00 per month

Monthly Demand Charge: \$21.00 per dekatherm of demand

Monthly Commodity Charge:
For Firm Gas: \$7.200 per dekatherm

For Interruptible Gas:

\$6.862 per dekatherm for the first 3,000 dekatherms
\$6.221 per dekatherm from 3,000 to and including 20,000 dekatherms
\$5.367 per dekatherm from 20,000 to and including 50,000 dekatherms
\$4.990 per dekatherm for the excess over 50,000 dekatherms

For Supplemental Gas:

The Commodity Charge for Supplemental Gas shall be the total of:
(a) the cost per dekatherm to KUB for the applicable Day of acquiring Supplemental Gas on the open market, subject to the approval of the Customer to purchase Supplemental Gas at or above such price and
(b) the costs incurred by KUB in transporting such Supplemental Gas via connecting pipelines to one or more of KUB's delivery points.

Transportation Charge – for Redelivered plus Unauthorized Gas:

\$2.636 per dekatherm for the first 3,000 dekatherms
\$1.995 per dekatherm from 3,000 to and including 20,000 dekatherms
\$1.141 per dekatherm from 20,000 to and including 50,000 dekatherms
\$0.764 per dekatherm for the excess over 50,000 dekatherms

Unauthorized Gas Charge: \$25.00 per dekatherm of Unauthorized Gas, plus the total of the cost per dekatherm of obtaining such gas on the open market as determined by the applicable Gulf Cost Price Index for the applicable day as published in Gas Daily, Natural Gas Intelligence, Intercontinental Exchange, or other index as deemed reasonable for use by the gas industry. KUB will select an industry recognized index at its sole discretion.

In determining the appropriate rate block to bill Transportation Charges for Redelivered and Unauthorized Gas, the following volumes shall be combined: Interruptible Gas, Supplemental Gas, Transport Gas, and Unauthorized Gas.

Adjustment

The Commodity Charge for Firm Gas and Interruptible Gas shall be subject to KUB's Purchased Gas Adjustment. Rates shown above are inclusive of the Purchased Gas Adjustment for the current month.

Determination of Demand

Demand shall be the daily quantity of gas contracted for as Firm Gas by the Customer. Customer, with the consent of KUB, may from time to time change the amount of Firm Gas by providing written notice to KUB at least three (3) business days prior to the beginning of the monthly billing period for which Customer desires the change to be effective; provided, however, that such changes shall not effect a reduction in the previously specified Firm Gas, unless the previously specified Firm Gas has been in effect for the entire twelve month period immediately preceding the date the requested change is to become effective.

Unauthorized Gas Charge

No Customer shall take Unauthorized Gas. Customer must immediately notify KUB if it has taken, or anticipates taking, Unauthorized Gas. In the event Customer takes Unauthorized Gas, Customer shall be charged the Unauthorized Gas Charge for all Unauthorized Gas delivered by KUB to Customer. In addition, KUB may suspend or terminate service and/or pursue any other remedy available to it under applicable law. The existence of an Unauthorized Gas Charge shall not be construed to give Customer the right to take Unauthorized Gas. The penalty portion of the Unauthorized Gas Charge may be waived or reduced by KUB on a non-discriminatory basis.

Priority of Service

Interruptible gas service is supplied to customers of KUB under Rate Schedules G-7 and G-11. Except as may be otherwise determined by KUB in its sole discretion, Periods of Interruption shall generally be imposed on interruptible customers of KUB in the following order:

- (1) If the Period of Interruption is necessary due to an emergency or capacity limitation on KUB's gas distribution system, then the interruption of service to all interruptible customers of KUB shall be handled on a pro rata or other equitable basis as determined by KUB.
- (2) If the capacity limitation affects only a restricted geographic area of KUB's gas distribution system, then only interruptible customers of KUB within the restricted area will have their service interrupted. The interruption of such customers shall be handled on a pro rata or other equitable basis as determined by KUB.

- (3) If the Period of Interruption is necessary due to a shortage of KUB's normal gas supply, whether caused by a capacity limitation of KUB's connecting pipeline(s) or by an actual shortage of gas, then:
 - (a) The first service interrupted shall be Rate Schedule G-7 Customers (other than Redeliveries of Supplemental Gas and Transport Gas) who have not heretofore been interrupted as provided above.
 - (b) The second service interrupted shall be Redeliveries of Supplemental Gas to Rate Schedule G-7 Customers. Even though KUB may have acquired Supplemental Gas for the account of a Customer under Rate Schedule G-7, this service may be interrupted to the extent necessary to provide service to KUB's Firm Gas customers.

Within each category, the interruption of such customers shall be handled on a pro rata or other equitable basis as determined by KUB.

Insofar as Transport Gas has been Delivered to KUB for any customer receiving service under Rate Schedule G-7 or Rate Schedule G-11, and insofar as the Period of Interruption is not due to an emergency or capacity limitation on KUB's gas distribution system, the delivery of Transport Gas by KUB to those customers will not be interrupted.

- (4) If the Period of Interruption is necessary due to a lack of confirmation by any connecting pipeline of deliveries for any Rate Schedule G-11 customers or to any Customers receiving Transportation Service under Rate Schedule G-7, then only service to the affected Rate Schedule G-11 customers or to the affected Customers receiving Transportation Service under Rate Schedule G-7, as applicable, will be interrupted.

Notices

To the extent possible, KUB shall give Customer at least a one hour Notice of Interruption before a Period of Interruption begins. A Notice of Interruption may be provided by KUB by any means including written, verbal or electronic, and shall be sufficient if given by KUB to the person or persons designated from time to time by the Customer as authorized to receive such notices. If a Period of Interruption involves only a reduction in the amount of gas that may be purchased, the Notice of Interruption shall state the daily and/or hourly quantity of gas which Customer may purchase. A Period of Interruption shall continue in effect until KUB notifies Customer that the Period of Interruption has terminated or until the time specified in the Notice of Interruption expires.

Minimum Bill

The minimum bill for each monthly billing period shall be the sum of the Customer Charge and the Demand Charge.

Contract for Service

Each Customer receiving service under this rate shall execute a contract with KUB for at least twelve (12) months to end on the November 1st specified in said contract or such other period as Customer and KUB agree upon. Transportation Service under this rate shall be provided only after such customer executes a contract with KUB providing for Transportation Service.

Rules and Regulations

Service is subject to Rules and Regulations of KUB.

TRANSPORTATION GAS SERVICE

RATE SCHEDULE G-11

Definitions

“Customer” means a person or entity contracting with or otherwise receiving service from KUB for transportation gas service under this rate.

“Day” means a period of twenty-four (24) consecutive hours, beginning and ending at 10:00 A.M. prevailing Knoxville time or such other period as may be established by the applicable connecting pipeline(s) to KUB’s system.

“Delivery” means the delivery of Transport Gas to KUB.

“Firm Gas” means the amount of gas designated as such in a written contract between KUB and the Customer; Firm Gas is not subject to interruption or curtailment except for emergency or other causes as provided for in KUB’s Rules and Regulations.

“Imbalance” means the difference between Deliveries to KUB for a Customer and Redeliveries by KUB to the Customer.

“Notice of Interruption” means the notice given by KUB to a Customer that a Period of Interruption has commenced or will commence.

“Operational Flow Order” means any directive issued to a Customer by KUB which requires the Customer to adjust Deliveries to KUB or deliveries of non-Firm gas to the Customer by KUB.

“Period of Interruption” means any period of time during which KUB shall interrupt or curtail the delivery of gas to the Customer.

“Redelivery” means the delivery of gas, excluding Firm Gas and Unauthorized Gas, to a Customer by KUB.

“Scheduled Daily Amount” means the amount of Transport Gas approved by KUB from time to time to be Delivered by a Customer to KUB and delivered to the Customer by KUB on a daily basis.

“Transport Gas” means the gas purchased by a Customer from a supplier other than KUB that Customer has arranged to have Delivered to KUB for delivery to the Customer by KUB.

“Transportation Service Agreement” means the contract between KUB and the Customer whereby KUB agrees to provide transportation gas service to the Customer.

“Unauthorized Gas” means (a) the quantity of gas taken by Customer exceeding the amount which is permitted during a Period of Interruption or (b) the difference (whether positive or negative) between the quantity of gas taken by Customer and the volumes provided for under an Operational Flow Order.

Availability

Service under Rate Schedule G-11 shall be available to any customer who meets the following conditions:

(a) Customer’s annual gas usage (excluding Firm Gas), on an actual or projected basis, shall not be less than 25,000 dekatherms (one dekatherm is equivalent to ten therms);

(b) Customer shall be permitted to purchase only one (1) dekatherm of Firm Gas under Rate Schedule G-11 for each two (2) dekatherms of Transport Gas delivered by KUB to the Customer;

(c) Customer must have standby equipment of sufficient capacity capable of providing Customer’s normal gas service requirements for a period of five (5) working days without replenishment when Transport Gas is completely interrupted. Customer shall maintain such equipment ready for operation at any time and shall utilize a fuel other than gas furnished by KUB and shall be subject to periodic inspections by KUB to ensure compliance with this provision;

Condition (c) shall be optional for any Customer who meets the following requirements: (1) annual gas usage (excluding Firm Gas) is equal to or greater than 25,000 dekatherms; (2) primary use of gas is for industrial or process use; and (3) provides satisfactory evidence to KUB of its ability and willingness to have its gas service interrupted or curtailed by KUB in accordance with the terms and conditions of this Rate Schedule.

(d) Customer’s use under this rate shall not work a hardship on any other customers of KUB, nor adversely affect any other class of KUB’s customers and further provided the Customer’s use under this rate shall not adversely affect KUB’s gas purchase plans and/or effective utilization of the daily demands under KUB’s gas purchase contracts with its suppliers, as solely determined by KUB.

(e) KUB must determine that its existing distribution system facilities are adequate and available for the requested service; and

(f) Customer must execute a Transportation Service Agreement for transportation gas service.

In the event Customer shall fail at any time to meet conditions (a) through (d) service under Rate Schedule G-11 shall no longer be available; but at KUB's option, gas service may be provided to the Customer under other KUB rate schedules.

Notwithstanding the foregoing, any Customer which received service under Rate Schedule G-11 prior to November 1, 1997 may receive service under Rate Schedule G-11 without fulfilling conditions (a) and (b). Any such Customer shall comply with all other terms and conditions of Rate Schedule G-11.

Character of Service

Pursuant to a Transportation Service Agreement and Rate Schedule G-11, and subject to Periods of Interruption determined by KUB in its sole discretion, KUB shall deliver to the Customer up to the Contract Amount of Transport Gas received from one or more connected interstate natural gas pipelines for Customer's account.

The first gas delivered to the Customer on a daily basis under Rate Schedule G-11 shall be considered Firm Gas up to the daily quantity contracted for as Firm Gas by the Customer.

Gas purchased or transported under Rate Schedule G-11 shall be used only by the Customer at its facilities and shall be delivered at a single point of delivery located within the service area of KUB and shall not be resold by the Customer.

Rates

Customer Charge:	\$1,050.00 per month
Monthly Demand Charge:	\$21.00 per dekatherm of demand.
Monthly Firm Gas Charge:	\$7.200 per dekatherm.
Monthly Transportation Charge:	\$2.636 per dekatherm for the first 3,000 dekatherms of non-Firm gas delivered to Customer; \$1.995 per dekatherm for each dekatherm from 3,000 to and including 20,000 dekatherms of non-Firm gas delivered to Customer; \$1.141 per dekatherm for each dekatherm from 20,000 to and including 50,000 dekatherms of non-Firm gas delivered to Customer; \$0.764 per dekatherm for the excess over 50,000 dekatherms of non-Firm gas delivered to Customer.

Monthly

Unauthorized Gas Charge: \$25.00 per dekatherm of Unauthorized Gas as a penalty, plus (a), the total cost per dekatherm of obtaining such gas on the open market, as defined below, plus (b), the costs incurred by KUB in transporting such Unauthorized Gas via connecting pipelines to one or more of KUB's delivery points. The cost per dekatherm of obtaining such gas on the open market, (a) above, is defined as an index price based on the High Common price for "Transco Zone 5 Delivered" or "Tennessee 500 Leg", whichever is higher for the applicable Day as published in Gas Daily, Natural Gas Intelligence, Intercontinental Exchange, or other index as deemed reasonable for use by the gas industry. KUB will select an industry recognized index at its sole discretion.

Monthly Other Charges: Imbalance Charges (as herein defined), and any pipeline scheduling, balancing, transportation, or other similar charges incurred by KUB in connection with the transportation of gas on behalf of the Customer, as applicable.

Adjustment

The Firm Gas Charge shall be subject to KUB's Purchased Gas Adjustment. Rates shown above are inclusive of the Purchased Gas Adjustment for the current month.

Determination of Demand

Demand shall be the daily quantity of gas contracted for as Firm Gas by the Customer. Customer, with the consent of KUB, may from time to time change the amount of Firm Gas by providing written notice to KUB at least three (3) business days prior to the beginning of the monthly billing period for which the Customer desires the change to be effective; provided, however, that such changes shall not effect a reduction in the previously specified Firm Gas, unless the previously specified Firm Gas has been in effect for the entire twelve month period immediately preceding the date the requested change is to become effective.

Scheduling of Service

At least three (3) business days prior to the first calendar day of the month, Customer shall submit to KUB its schedule showing the proposed daily volumes of Transport Gas the Customer desires to deliver to KUB via connecting pipelines and have delivered to the Customer by KUB during the succeeding month ("Delivery Schedule"). Any proposed Delivery of gas in excess of the Transport Gas portion of the Contract Amount shall be specifically noted in the Delivery Schedule. At least one business day prior to the beginning of the applicable calendar month, KUB shall notify the Customer in writing of the volumes of Transport Gas for such Customer which have been approved for Delivery to KUB and delivery to the Customer by KUB on a daily basis during such month ("Scheduled Daily Amount"). The Customer must notify and obtain written approval of KUB for any changes in the Scheduled Daily Amount during a month at least twenty-four (24) hours prior to the proposed commencement of such change.

KUB shall have the right, in its sole discretion, to issue an Operational Flow Order ("OFO") which shall require the Customer to adjust Deliveries to KUB or deliveries of non-Firm gas to the Customer by KUB in order to address one or more of the following situations: (1) to maintain system operations at pressures required to provide efficient and reliable service, (2) to have adequate gas supplies in the system to deliver on demand, (3) to maintain service to all firm gas customers and for all firm gas services, (4) to avoid penalties from connecting pipelines, or (5) any other situation which may threaten the operational integrity of KUB's gas distribution system.

To the extent possible, KUB shall give at least one hour notice prior to issuing an OFO. Notice may be provided by KUB by any means including written, verbal or electronic, and shall be sufficient if given by KUB to the person or person(s) designated from time to time by the Customer as authorized to receive such notices. The OFO shall include but not be limited to the following information: (1) time and date of issuance, (2) action Customer is required to take, (3) time at which Customer must be in compliance with the OFO, (4) anticipated duration of the OFO, and (5) any other terms and conditions that KUB may reasonably require to ensure the effectiveness of the OFO.

Any volumes of gas delivered to the Customer by KUB in excess of the volumes provided for under the OFO shall be subject to the entire Unauthorized Gas Charge. If the volumes of gas delivered to the Customer by KUB are less than the volumes required to be delivered to the Customer under the OFO, the volumes not delivered to the Customer shall be subject only to the penalty portion of the Unauthorized Gas Charge.

Unauthorized Gas Charge

No Customer shall take Unauthorized Gas. A Customer must immediately notify KUB if it has taken, or anticipates taking, Unauthorized Gas. In the event a Customer takes Unauthorized Gas, the Customer shall be charged for all Unauthorized Gas delivered by KUB to the Customer the Unauthorized Gas Charge. In addition, KUB may suspend or

terminate service and/or pursue any other remedy available to it under applicable law. The existence of an Unauthorized Gas Charge shall not be construed to give any Customer the right to take Unauthorized Gas. The penalty portion of the Unauthorized Gas Charge may be waived or reduced by KUB on a non-discriminatory basis.

Balancing of Deliveries

As nearly as practical, Deliveries and Redeliveries shall be at uniform rates of flow. Due to Customer operating conditions, the quantities of gas Delivered to KUB and Redelivered to Customer during any particular period may not balance. It shall be the responsibility of the Customer to adjust Deliveries and Redeliveries of gas to maintain a daily balance of Deliveries and Redeliveries.

KUB will endeavor to monitor Deliveries and Redeliveries and, to the extent practical, inform the Customer of Imbalances which have occurred. KUB's failure to notify the Customer of an Imbalance shall not affect Customer's obligations under Rate Schedule G-11. All efforts to correct Imbalances by a Customer shall be coordinated with KUB.

KUB shall have the right to take any and all action necessary to limit Imbalances from connecting pipelines or which affect the integrity of KUB's system.

Resolution of Imbalances

The Customer's Imbalance for the month shall be the net total of daily Imbalances for the month. KUB shall divide the monthly Imbalance by the sum of the Deliveries to KUB for the Customer for each Day of the month to determine the percentage (%) monthly Imbalance. KUB shall resolve the monthly Imbalance according to the following schedules ("Imbalance Charges"):

Schedule A. Redeliveries exceed Deliveries - Customer shall pay KUB for excess volumes at the applicable percentage of the Index Price (as defined in this Schedule A) for those volumes within the corresponding % monthly imbalance range.

<u>% Monthly Imbalance</u>	<u>Price</u>
0 - 5%	100% of Index Price
> 5 - 10%	115% of Index Price
>10 - 15%	130% of Index Price
>15 - 20%	140% of Index Price
>20%	150% of Index Price

The Index Price shall be the total of: (a) the average of daily prices for the applicable Gulf Coast Price Index for the applicable month, as published in Gas Daily, Natural Gas Intelligence, Intercontinental Exchange, or other index as deemed reasonable for use by the gas industry. KUB will select an industry recognized index at its sole discretion. and (b) the costs incurred by KUB in transporting such excess volumes via connecting pipelines to one or more of KUB's delivery points.

Schedule B. Deliveries exceed Redeliveries - KUB shall pay the Customer for excess volumes at the applicable percentage of the Index Price (as defined in this Schedule B) for those volumes within the corresponding % monthly imbalance range.

<u>% Monthly Imbalance</u>	<u>Price</u>
0 - 5%	100% of Index Price
> 5 - 10%	85% of Index Price
>10 - 15%	70% of Index Price
>15 - 20%	60% of Index Price
>20%	50% of Index Price

The Index Price shall be the total of: (a) the average of daily prices for the applicable Gulf Coast Price Index for the applicable month, as published in Gas Daily, Natural Gas Intelligence, Intercontinental Exchange, or other index as deemed reasonable for use by the gas industry. KUB will select an industry recognized index at its sole discretion. and (b) the costs incurred by KUB in transporting such excess volumes via connecting pipelines to one or more of KUB's delivery points.

Priority of Service

Interruptible gas service is supplied to customers of KUB under Rate Schedules G-7 and G-11. Except as may be otherwise determined by KUB in its sole discretion, Periods of Interruption shall generally be imposed on interruptible customers of KUB in the following order:

(1) If the Period of Interruption is necessary due to an emergency or a capacity limitation on KUB's gas distribution system, then the interruption of service to all interruptible customers of KUB shall be handled on a pro rata or other equitable basis as determined by KUB.

(2) If the capacity limitation affects only a restricted geographic area of KUB's gas distribution system, then only interruptible customers of KUB within the restricted area will have their service interrupted. The interruption of such customers shall be handled on a pro rata or other equitable basis as determined by KUB.

(3) If the Period of Interruption is necessary due to a shortage of KUB's normal gas supply, whether caused by a capacity limitation of KUB's connecting pipeline(s) or by an actual shortage of gas, then the first service interrupted shall be Rate Schedule G-7

customers (other than redeliveries of supplemental gas and transport gas) who have not heretofore been interrupted as provided above. Even though KUB may have acquired supplemental gas for the account of a customer under Rate Schedule G-7 this service may be interrupted to the extent necessary to provide service to KUB's Firm Gas customers. The interruption of such customers shall be handled on a pro rata or other equitable basis as determined by KUB.

Insofar as Transport Gas has been Delivered to KUB for any customer receiving service under Rate Schedule G-7 or Rate Schedule G-11, and insofar as the Period of Interruption is not due to an emergency or capacity limitation on KUB's gas distribution system, the delivery of Transport Gas by KUB to those customers will not be interrupted.

(4) If the Period of Interruption is necessary due to a lack of confirmation by any connecting pipeline of Deliveries for any Rate Schedule G-11 Customers or to any customers receiving transportation service under Rate Schedule G-7, then only service to the affected Rate Schedule G-11 Customers or to the affected customers receiving transportation service under Rate Schedule G-7, as applicable, will be interrupted.

Notices

To the extent possible, KUB shall give Customer at least a one hour Notice of Interruption before a Period of Interruption begins. A Notice of Interruption may be provided by KUB by any means including written, verbal or electronic, and shall be sufficient if given by KUB to the person or persons designated from time to time by the Customer as authorized to receive such notices. If a Period of Interruption involves only a reduction in the amount of gas that may be transported, the Notice of Interruption shall state the daily and/or hourly quantity of gas which Customer may transport. A Period of Interruption shall continue in effect until KUB notifies Customer that the Period of Interruption has terminated or until the time specified in the Notice of Interruption expires.

Minimum Bill

The minimum bill for each monthly billing period shall be the sum of the Customer Charge and the Demand Charge.

Contract for Service

Each Customer receiving service under Rate Schedule G-11 shall execute a contract with KUB for at least twelve (12) months to end on the November 1st specified in said contract or such other period as Customer and KUB agree upon.

Rules and Regulations

Service is subject to Rules and Regulations of KUB.

G-13

DISCOUNT GAS SERVICE RIDER

Definitions

“Agreement” means a Discount Gas Service Agreement for gas service under Rate Schedule G-13 between the Customer and KUB. The Agreement shall serve as an amendment to the Contract.

“Alternate Fuel” means any source of fuel used by a customer at its facilities as an alternative to natural gas.

“Bypass” means the delivery of natural gas directly to the facilities of a customer within the gas service territory of KUB by (1) a connecting interstate or intrastate natural gas pipeline or (2) a connecting alternate natural gas distribution system, without the transportation of such gas on KUB’s natural gas distribution system.

“Contract” means an agreement for gas service from KUB under a commercial and industrial rate schedule between a customer and KUB.

“Customer” means a person or entity contracting with or otherwise receiving service from KUB under the Discount Gas Service Rider (“Rider”).

“Purchased Gas Cost Component” means the portion of a rate charged by KUB to its customers for gas service which reflects the cost of purchasing gas and transporting it to the facilities of KUB for resale to its customers.

Availability

The Discount Gas Service Rider (the “Rider”) is designed to permit KUB to discount rates set forth in the Gas Division’s rate schedules for commercial and industrial gas service for any customer receiving gas service from KUB under a commercial and industrial rate schedule provided such customer meets the terms and conditions set forth herein.

Service under the Rider shall be available only (1) to meet competitive Alternate Fuel prices or (2) to avoid Bypass of KUB’s natural gas distribution system, under the circumstances described below:

Alternate Fuel Prices

Customer’s use of Alternate Fuel sources must, in the sole judgment of KUB, be deemed economically feasible and practical. Customer shall be required to provide

KUB with an affidavit stating the Customer's intent to use Alternate Fuel sources absent service from KUB under the Rider. Customer shall also be required to provide KUB with documentation demonstrating to KUB that its Alternate Fuel source is available to Customer and the cost of the Alternate Fuel source is less than the otherwise applicable commercial and industrial gas rates charged to the Customer by KUB.

Bypass of Distribution System

Customer's facilities must be located within such distance of (1) an interstate or intrastate natural gas pipeline providing gas transportation or sales service or (2) an alternate natural gas distribution system, so that Bypass of KUB's natural gas distribution system is, in the sole judgment of KUB, deemed economically feasible and practical.

Customer shall provide KUB with an affidavit stating the Customer's intent to Bypass KUB's natural gas distribution system absent service from KUB under the Rider. Customer shall also provide KUB with any other such documentation requested by KUB to verify the investment required on part of the Customer to take gas service directly from the applicable interstate or intrastate natural gas pipeline or alternate natural gas distribution system.

Additional Conditions

In addition, any Customer receiving service under the Rider must meet the following conditions:

(a) Customer's annual gas consumption, on an actual or projected basis, shall not be less than 25,000 dekatherms (one dekatherm is equivalent to ten therms);

(b) Customer must have executed a Contract to receive gas service from KUB under a commercial and industrial rate schedule; and

(c) Customer must execute a Discount Gas Service Agreement .

If, for any reason, Customer shall fail to satisfy the conditions necessary for service under the Rider, service under the Rider shall no longer be available; however, Customer may continue to receive gas service from KUB under the applicable commercial and industrial rate schedule provided the Customer continues to satisfy the conditions required for service under such rate schedule.

Character of Service

Customer must make a written request to KUB for service under the Rider. The request must describe the circumstances under which the customer is seeking to receive service under the Rider (Alternate Fuel prices or Bypass). Customer's request for

service under the Rider and the amount of any discount provided Customer under the Rider must be previously approved by the President of KUB (or such designated agent authorized by the President of KUB to act on the President's behalf) prior to the Customer receiving service under the Rider. Customer must have previously executed a Contract prior to receiving service under the Rider.

Unless expressly stated otherwise in the Agreement for service under the Rider, all the terms and conditions of the Customer's applicable commercial and industrial rate schedule shall remain in effect while the Customer is receiving service under the Rider.

KUB shall conduct an economic analysis of the circumstances under which the customer is seeking to receive service under the Rider (Alternate Fuel prices or Bypass). Customer shall, at the request of KUB, provide any and all information necessary for KUB to conduct such an analysis. The analysis shall determine, among other things, the cost to the customer of using an Alternate Fuel or the cost to the customer to Bypass KUB's natural gas distribution system, as applicable. If Customer is approved for service under the Rider, KUB shall discount the rates set forth in the Customer's applicable commercial and industrial rate schedule in such a manner that the Customer's cost of receiving gas service from KUB is competitive with the Customer's cost of using an Alternate Fuel or Bypassing KUB's natural gas distribution system, as applicable.

The following charges specified in KUB's commercial and industrial gas rate schedules shall be subject to being discounted under the Rider: Customer Charges, Demand Charges, Commodity Charges for Firm Gas and/or Interruptible Gas, and Transportation Charges. Commodity Charges for Firm Gas and/or Interruptible Gas shall not be discounted below the applicable Purchased Gas Cost Component plus \$.10 (ten cents) per dekatherm. Transportation Charges shall not be discounted below \$.10 (ten cents) per dekatherm.

Discounted rates are subject to adjustment by KUB on a periodic basis, as determined by KUB in its sole discretion; provided, however, that the circumstances under which the Customer warranted service under the Rider shall be evaluated by KUB on no less than a biannual basis for such period of time Customer is receiving service under the Rider. Customer shall, at the request of KUB, provide any and all information necessary for KUB to evaluate the circumstances by which Customer was granted service under the Rider. Based upon an analysis of information received from the Customer or obtained by KUB of its own accord, KUB shall have the right to adjust the discount provided to the Customer up to the point of ceasing to provide service to the Customer under the Rider.

Discount Gas Service Agreement

Customer shall enter into an Agreement with KUB for service under the Rider. The Agreement shall serve as an amendment to the Customer's previously executed Contract for commercial and industrial gas service with KUB. Subject to KUB's right to

re-evaluate and adjust the discount provided for under the Agreement, the Agreement shall specify the discount to be provided by KUB to the Customer and any other such terms and conditions as KUB determines are necessary to effectuate service under the Rider.

KUB may amend the Agreement, at its sole discretion, to provide for an adjustment in the discount provided to the Customer. KUB shall provide such notice to the Customer, as deemed appropriate by KUB, of any adjustment in the discount provided to the Customer under the Agreement. Any such adjustment in the discount provided the Customer shall be in accordance with KUB's periodic evaluation of the circumstances warranting service under the Rider.

ALTERNATIVE GAS PRICING RIDER

Definitions

“Alternative Gas Pricing Agreement” means the agreement between KUB and the Customer providing the Customer gas service under the Alternative Gas Pricing Rider (“Pricing Rider”) and shall be considered an amendment to the Contract to provide gas between KUB and the Customer.

“Alternative Gas Pricing Guidelines” means the policies and procedures established by KUB for the implementation and administration of the Pricing Rider.

“Customer” means a person or entity receiving service from KUB under the Pricing Rider.

“Firm Gas Adder” means the component of the Customer’s commodity gas rate for the costs incurred by KUB for reserving interstate natural gas pipeline and storage capacity by KUB on behalf of the Customer.

“KUB System Supply Price” means the weighted average cost of gas delivered to KUB’s gas distribution system for a given month for resale to customers on the KUB gas distribution system (excluding gas sold to customers under the Pricing Rider).

“KUB System Transportation Charge” means the cost of transporting gas on KUB’s gas distribution system on behalf of the Customer to the facilities of the Customer as determined by the KUB Board of Commissioners in their sole discretion.

“Locked-Price Gas” means gas whose rate is pre-determined.

“Market-Price Gas” means gas whose rate is based upon a first-of-the-month natural gas price for Tennessee, Zone 0 as published in as published in Gas Daily, Natural Gas Intelligence, Intercontinental Exchange, or other index as deemed reasonable for use by the gas industry. KUB will select an industry recognized index at its sole discretion.

“Price Cashout” means the monthly reconciliation process between the Customer and KUB in which the Customer’s gas volume obligations for Locked-Price Gas are reconciled with KUB.

Availability

The Pricing Rider is designed to provide large commercial and industrial customers receiving gas service from KUB with the opportunity and means to manage the cost of their natural gas purchases from KUB by providing pricing alternatives for the applicable

commodity gas rates set forth in their applicable commercial and industrial rate schedules.

Service under the Pricing Rider shall be available to G-7 or G-11 commercial and industrial customers receiving gas service from KUB under the terms and conditions set forth below

(a) Customer's annual gas usage, on an actual or projected basis, shall not be less than 25,000 dekatherms.

(b) For a Customer receiving service under Rate Schedule G-11, Transportation Gas Service, pricing alternatives shall be applicable only to Firm Gas.

(c) Customer may be required to provide KUB with appropriate financial information prior to receiving service under the Pricing Rider and subsequently on a periodic basis, for the purpose of evaluating the Customer's creditworthiness. KUB reserves the right, in its sole discretion, to deny any Customer service under the Pricing Rider based upon KUB's evaluation of the Customer's creditworthiness or authorize any appropriate security arrangement, if necessary, for the Customer to receive service under the Pricing Rider. KUB also reserves the right, in its sole discretion, to refuse to execute any particular alternative price transaction on behalf of a Customer based upon KUB's initial or any subsequent evaluation of the Customer's creditworthiness.

(d) Customer must execute an Alternative Gas Pricing Agreement which shall serve as an amendment to the Customer's existing contract to receive gas service from KUB. Customer must have previously executed a contract to receive gas service from KUB prior to receiving service under the Pricing Rider.

(e) Customer must comply with any other terms and conditions required for service under the Pricing Rider which may be set forth in the Alternative Gas Pricing Guidelines.

In the event a Customer fails to satisfy the conditions necessary for service under the Pricing Rider, service under the Pricing Rider, as determined by KUB in its sole discretion, may no longer be available; however, the Customer may continue to receive gas service from KUB under the applicable commercial and industrial rate schedule provided the Customer continues to satisfy the conditions required for service under such rate schedule and the Customer's Contract, as amended with KUB.

Upon determination that service under the Pricing Rider is no longer available to a Customer, the Customer shall still be permitted to receive service under the Pricing Rider until such point in time that the Customer's outstanding Locked-Price Gas commitments have been fulfilled.

Unless expressly provided for otherwise in the Pricing Rider or in the Alternative Gas Pricing Guidelines, all the terms and conditions of the Customer's applicable commercial and industrial rate schedule shall remain in effect while the Customer is receiving service under the Pricing Rider.

Character of Service

Alternative pricing shall be applicable only for the Customer's Commodity Gas Rates for Firm Gas and Interruptible Gas ("Commodity Gas Rates"). Interruptible Gas shall still be subject to periods of interruption under the terms and conditions set forth in the Customer's applicable commercial and industrial rate schedule.

For a Customer receiving service under the Pricing Rider, the Commodity Gas Rates set forth in the Customer's applicable commercial and industrial rate schedule shall not be effective. Commodity Gas Rates for a Customer receiving service under the Pricing Rider shall be based upon the pricing alternative selected by the Customer as described below and agreed upon by KUB.

(a) Locked-Price Gas: Commodity Gas Rates shall be locked or pre-determined at the time KUB executes the pricing transaction on behalf of the Customer. The Commodity Gas Rate shall consist of the cost incurred by KUB for purchasing the gas on the open market for the benefit of the Customer plus the cost of transporting the gas on connecting interstate natural gas pipelines to KUB's gas distribution system plus the KUB System Transportation Charge; or

(b) Market-Price Gas: Commodity Gas Rates shall consist of the applicable market index, supplier premium, and the cost of transporting the gas on connecting interstate natural gas pipelines to KUB's gas distribution system plus the KUB System Transportation Charge.

Regardless of the pricing alternative utilized by the Customer, the Customer's commodity gas rate for Firm Gas shall also include a Firm Gas Adder for the costs incurred by KUB for interstate natural gas pipeline and storage capacity reservation charges.

The Market-Price alternative shall be the default pricing mechanism for Commodity Gas Charges. If KUB does not execute any Locked-Price transactions on behalf of a Customer for a given month, the Customer's Commodity Gas Charges for that particular month shall be based upon the Market-Price alternative. The Commodity Gas Charges for any gas delivered by KUB to the facilities of the Customer for a given month in excess of Locked-Price Gas shall be Market-Price Gas (excluding Transport Gas, Supplemental Gas, and Unauthorized Gas).

KUB incurs an obligation for Locked-Price Gas volumes when it executes transactions on behalf of a Customer. If, for whatever reason, the gas volumes delivered by KUB to the Customer for any month are less than the gas volumes the Customer has locked for such month, the net difference (excluding Transport Gas, Supplemental Gas, and Unauthorized Gas) shall be reconciled on a monthly basis through a Price Cashout.

If the price of the Locked-Price Gas delivered to KUB exceeds the KUB System Supply Price, the Customer shall pay a Price Cashout Charge equal to the excess price multiplied by the applicable volumes not delivered by KUB to the Customer for such

month. If the KUB System Supply Price exceeds the price of the Locked-Price Gas delivered to KUB on behalf of the Customer, the Customer shall receive a Price Cashout Credit equal to the excess price multiplied by the applicable volumes not delivered by KUB to the Customer for such month.

A Customer receiving service under the Pricing Rider shall not be permitted to revert to the Commodity Gas Rates set forth in its applicable commercial and industrial rate schedule so long as the Customer has any outstanding Locked-Price Gas commitments.

Alternative Gas Pricing Guidelines

The President and Chief Executive Officer of KUB shall have the authority to adopt and amend such Alternative Gas Pricing Guidelines as are necessary to establish policies and procedures to implement the pricing alternatives set forth in the Pricing Rider.

All service provided under the Pricing Rider shall be subject to the Alternative Gas Pricing Guidelines which from time to time shall be in effect.

RESOLUTION 1493
EXHIBIT E
RATE SCHEDULES OF THE GAS DIVISION
EFFECTIVE OCTOBER 1, 2025

RESIDENTIAL GAS SERVICE

RATE SCHEDULE G-2

Availability

Service under this rate schedule shall be available only to residential customers served individually through a separate meter or through a KUB-approved multiple meter configuration designed as a single billing point.

Rates

For the monthly billing periods of November through March:

Basic Service Charge: \$10.90 per month

Commodity Charge: \$1.2776 per therm for first 30 therms
\$1.0498 per therm for over 30 therms

For the monthly billing periods of April through October:

Basic Service Charge: \$10.90 per month

Commodity Charge: \$1.0857 per therm for first 50 therms
\$0.9584 per therm for over 50 therms

Adjustment

The Commodity Charge shall be subject to KUB's Purchased Gas Adjustment. Rates shown above are inclusive of the Purchased Gas Adjustment for the current month.

Minimum Bill

The minimum bill under this rate schedule shall be the Basic Service Charge.

Rules and Regulations

Service is subject to Rules and Regulations of KUB.

COMMERCIAL AND INDUSTRIAL GAS SERVICE

RATE SCHEDULE G-4

Availability

Service under Rate Schedule G-4 is available to any commercial or industrial customer. Unless otherwise approved by KUB, a customer receiving service under Rate Schedule G-4, after previously receiving service under Rate Schedule G-6, shall not be allowed to return to service under Rate Schedule G-6 until at least twelve months have elapsed since service was last received under Rate Schedule G-6.

Rates

Customer Charge: \$41.00 per month

Monthly Commodity Charge: \$1.1942 per therm for the first 250 therms;
\$1.0721 per therm for the excess over 250 therms.

Adjustment

The Commodity Charge shall be subject to KUB's Purchased Gas Adjustment. Rates shown above are inclusive of the Purchased Gas Adjustment for the current month.

Minimum Bill

The minimum bill for each monthly billing period shall be the Customer Charge.

Rules and Regulations

Service is subject to Rules and Regulations of KUB.

COMMERCIAL AND INDUSTRIAL GAS SERVICE

RATE SCHEDULE G-6

Availability

Service under this rate is available to any commercial or industrial customer that incurs a demand of twenty-seven therms or more during the current monthly billing period or during any of the eleven most recent monthly billing periods. Unless otherwise approved by KUB, a customer receiving service under Rate Schedule G-6, after previously receiving service under Rate Schedule G-4, shall not be allowed to return to service under Rate Schedule G-4 until at least twelve months have elapsed since service was last received under Rate Schedule G-4.

Rates

Customer Charge:	\$245.00 per month
Monthly Demand Charge:	\$2.15 per therm of demand
Monthly Commodity Charge:	\$0.8382 per therm for the first 30,000 therms; \$0.7358 per therm for over 30,000 therms

Adjustment

The Commodity Charge shall be subject to KUB's Purchased Gas Adjustment. The above rates are inclusive of the Purchased Gas Adjustment for the current month.

Determination of Demand

At the option of KUB, the demand shall be determined either (a) by demand type meter, or (b) by electronic measuring device, or (c) by test, or (d) by estimate. If determined by estimate, the demand shall be considered to be equal to five percent (5%) of the total quantity of gas used during the applicable monthly billing period.

The billed demand shall be the amount as determined in the above paragraph, but not less than eighty percent (80%) of the greatest demand of the previous 12 months.

Minimum Bill

The minimum bill for each monthly billing period shall be the sum of the Customer Charge and the Demand Charge.

Rules and Regulations

Service is subject to Rules and Regulations of KUB.

INTERRUPTIBLE GAS SERVICE

RATE SCHEDULE G-7

Definitions

“Customer” means a person or entity contracting with or otherwise receiving service from KUB for interruptible gas service under this rate.

“Day” means a period of twenty-four (24) consecutive hours, beginning and ending at 10:00 A.M. prevailing Knoxville time or such other period as may be established by the applicable connecting pipeline(s) to KUB’s system.

“Delivery” means the delivery of Transport Gas or Supplemental Gas to KUB.

“Firm Gas” means the amount of gas designated as such in a written contract between KUB and the Customer; Firm Gas is not subject to interruption or curtailment except for emergency or other causes as provided in KUB’s Rules and Regulations.

“Interruptible Gas” means that gas which is subject to interruption or curtailment by KUB at any time and to the extent that KUB, in its sole discretion, deems desirable.

“Notice of Interruption” means the notice given by KUB to a Customer that a Period of Interruption has commenced or will commence.

“Period of Interruption” means any period of time during which KUB shall interrupt or curtail the delivery of gas to the Customer.

“Redelivery” means the delivery of Transport Gas or Supplemental Gas to the Customer by KUB.

“Supplemental Gas” means gas procured by KUB for the account of a Customer for Delivery to KUB and Redelivery to the Customer.

“Transport Gas” means gas purchased by a Customer from a supplier other than KUB that the Customer has arranged to have Delivered to KUB for Redelivery to the Customer.

“Unauthorized Gas” means the quantity of gas taken by Customer exceeding the amount which is permitted during a Period of Interruption.

Availability

Service under this rate is available to any customer who meets the following conditions:

- (a) Customer's annual Interruptible Gas use, on an actual or projected basis, shall not be less than 25,000 dekatherms (one dekatherm is equivalent to ten therms);
- (b) Customer shall be permitted to purchase only one (1) dekatherm of Firm Gas under this rate for each two (2) dekatherms of Interruptible Gas which are purchased;
- (c) Customer must have standby equipment of sufficient capacity capable of providing Customer's normal gas service requirements for a period of five (5) working days without replenishment when Interruptible Gas is completely interrupted. Customer shall maintain such equipment ready for operation at any time and shall utilize a fuel other than gas furnished by KUB and shall be subject to periodic inspections by KUB to ensure compliance with this provision; and
- (d) KUB must determine that its existing distribution system facilities are adequate and available for the requested service.

In the event Customer shall fail at any time to continue to meet the conditions (a) through (c), service under Rate Schedule G-7 shall no longer be available; but at KUB's option, gas service may be provided to the Customer under Rate Schedule G-6.

Notwithstanding the foregoing, any Customer receiving service under Rate Schedule G-7 immediately prior to September 1, 1992 may continue to receive service under Rate Schedule G-7 without fulfilling each of the above stated conditions until such time as service to Customer is terminated or Customer begins receiving gas service under a different rate schedule. Such Customer shall continue to comply with any conditions in effect prior to September 1, 1992.

Character of Service

Interruptible Gas shall be available only to the extent that KUB has gas available that is not required by firm customers. If a Customer is served by gas purchased on an interruptible rate from KUB's suppliers, all conditions imposed by KUB's suppliers on the use of such Interruptible Gas shall likewise apply to such Customer as if KUB imposed the condition on the Customer.

Transportation Service

During any Period of Interruption, Customer may request Transportation Service from KUB whereby Customer may either (i) purchase Transport Gas and arrange to Deliver such Transport Gas to KUB via any connected interstate natural gas pipeline to one or more of KUB's designated delivery points for Redelivery to the Customer or (ii) solicit the service of KUB in procuring Supplemental Gas for Customer whereby upon agreeing to provide such service, KUB will attempt to: (a) procure Supplemental Gas on

the open market for the account of Customer; (b) arrange for such Supplemental Gas to be transported at Customer's cost via connecting interstate natural gas pipelines to one or more of KUB's designated delivery points, and (c) Redeliver such Supplemental Gas to Customer.

Redeliveries by KUB to Customer are subject to interruption when, in the sole discretion of KUB, conditions warrant a suspension of Transportation Service.

Prior to the commencement of a Period of Interruption or within a reasonable period of time subsequent to the commencement of a Period of Interruption, as determined by KUB in its sole discretion, Customer must: (a) notify KUB of its intent to receive Transportation Service from KUB and (b) provide KUB with a schedule showing the proposed daily volumes to be delivered to KUB and Redelivered to the Customer. KUB shall notify Customer of those volumes KUB has approved on a daily basis for Delivery to KUB and Redelivery to Customer (Approved Daily Volumes) prior to the Delivery of any gas to KUB. KUB reserves the right to adjust the Approved Daily Volumes as conditions warrant. KUB shall notify Customer promptly of any adjustment in the Approved Daily Volumes.

KUB shall not be obligated to Redeliver any volumes of gas to Customer: (a) in excess of the Customer's Approved Daily Volumes and (b) in the case of Transport Gas, for which KUB has not received a confirmation of receipt from the applicable connecting pipeline on any given Day.

Transportation Service under this Rate Schedule shall be subject to the following charges, as applicable: (a) the Commodity Charge, as set forth in the Rate Schedule, for Redeliveries of Supplemental Gas to Customer, and (b) the Transportation Charge, as set forth in this Rate Schedule, for Redeliveries to Customer.

Upon conclusion of Customer's Period of Interruption, if total previous Deliveries of Transport Gas or Supplemental Gas to KUB exceeds total Redeliveries of Transport Gas or Supplemental Gas to Customer by KUB, as applicable, the excess will be treated as the first gas (excluding Firm Gas) through Customer's meter following Customer's Period of Interruption.

Gas purchased or transported under this rate shall be used only by the Customer at its facilities and shall be delivered at a single point of delivery located within the service area of KUB and shall not be resold by the Customer.

Quantities of Gas Delivered

For the purpose of allocating the daily volume of gas delivered to a Customer under this rate schedule, the first gas delivered shall be considered Firm Gas up to the daily quantity contracted for as Firm Gas, the next gas delivered shall be the Approved Daily Volumes of Transport Gas or Supplemental Gas for that Day, as applicable, and all additional gas delivered shall be considered Interruptible Gas except during a Period of Interruption, then all additional gas delivered shall be considered Unauthorized Gas.

Rates

Customer Charge: \$975.00 per month

Monthly Demand Charge: \$21.50 per dekatherm of demand

Monthly Commodity Charge:

For Firm Gas: \$7.358 per dekatherm

For Interruptible Gas:

\$7.054 per dekatherm for the first 3,000 dekatherms

\$6.395 per dekatherm from 3,000 to and including 20,000 dekatherms

\$5.517 per dekatherm from 20,000 to and including 50,000 dekatherms

\$5.040 per dekatherm for the excess over 50,000 dekatherms

For Supplemental Gas:

The Commodity Charge for Supplemental Gas shall be the total of:

(a) the cost per dekatherm to KUB for the applicable Day of acquiring Supplemental Gas on the open market, subject to the approval of the Customer to purchase Supplemental Gas at or above such price and

(b) the costs incurred by KUB in transporting such Supplemental Gas via

connecting pipelines to one or more of KUB's delivery points.

Transportation Charge – for Redelivered plus Unauthorized Gas:

\$2.828 per dekatherm for the first 3,000 dekatherms

\$2.169 per dekatherm from 3,000 to and including 20,000 dekatherms

\$1.291 per dekatherm from 20,000 to and including 50,000 dekatherms

\$0.814 per dekatherm for the excess over 50,000 dekatherms

Unauthorized Gas Charge: \$25.00 per dekatherm of Unauthorized Gas, plus the total of the cost per dekatherm of obtaining such gas on the open market as determined by the applicable Gulf Cost Price Index for the applicable day as published in Gas Daily, Natural Gas Intelligence, Intercontinental Exchange, or other index as deemed reasonable for use by the gas industry. KUB will select an industry recognized index at its sole discretion.

In determining the appropriate rate block to bill Transportation Charges for Redelivered and Unauthorized Gas, the following volumes shall be combined: Interruptible Gas, Supplemental Gas, Transport Gas, and Unauthorized Gas.

Adjustment

The Commodity Charge for Firm Gas and Interruptible Gas shall be subject to KUB's Purchased Gas Adjustment. Rates shown above are inclusive of the Purchased Gas Adjustment for the current month.

Determination of Demand

Demand shall be the daily quantity of gas contracted for as Firm Gas by the Customer. Customer, with the consent of KUB, may from time to time change the amount of Firm Gas by providing written notice to KUB at least three (3) business days prior to the beginning of the monthly billing period for which Customer desires the change to be effective; provided, however, that such changes shall not effect a reduction in the previously specified Firm Gas, unless the previously specified Firm Gas has been in effect for the entire twelve month period immediately preceding the date the requested change is to become effective.

Unauthorized Gas Charge

No Customer shall take Unauthorized Gas. Customer must immediately notify KUB if it has taken, or anticipates taking, Unauthorized Gas. In the event Customer takes Unauthorized Gas, Customer shall be charged the Unauthorized Gas Charge for all Unauthorized Gas delivered by KUB to Customer. In addition, KUB may suspend or terminate service and/or pursue any other remedy available to it under applicable law. The existence of an Unauthorized Gas Charge shall not be construed to give Customer the right to take Unauthorized Gas. The penalty portion of the Unauthorized Gas Charge may be waived or reduced by KUB on a non-discriminatory basis.

Priority of Service

Interruptible gas service is supplied to customers of KUB under Rate Schedules G-7 and G-11. Except as may be otherwise determined by KUB in its sole discretion, Periods of Interruption shall generally be imposed on interruptible customers of KUB in the following order:

- (1) If the Period of Interruption is necessary due to an emergency or capacity limitation on KUB's gas distribution system, then the interruption of service to all interruptible customers of KUB shall be handled on a pro rata or other equitable basis as determined by KUB.
- (2) If the capacity limitation affects only a restricted geographic area of KUB's gas distribution system, then only interruptible customers of KUB within the restricted area will have their service interrupted. The interruption of such customers shall be handled on a pro rata or other equitable basis as determined by KUB.
- (3) If the Period of Interruption is necessary due to a shortage of KUB's normal gas supply, whether caused by a capacity limitation of KUB's connecting pipeline(s) or by an actual shortage of gas, then:

- (a) The first service interrupted shall be Rate Schedule G-7 Customers (other than Redeliveries of Supplemental Gas and Transport Gas) who have not heretofore been interrupted as provided above.
- (b) The second service interrupted shall be Redeliveries of Supplemental Gas to Rate Schedule G-7 Customers. Even though KUB may have acquired Supplemental Gas for the account of a Customer under Rate Schedule G-7, this service may be interrupted to the extent necessary to provide service to KUB's Firm Gas customers.

Within each category, the interruption of such customers shall be handled on a pro rata or other equitable basis as determined by KUB.

Insofar as Transport Gas has been Delivered to KUB for any customer receiving service under Rate Schedule G-7 or Rate Schedule G-11, and insofar as the Period of Interruption is not due to an emergency or capacity limitation on KUB's gas distribution system, the delivery of Transport Gas by KUB to those customers will not be interrupted.

- (4) If the Period of Interruption is necessary due to a lack of confirmation by any connecting pipeline of deliveries for any Rate Schedule G-11 customers or to any Customers receiving Transportation Service under Rate Schedule G-7, then only service to the affected Rate Schedule G-11 customers or to the affected Customers receiving Transportation Service under Rate Schedule G-7, as applicable, will be interrupted.

Notices

To the extent possible, KUB shall give Customer at least a one hour Notice of Interruption before a Period of Interruption begins. A Notice of Interruption may be provided by KUB by any means including written, verbal or electronic, and shall be sufficient if given by KUB to the person or persons designated from time to time by the Customer as authorized to receive such notices. If a Period of Interruption involves only a reduction in the amount of gas that may be purchased, the Notice of Interruption shall state the daily and/or hourly quantity of gas which Customer may purchase. A Period of Interruption shall continue in effect until KUB notifies Customer that the Period of Interruption has terminated or until the time specified in the Notice of Interruption expires.

Minimum Bill

The minimum bill for each monthly billing period shall be the sum of the Customer Charge and the Demand Charge.

Contract for Service

Each Customer receiving service under this rate shall execute a contract with KUB for at least twelve (12) months to end on the November 1st specified in said contract or such other period as Customer and KUB agree upon. Transportation Service under this rate shall be provided only after such customer executes a contract with KUB providing for Transportation Service.

Rules and Regulations

Service is subject to Rules and Regulations of KUB.

TRANSPORTATION GAS SERVICE

RATE SCHEDULE G-11

Definitions

“Customer” means a person or entity contracting with or otherwise receiving service from KUB for transportation gas service under this rate.

“Day” means a period of twenty-four (24) consecutive hours, beginning and ending at 10:00 A.M. prevailing Knoxville time or such other period as may be established by the applicable connecting pipeline(s) to KUB’s system.

“Delivery” means the delivery of Transport Gas to KUB.

“Firm Gas” means the amount of gas designated as such in a written contract between KUB and the Customer; Firm Gas is not subject to interruption or curtailment except for emergency or other causes as provided for in KUB’s Rules and Regulations.

“Imbalance” means the difference between Deliveries to KUB for a Customer and Redeliveries by KUB to the Customer.

“Notice of Interruption” means the notice given by KUB to a Customer that a Period of Interruption has commenced or will commence.

“Operational Flow Order” means any directive issued to a Customer by KUB which requires the Customer to adjust Deliveries to KUB or deliveries of non-Firm gas to the Customer by KUB.

“Period of Interruption” means any period of time during which KUB shall interrupt or curtail the delivery of gas to the Customer.

“Redelivery” means the delivery of gas, excluding Firm Gas and Unauthorized Gas, to a Customer by KUB.

“Scheduled Daily Amount” means the amount of Transport Gas approved by KUB from time to time to be Delivered by a Customer to KUB and delivered to the Customer by KUB on a daily basis.

“Transport Gas” means the gas purchased by a Customer from a supplier other than KUB that Customer has arranged to have Delivered to KUB for delivery to the Customer by KUB.

“Transportation Service Agreement” means the contract between KUB and the Customer whereby KUB agrees to provide transportation gas service to the Customer.

“Unauthorized Gas” means (a) the quantity of gas taken by Customer exceeding the amount which is permitted during a Period of Interruption or (b) the difference (whether positive or negative) between the quantity of gas taken by Customer and the volumes provided for under an Operational Flow Order.

Availability

Service under Rate Schedule G-11 shall be available to any customer who meets the following conditions:

(a) Customer’s annual gas usage (excluding Firm Gas), on an actual or projected basis, shall not be less than 25,000 dekatherms (one dekatherm is equivalent to ten therms);

(b) Customer shall be permitted to purchase only one (1) dekatherm of Firm Gas under Rate Schedule G-11 for each two (2) dekatherms of Transport Gas delivered by KUB to the Customer;

(c) Customer must have standby equipment of sufficient capacity capable of providing Customer’s normal gas service requirements for a period of five (5) working days without replenishment when Transport Gas is completely interrupted. Customer shall maintain such equipment ready for operation at any time and shall utilize a fuel other than gas furnished by KUB and shall be subject to periodic inspections by KUB to ensure compliance with this provision;

Condition (c) shall be optional for any Customer who meets the following requirements: (1) annual gas usage (excluding Firm Gas) is equal to or greater than 25,000 dekatherms; (2) primary use of gas is for industrial or process use; and (3) provides satisfactory evidence to KUB of its ability and willingness to have its gas service interrupted or curtailed by KUB in accordance with the terms and conditions of this Rate Schedule.

(d) Customer’s use under this rate shall not work a hardship on any other customers of KUB, nor adversely affect any other class of KUB’s customers and further provided the Customer’s use under this rate shall not adversely affect KUB’s gas purchase plans and/or effective utilization of the daily demands under KUB’s gas purchase contracts with its suppliers, as solely determined by KUB.

(e) KUB must determine that its existing distribution system facilities are adequate and available for the requested service; and

(f) Customer must execute a Transportation Service Agreement for transportation gas service.

In the event Customer shall fail at any time to meet conditions (a) through (d) service under Rate Schedule G-11 shall no longer be available; but at KUB's option, gas service may be provided to the Customer under other KUB rate schedules.

Notwithstanding the foregoing, any Customer which received service under Rate Schedule G-11 prior to November 1, 1997 may receive service under Rate Schedule G-11 without fulfilling conditions (a) and (b). Any such Customer shall comply with all other terms and conditions of Rate Schedule G-11.

Character of Service

Pursuant to a Transportation Service Agreement and Rate Schedule G-11, and subject to Periods of Interruption determined by KUB in its sole discretion, KUB shall deliver to the Customer up to the Contract Amount of Transport Gas received from one or more connected interstate natural gas pipelines for Customer's account.

The first gas delivered to the Customer on a daily basis under Rate Schedule G-11 shall be considered Firm Gas up to the daily quantity contracted for as Firm Gas by the Customer.

Gas purchased or transported under Rate Schedule G-11 shall be used only by the Customer at its facilities and shall be delivered at a single point of delivery located within the service area of KUB and shall not be resold by the Customer.

Rates

Customer Charge:	\$1,350.00 per month
Monthly Demand Charge:	\$21.50 per dekatherm of demand.
Monthly Firm Gas Charge:	\$7.358 per dekatherm.
Monthly Transportation Charge:	\$2.828 per dekatherm for the first 3,000 dekatherms of non-Firm gas delivered to Customer; \$2.169 per dekatherm for each dekatherm from 3,000 to and including 20,000 dekatherms of non-Firm gas delivered to Customer; \$1.291 per dekatherm for each dekatherm from 20,000 to and including 50,000 dekatherms of non-Firm gas delivered to Customer; \$0.814 per dekatherm for the excess over 50,000 dekatherms of non-Firm gas delivered to Customer.

Monthly

Unauthorized Gas Charge: \$25.00 per dekatherm of Unauthorized Gas as a penalty, plus (a), the total cost per dekatherm of obtaining such gas on the open market, as defined below, plus (b), the costs incurred by KUB in transporting such Unauthorized Gas via connecting pipelines to one or more of KUB's delivery points. The cost per dekatherm of obtaining such gas on the open market, (a) above, is defined as an index price based on the High Common price for "Transco Zone 5 Delivered" or "Tennessee 500 Leg", whichever is higher for the applicable Day as published in Gas Daily, Natural Gas Intelligence, Intercontinental Exchange, or other index as deemed reasonable for use by the gas industry. KUB will select an industry recognized index at its sole discretion.

Monthly Other Charges: Imbalance Charges (as herein defined), and any pipeline scheduling, balancing, transportation, or other similar charges incurred by KUB in connection with the transportation of gas on behalf of the Customer, as applicable.

Adjustment

The Firm Gas Charge shall be subject to KUB's Purchased Gas Adjustment. Rates shown above are inclusive of the Purchased Gas Adjustment for the current month.

Determination of Demand

Demand shall be the daily quantity of gas contracted for as Firm Gas by the Customer. Customer, with the consent of KUB, may from time to time change the amount of Firm Gas by providing written notice to KUB at least three (3) business days prior to the beginning of the monthly billing period for which the Customer desires the change to be effective; provided, however, that such changes shall not effect a reduction in the previously specified Firm Gas, unless the previously specified Firm Gas has been in effect for the entire twelve month period immediately preceding the date the requested change is to become effective.

Scheduling of Service

At least three (3) business days prior to the first calendar day of the month, Customer shall submit to KUB its schedule showing the proposed daily volumes of Transport Gas the Customer desires to deliver to KUB via connecting pipelines and have delivered to the Customer by KUB during the succeeding month ("Delivery Schedule"). Any proposed Delivery of gas in excess of the Transport Gas portion of the Contract Amount shall be specifically noted in the Delivery Schedule. At least one business day prior to the beginning of the applicable calendar month, KUB shall notify the Customer in writing of the volumes of Transport Gas for such Customer which have been approved for Delivery to KUB and delivery to the Customer by KUB on a daily basis during such month ("Scheduled Daily Amount"). The Customer must notify and obtain written approval of KUB for any changes in the Scheduled Daily Amount during a month at least twenty-four (24) hours prior to the proposed commencement of such change.

KUB shall have the right, in its sole discretion, to issue an Operational Flow Order ("OFO") which shall require the Customer to adjust Deliveries to KUB or deliveries of non-Firm gas to the Customer by KUB in order to address one or more of the following situations: (1) to maintain system operations at pressures required to provide efficient and reliable service, (2) to have adequate gas supplies in the system to deliver on demand, (3) to maintain service to all firm gas customers and for all firm gas services, (4) to avoid penalties from connecting pipelines, or (5) any other situation which may threaten the operational integrity of KUB's gas distribution system.

To the extent possible, KUB shall give at least one hour notice prior to issuing an OFO. Notice may be provided by KUB by any means including written, verbal or electronic, and shall be sufficient if given by KUB to the person or person(s) designated from time to time by the Customer as authorized to receive such notices. The OFO shall include but not be limited to the following information: (1) time and date of issuance, (2) action Customer is required to take, (3) time at which Customer must be in compliance with the OFO, (4) anticipated duration of the OFO, and (5) any other terms and conditions that KUB may reasonably require to ensure the effectiveness of the OFO.

Any volumes of gas delivered to the Customer by KUB in excess of the volumes provided for under the OFO shall be subject to the entire Unauthorized Gas Charge. If the volumes of gas delivered to the Customer by KUB are less than the volumes required to be delivered to the Customer under the OFO, the volumes not delivered to the Customer shall be subject only to the penalty portion of the Unauthorized Gas Charge.

Unauthorized Gas Charge

No Customer shall take Unauthorized Gas. A Customer must immediately notify KUB if it has taken, or anticipates taking, Unauthorized Gas. In the event a Customer takes Unauthorized Gas, the Customer shall be charged for all Unauthorized Gas delivered by

KUB to the Customer the Unauthorized Gas Charge. In addition, KUB may suspend or terminate service and/or pursue any other remedy available to it under applicable law. The existence of an Unauthorized Gas Charge shall not be construed to give any Customer the right to take Unauthorized Gas. The penalty portion of the Unauthorized Gas Charge may be waived or reduced by KUB on a non-discriminatory basis.

Balancing of Deliveries

As nearly as practical, Deliveries and Redeliveries shall be at uniform rates of flow. Due to Customer operating conditions, the quantities of gas Delivered to KUB and Redelivered to Customer during any particular period may not balance. It shall be the responsibility of the Customer to adjust Deliveries and Redeliveries of gas to maintain a daily balance of Deliveries and Redeliveries.

KUB will endeavor to monitor Deliveries and Redeliveries and, to the extent practical, inform the Customer of Imbalances which have occurred. KUB's failure to notify the Customer of an Imbalance shall not affect Customer's obligations under Rate Schedule G-11. All efforts to correct Imbalances by a Customer shall be coordinated with KUB.

KUB shall have the right to take any and all action necessary to limit Imbalances from connecting pipelines or which affect the integrity of KUB's system.

Resolution of Imbalances

The Customer's Imbalance for the month shall be the net total of daily Imbalances for the month. KUB shall divide the monthly Imbalance by the sum of the Deliveries to KUB for the Customer for each Day of the month to determine the percentage (%) monthly Imbalance. KUB shall resolve the monthly Imbalance according to the following schedules ("Imbalance Charges"):

Schedule A. Redeliveries exceed Deliveries - Customer shall pay KUB for excess volumes at the applicable percentage of the Index Price (as defined in this Schedule A) for those volumes within the corresponding % monthly imbalance range.

<u>% Monthly Imbalance</u>	<u>Price</u>
0 - 5%	100% of Index Price
> 5 - 10%	115% of Index Price
>10 - 15%	130% of Index Price
>15 - 20%	140% of Index Price
>20%	150% of Index Price

The Index Price shall be the total of: (a) the average of daily prices for the applicable Gulf Coast Price Index for the applicable month, as published in Gas Daily, Natural Gas Intelligence, Intercontinental Exchange, or other index as deemed reasonable for use by the gas industry. KUB will select an industry recognized index at its sole discretion. and (b) the costs incurred by KUB in transporting such excess volumes via connecting pipelines to one or more of KUB's delivery points.

Schedule B. Deliveries exceed Redeliveries - KUB shall pay the Customer for excess volumes at the applicable percentage of the Index Price (as defined in this Schedule B) for those volumes within the corresponding % monthly imbalance range.

<u>% Monthly Imbalance</u>	<u>Price</u>
0 - 5%	100% of Index Price
> 5 - 10%	85% of Index Price
>10 - 15%	70% of Index Price
>15 - 20%	60% of Index Price
>20%	50% of Index Price

The Index Price shall be the total of: (a) the average of daily prices for the applicable Gulf Coast Price Index for the applicable month, as published in Gas Daily, Natural Gas Intelligence, Intercontinental Exchange, or other index as deemed reasonable for use by the gas industry. KUB will select an industry recognized index at its sole discretion. and (b) the costs incurred by KUB in transporting such excess volumes via connecting pipelines to one or more of KUB's delivery points.

Priority of Service

Interruptible gas service is supplied to customers of KUB under Rate Schedules G-7 and G-11. Except as may be otherwise determined by KUB in its sole discretion, Periods of Interruption shall generally be imposed on interruptible customers of KUB in the following order:

(1) If the Period of Interruption is necessary due to an emergency or a capacity limitation on KUB's gas distribution system, then the interruption of service to all interruptible customers of KUB shall be handled on a pro rata or other equitable basis as determined by KUB.

(2) If the capacity limitation affects only a restricted geographic area of KUB's gas distribution system, then only interruptible customers of KUB within the restricted area will have their service interrupted. The interruption of such customers shall be handled on a pro rata or other equitable basis as determined by KUB.

(3) If the Period of Interruption is necessary due to a shortage of KUB's normal gas supply, whether caused by a capacity limitation of KUB's connecting pipeline(s) or by an actual shortage of gas, then the first service interrupted shall be Rate Schedule G-7

customers (other than redeliveries of supplemental gas and transport gas) who have not heretofore been interrupted as provided above. Even though KUB may have acquired supplemental gas for the account of a customer under Rate Schedule G-7 this service may be interrupted to the extent necessary to provide service to KUB's Firm Gas customers. The interruption of such customers shall be handled on a pro rata or other equitable basis as determined by KUB.

Insofar as Transport Gas has been Delivered to KUB for any customer receiving service under Rate Schedule G-7 or Rate Schedule G-11, and insofar as the Period of Interruption is not due to an emergency or capacity limitation on KUB's gas distribution system, the delivery of Transport Gas by KUB to those customers will not be interrupted.

(4) If the Period of Interruption is necessary due to a lack of confirmation by any connecting pipeline of Deliveries for any Rate Schedule G-11 Customers or to any customers receiving transportation service under Rate Schedule G-7, then only service to the affected Rate Schedule G-11 Customers or to the affected customers receiving transportation service under Rate Schedule G-7, as applicable, will be interrupted.

Notices

To the extent possible, KUB shall give Customer at least a one hour Notice of Interruption before a Period of Interruption begins. A Notice of Interruption may be provided by KUB by any means including written, verbal or electronic, and shall be sufficient if given by KUB to the person or persons designated from time to time by the Customer as authorized to receive such notices. If a Period of Interruption involves only a reduction in the amount of gas that may be transported, the Notice of Interruption shall state the daily and/or hourly quantity of gas which Customer may transport. A Period of Interruption shall continue in effect until KUB notifies Customer that the Period of Interruption has terminated or until the time specified in the Notice of Interruption expires.

Minimum Bill

The minimum bill for each monthly billing period shall be the sum of the Customer Charge and the Demand Charge.

Contract for Service

Each Customer receiving service under Rate Schedule G-11 shall execute a contract with KUB for at least twelve (12) months to end on the November 1st specified in said contract or such other period as Customer and KUB agree upon.

Rules and Regulations

Service is subject to Rules and Regulations of KUB.

G-13

DISCOUNT GAS SERVICE RIDER

Definitions

“Agreement” means a Discount Gas Service Agreement for gas service under Rate Schedule G-13 between the Customer and KUB. The Agreement shall serve as an amendment to the Contract.

“Alternate Fuel” means any source of fuel used by a customer at its facilities as an alternative to natural gas.

“Bypass” means the delivery of natural gas directly to the facilities of a customer within the gas service territory of KUB by (1) a connecting interstate or intrastate natural gas pipeline or (2) a connecting alternate natural gas distribution system, without the transportation of such gas on KUB’s natural gas distribution system.

“Contract” means an agreement for gas service from KUB under a commercial and industrial rate schedule between a customer and KUB.

“Customer” means a person or entity contracting with or otherwise receiving service from KUB under the Discount Gas Service Rider (“Rider”).

“Purchased Gas Cost Component” means the portion of a rate charged by KUB to its customers for gas service which reflects the cost of purchasing gas and transporting it to the facilities of KUB for resale to its customers.

Availability

The Discount Gas Service Rider (the “Rider”) is designed to permit KUB to discount rates set forth in the Gas Division’s rate schedules for commercial and industrial gas service for any customer receiving gas service from KUB under a commercial and industrial rate schedule provided such customer meets the terms and conditions set forth herein.

Service under the Rider shall be available only (1) to meet competitive Alternate Fuel prices or (2) to avoid Bypass of KUB’s natural gas distribution system, under the circumstances described below:

Alternate Fuel Prices

Customer’s use of Alternate Fuel sources must, in the sole judgment of KUB, be deemed economically feasible and practical. Customer shall be required to provide

KUB with an affidavit stating the Customer's intent to use Alternate Fuel sources absent service from KUB under the Rider. Customer shall also be required to provide KUB with documentation demonstrating to KUB that its Alternate Fuel source is available to Customer and the cost of the Alternate Fuel source is less than the otherwise applicable commercial and industrial gas rates charged to the Customer by KUB.

Bypass of Distribution System

Customer's facilities must be located within such distance of (1) an interstate or intrastate natural gas pipeline providing gas transportation or sales service or (2) an alternate natural gas distribution system, so that Bypass of KUB's natural gas distribution system is, in the sole judgment of KUB, deemed economically feasible and practical.

Customer shall provide KUB with an affidavit stating the Customer's intent to Bypass KUB's natural gas distribution system absent service from KUB under the Rider. Customer shall also provide KUB with any other such documentation requested by KUB to verify the investment required on part of the Customer to take gas service directly from the applicable interstate or intrastate natural gas pipeline or alternate natural gas distribution system.

Additional Conditions

In addition, any Customer receiving service under the Rider must meet the following conditions:

(a) Customer's annual gas consumption, on an actual or projected basis, shall not be less than 25,000 dekatherms (one dekatherm is equivalent to ten therms);

(b) Customer must have executed a Contract to receive gas service from KUB under a commercial and industrial rate schedule; and

(c) Customer must execute a Discount Gas Service Agreement .

If, for any reason, Customer shall fail to satisfy the conditions necessary for service under the Rider, service under the Rider shall no longer be available; however, Customer may continue to receive gas service from KUB under the applicable commercial and industrial rate schedule provided the Customer continues to satisfy the conditions required for service under such rate schedule.

Character of Service

Customer must make a written request to KUB for service under the Rider. The request must describe the circumstances under which the customer is seeking to receive service under the Rider (Alternate Fuel prices or Bypass). Customer's request for

service under the Rider and the amount of any discount provided Customer under the Rider must be previously approved by the President of KUB (or such designated agent authorized by the President of KUB to act on the President's behalf) prior to the Customer receiving service under the Rider. Customer must have previously executed a Contract prior to receiving service under the Rider.

Unless expressly stated otherwise in the Agreement for service under the Rider, all the terms and conditions of the Customer's applicable commercial and industrial rate schedule shall remain in effect while the Customer is receiving service under the Rider.

KUB shall conduct an economic analysis of the circumstances under which the customer is seeking to receive service under the Rider (Alternate Fuel prices or Bypass). Customer shall, at the request of KUB, provide any and all information necessary for KUB to conduct such an analysis. The analysis shall determine, among other things, the cost to the customer of using an Alternate Fuel or the cost to the customer to Bypass KUB's natural gas distribution system, as applicable. If Customer is approved for service under the Rider, KUB shall discount the rates set forth in the Customer's applicable commercial and industrial rate schedule in such a manner that the Customer's cost of receiving gas service from KUB is competitive with the Customer's cost of using an Alternate Fuel or Bypassing KUB's natural gas distribution system, as applicable.

The following charges specified in KUB's commercial and industrial gas rate schedules shall be subject to being discounted under the Rider: Customer Charges, Demand Charges, Commodity Charges for Firm Gas and/or Interruptible Gas, and Transportation Charges. Commodity Charges for Firm Gas and/or Interruptible Gas shall not be discounted below the applicable Purchased Gas Cost Component plus \$.10 (ten cents) per dekatherm. Transportation Charges shall not be discounted below \$.10 (ten cents) per dekatherm.

Discounted rates are subject to adjustment by KUB on a periodic basis, as determined by KUB in its sole discretion; provided, however, that the circumstances under which the Customer warranted service under the Rider shall be evaluated by KUB on no less than a biannual basis for such period of time Customer is receiving service under the Rider. Customer shall, at the request of KUB, provide any and all information necessary for KUB to evaluate the circumstances by which Customer was granted service under the Rider. Based upon an analysis of information received from the Customer or obtained by KUB of its own accord, KUB shall have the right to adjust the discount provided to the Customer up to the point of ceasing to provide service to the Customer under the Rider.

Discount Gas Service Agreement

Customer shall enter into an Agreement with KUB for service under the Rider. The Agreement shall serve as an amendment to the Customer's previously executed Contract for commercial and industrial gas service with KUB. Subject to KUB's right to

re-evaluate and adjust the discount provided for under the Agreement, the Agreement shall specify the discount to be provided by KUB to the Customer and any other such terms and conditions as KUB determines are necessary to effectuate service under the Rider.

KUB may amend the Agreement, at its sole discretion, to provide for an adjustment in the discount provided to the Customer. KUB shall provide such notice to the Customer, as deemed appropriate by KUB, of any adjustment in the discount provided to the Customer under the Agreement. Any such adjustment in the discount provided the Customer shall be in accordance with KUB's periodic evaluation of the circumstances warranting service under the Rider.

ALTERNATIVE GAS PRICING RIDER

Definitions

“Alternative Gas Pricing Agreement” means the agreement between KUB and the Customer providing the Customer gas service under the Alternative Gas Pricing Rider (“Pricing Rider”) and shall be considered an amendment to the Contract to provide gas between KUB and the Customer.

“Alternative Gas Pricing Guidelines” means the policies and procedures established by KUB for the implementation and administration of the Pricing Rider.

“Customer” means a person or entity receiving service from KUB under the Pricing Rider.

“Firm Gas Adder” means the component of the Customer’s commodity gas rate for the costs incurred by KUB for reserving interstate natural gas pipeline and storage capacity by KUB on behalf of the Customer.

“KUB System Supply Price” means the weighted average cost of gas delivered to KUB’s gas distribution system for a given month for resale to customers on the KUB gas distribution system (excluding gas sold to customers under the Pricing Rider).

“KUB System Transportation Charge” means the cost of transporting gas on KUB’s gas distribution system on behalf of the Customer to the facilities of the Customer as determined by the KUB Board of Commissioners in their sole discretion.

“Locked-Price Gas” means gas whose rate is pre-determined.

“Market-Price Gas” means gas whose rate is based upon a first-of-the-month natural gas price for Tennessee, Zone 0 as published in as published in Gas Daily, Natural Gas Intelligence, Intercontinental Exchange, or other index as deemed reasonable for use by the gas industry. KUB will select an industry recognized index at its sole discretion.

“Price Cashout” means the monthly reconciliation process between the Customer and KUB in which the Customer’s gas volume obligations for Locked-Price Gas are reconciled with KUB.

Availability

The Pricing Rider is designed to provide large commercial and industrial customers receiving gas service from KUB with the opportunity and means to manage the cost of their natural gas purchases from KUB by providing pricing alternatives for the applicable

commodity gas rates set forth in their applicable commercial and industrial rate schedules.

Service under the Pricing Rider shall be available to G-7 or G-11 commercial and industrial customers receiving gas service from KUB under the terms and conditions set forth below

(a) Customer's annual gas usage, on an actual or projected basis, shall not be less than 25,000 dekatherms.

(b) For a Customer receiving service under Rate Schedule G-11, Transportation Gas Service, pricing alternatives shall be applicable only to Firm Gas.

(c) Customer may be required to provide KUB with appropriate financial information prior to receiving service under the Pricing Rider and subsequently on a periodic basis, for the purpose of evaluating the Customer's creditworthiness. KUB reserves the right, in its sole discretion, to deny any Customer service under the Pricing Rider based upon KUB's evaluation of the Customer's creditworthiness or authorize any appropriate security arrangement, if necessary, for the Customer to receive service under the Pricing Rider. KUB also reserves the right, in its sole discretion, to refuse to execute any particular alternative price transaction on behalf of a Customer based upon KUB's initial or any subsequent evaluation of the Customer's creditworthiness.

(d) Customer must execute an Alternative Gas Pricing Agreement which shall serve as an amendment to the Customer's existing contract to receive gas service from KUB. Customer must have previously executed a contract to receive gas service from KUB prior to receiving service under the Pricing Rider.

(e) Customer must comply with any other terms and conditions required for service under the Pricing Rider which may be set forth in the Alternative Gas Pricing Guidelines.

In the event a Customer fails to satisfy the conditions necessary for service under the Pricing Rider, service under the Pricing Rider, as determined by KUB in its sole discretion, may no longer be available; however, the Customer may continue to receive gas service from KUB under the applicable commercial and industrial rate schedule provided the Customer continues to satisfy the conditions required for service under such rate schedule and the Customer's Contract, as amended with KUB.

Upon determination that service under the Pricing Rider is no longer available to a Customer, the Customer shall still be permitted to receive service under the Pricing Rider until such point in time that the Customer's outstanding Locked-Price Gas commitments have been fulfilled.

Unless expressly provided for otherwise in the Pricing Rider or in the Alternative Gas Pricing Guidelines, all the terms and conditions of the Customer's applicable commercial and industrial rate schedule shall remain in effect while the Customer is receiving service under the Pricing Rider.

Character of Service

Alternative pricing shall be applicable only for the Customer's Commodity Gas Rates for Firm Gas and Interruptible Gas ("Commodity Gas Rates"). Interruptible Gas shall still be subject to periods of interruption under the terms and conditions set forth in the Customer's applicable commercial and industrial rate schedule.

For a Customer receiving service under the Pricing Rider, the Commodity Gas Rates set forth in the Customer's applicable commercial and industrial rate schedule shall not be effective. Commodity Gas Rates for a Customer receiving service under the Pricing Rider shall be based upon the pricing alternative selected by the Customer as described below and agreed upon by KUB.

(a) Locked-Price Gas: Commodity Gas Rates shall be locked or pre-determined at the time KUB executes the pricing transaction on behalf of the Customer. The Commodity Gas Rate shall consist of the cost incurred by KUB for purchasing the gas on the open market for the benefit of the Customer plus the cost of transporting the gas on connecting interstate natural gas pipelines to KUB's gas distribution system plus the KUB System Transportation Charge; or

(b) Market-Price Gas: Commodity Gas Rates shall consist of the applicable market index, supplier premium, and the cost of transporting the gas on connecting interstate natural gas pipelines to KUB's gas distribution system plus the KUB System Transportation Charge.

Regardless of the pricing alternative utilized by the Customer, the Customer's commodity gas rate for Firm Gas shall also include a Firm Gas Adder for the costs incurred by KUB for interstate natural gas pipeline and storage capacity reservation charges.

The Market-Price alternative shall be the default pricing mechanism for Commodity Gas Charges. If KUB does not execute any Locked-Price transactions on behalf of a Customer for a given month, the Customer's Commodity Gas Charges for that particular month shall be based upon the Market-Price alternative. The Commodity Gas Charges for any gas delivered by KUB to the facilities of the Customer for a given month in excess of Locked-Price Gas shall be Market-Price Gas (excluding Transport Gas, Supplemental Gas, and Unauthorized Gas).

KUB incurs an obligation for Locked-Price Gas volumes when it executes transactions on behalf of a Customer. If, for whatever reason, the gas volumes delivered by KUB to the Customer for any month are less than the gas volumes the Customer has locked for such month, the net difference (excluding Transport Gas, Supplemental Gas, and Unauthorized Gas) shall be reconciled on a monthly basis through a Price Cashout.

If the price of the Locked-Price Gas delivered to KUB exceeds the KUB System Supply Price, the Customer shall pay a Price Cashout Charge equal to the excess price multiplied by the applicable volumes not delivered by KUB to the Customer for such

month. If the KUB System Supply Price exceeds the price of the Locked-Price Gas delivered to KUB on behalf of the Customer, the Customer shall receive a Price Cashout Credit equal to the excess price multiplied by the applicable volumes not delivered by KUB to the Customer for such month.

A Customer receiving service under the Pricing Rider shall not be permitted to revert to the Commodity Gas Rates set forth in its applicable commercial and industrial rate schedule so long as the Customer has any outstanding Locked-Price Gas commitments.

Alternative Gas Pricing Guidelines

The President and Chief Executive Officer of KUB shall have the authority to adopt and amend such Alternative Gas Pricing Guidelines as are necessary to establish policies and procedures to implement the pricing alternatives set forth in the Pricing Rider.

All service provided under the Pricing Rider shall be subject to the Alternative Gas Pricing Guidelines which from time to time shall be in effect.

RESOLUTION 1493
EXHIBIT F
RATE SCHEDULES OF THE GAS DIVISION
EFFECTIVE OCTOBER 1, 2026

RESIDENTIAL GAS SERVICE

RATE SCHEDULE G-2

Availability

Service under this rate schedule shall be available only to residential customers served individually through a separate meter or through a KUB-approved multiple meter configuration designed as a single billing point.

Rates

For the monthly billing periods of November through March:

Basic Service Charge:	\$10.90 per month
Commodity Charge:	\$1.3236 per therm for first 30 therms \$1.0876 per therm for over 30 therms

For the monthly billing periods of April through October:

Basic Service Charge:	\$10.90 per month
Commodity Charge:	\$1.1248 per therm for first 50 therms \$0.9929 per therm for over 50 therms

Adjustment

The Commodity Charge shall be subject to KUB's Purchased Gas Adjustment. Rates shown above are inclusive of the Purchased Gas Adjustment for the current month.

Minimum Bill

The minimum bill under this rate schedule shall be the Basic Service Charge.

Rules and Regulations

Service is subject to Rules and Regulations of KUB.

COMMERCIAL AND INDUSTRIAL GAS SERVICE

RATE SCHEDULE G-4

Availability

Service under Rate Schedule G-4 is available to any commercial or industrial customer. Unless otherwise approved by KUB, a customer receiving service under Rate Schedule G-4, after previously receiving service under Rate Schedule G-6, shall not be allowed to return to service under Rate Schedule G-6 until at least twelve months have elapsed since service was last received under Rate Schedule G-6.

Rates

Customer Charge: \$46.00 per month

Monthly Commodity Charge: \$1.2097 per therm for the first 250 therms;
\$1.0860 per therm for the excess over 250 therms.

Adjustment

The Commodity Charge shall be subject to KUB's Purchased Gas Adjustment. Rates shown above are inclusive of the Purchased Gas Adjustment for the current month.

Minimum Bill

The minimum bill for each monthly billing period shall be the Customer Charge.

Rules and Regulations

Service is subject to Rules and Regulations of KUB.

COMMERCIAL AND INDUSTRIAL GAS SERVICE

RATE SCHEDULE G-6

Availability

Service under this rate is available to any commercial or industrial customer that incurs a demand of twenty-seven therms or more during the current monthly billing period or during any of the eleven most recent monthly billing periods. Unless otherwise approved by KUB, a customer receiving service under Rate Schedule G-6, after previously receiving service under Rate Schedule G-4, shall not be allowed to return to service under Rate Schedule G-4 until at least twelve months have elapsed since service was last received under Rate Schedule G-4.

Rates

Customer Charge:	\$275.00 per month
Monthly Demand Charge:	\$2.20 per therm of demand
Monthly Commodity Charge:	\$0.8566 per therm for the first 30,000 therms; \$0.7520 per therm for over 30,000 therms

Adjustment

The Commodity Charge shall be subject to KUB's Purchased Gas Adjustment. The above rates are inclusive of the Purchased Gas Adjustment for the current month.

Determination of Demand

At the option of KUB, the demand shall be determined either (a) by demand type meter, or (b) by electronic measuring device, or (c) by test, or (d) by estimate. If determined by estimate, the demand shall be considered to be equal to five percent (5%) of the total quantity of gas used during the applicable monthly billing period.

The billed demand shall be the amount as determined in the above paragraph, but not less than eighty percent (80%) of the greatest demand of the previous 12 months.

Minimum Bill

The minimum bill for each monthly billing period shall be the sum of the Customer Charge and the Demand Charge.

Rules and Regulations

Service is subject to Rules and Regulations of KUB.

INTERRUPTIBLE GAS SERVICE

RATE SCHEDULE G-7

Definitions

“Customer” means a person or entity contracting with or otherwise receiving service from KUB for interruptible gas service under this rate.

“Day” means a period of twenty-four (24) consecutive hours, beginning and ending at 10:00 A.M. prevailing Knoxville time or such other period as may be established by the applicable connecting pipeline(s) to KUB’s system.

“Delivery” means the delivery of Transport Gas or Supplemental Gas to KUB.

“Firm Gas” means the amount of gas designated as such in a written contract between KUB and the Customer; Firm Gas is not subject to interruption or curtailment except for emergency or other causes as provided in KUB’s Rules and Regulations.

“Interruptible Gas” means that gas which is subject to interruption or curtailment by KUB at any time and to the extent that KUB, in its sole discretion, deems desirable.

“Notice of Interruption” means the notice given by KUB to a Customer that a Period of Interruption has commenced or will commence.

“Period of Interruption” means any period of time during which KUB shall interrupt or curtail the delivery of gas to the Customer.

“Redelivery” means the delivery of Transport Gas or Supplemental Gas to the Customer by KUB.

“Supplemental Gas” means gas procured by KUB for the account of a Customer for Delivery to KUB and Redelivery to the Customer.

“Transport Gas” means gas purchased by a Customer from a supplier other than KUB that the Customer has arranged to have Delivered to KUB for Redelivery to the Customer.

“Unauthorized Gas” means the quantity of gas taken by Customer exceeding the amount which is permitted during a Period of Interruption.

Availability

Service under this rate is available to any customer who meets the following conditions:

- (a) Customer's annual Interruptible Gas use, on an actual or projected basis, shall not be less than 25,000 dekatherms (one dekatherm is equivalent to ten therms);
- (b) Customer shall be permitted to purchase only one (1) dekatherm of Firm Gas under this rate for each two (2) dekatherms of Interruptible Gas which are purchased;
- (c) Customer must have standby equipment of sufficient capacity capable of providing Customer's normal gas service requirements for a period of five (5) working days without replenishment when Interruptible Gas is completely interrupted. Customer shall maintain such equipment ready for operation at any time and shall utilize a fuel other than gas furnished by KUB and shall be subject to periodic inspections by KUB to ensure compliance with this provision; and
- (d) KUB must determine that its existing distribution system facilities are adequate and available for the requested service.

In the event Customer shall fail at any time to continue to meet the conditions (a) through (c), service under Rate Schedule G-7 shall no longer be available; but at KUB's option, gas service may be provided to the Customer under Rate Schedule G-6.

Character of Service

Interruptible Gas shall be available only to the extent that KUB has gas available that is not required by firm customers. If a Customer is served by gas purchased on an interruptible rate from KUB's suppliers, all conditions imposed by KUB's suppliers on the use of such Interruptible Gas shall likewise apply to such Customer as if KUB imposed the condition on the Customer.

Transportation Service

During any Period of Interruption, Customer may request Transportation Service from KUB whereby Customer may either (i) purchase Transport Gas and arrange to Deliver such Transport Gas to KUB via any connected interstate natural gas pipeline to one or more of KUB's designated delivery points for Redelivery to the Customer or (ii) solicit the service of KUB in procuring Supplemental Gas for Customer whereby upon agreeing to provide such service, KUB will attempt to: (a) procure Supplemental Gas on the open market for the account of Customer; (b) arrange for such Supplemental Gas to be transported at Customer's cost via connecting interstate natural gas pipelines to one or more of KUB's designated delivery points, and (c) Redeliver such Supplemental Gas to Customer.

Redeliveries by KUB to Customer are subject to interruption when, in the sole discretion of KUB, conditions warrant a suspension of Transportation Service.

Prior to the commencement of a Period of Interruption or within a reasonable period of time subsequent to the commencement of a Period of Interruption, as determined by KUB in its sole discretion, Customer must: (a) notify KUB of its intent to receive Transportation Service from KUB and (b) provide KUB with a schedule showing the proposed daily volumes to be delivered to KUB and Redelivered to the Customer. KUB shall notify Customer of those volumes KUB has approved on a daily basis for Delivery to KUB and Redelivery to Customer (Approved Daily Volumes) prior to the Delivery of any gas to KUB. KUB reserves the right to adjust the Approved Daily Volumes as conditions warrant. KUB shall notify Customer promptly of any adjustment in the Approved Daily Volumes.

KUB shall not be obligated to Redeliver any volumes of gas to Customer: (a) in excess of the Customer's Approved Daily Volumes and (b) in the case of Transport Gas, for which KUB has not received a confirmation of receipt from the applicable connecting pipeline on any given Day.

Transportation Service under this Rate Schedule shall be subject to the following charges, as applicable: (a) the Commodity Charge, as set forth in the Rate Schedule, for Redeliveries of Supplemental Gas to Customer, and (b) the Transportation Charge, as set forth in this Rate Schedule, for Redeliveries to Customer.

Upon conclusion of Customer's Period of Interruption, if total previous Deliveries of Transport Gas or Supplemental Gas to KUB exceeds total Redeliveries of Transport Gas or Supplemental Gas to Customer by KUB, as applicable, the excess will be treated as the first gas (excluding Firm Gas) through Customer's meter following Customer's Period of Interruption.

Gas purchased or transported under this rate shall be used only by the Customer at its facilities and shall be delivered at a single point of delivery located within the service area of KUB and shall not be resold by the Customer.

Quantities of Gas Delivered

For the purpose of allocating the daily volume of gas delivered to a Customer under this rate schedule, the first gas delivered shall be considered Firm Gas up to the daily quantity contracted for as Firm Gas, the next gas delivered shall be the Approved Daily Volumes of Transport Gas or Supplemental Gas for that Day, as applicable, and all additional gas delivered shall be considered Interruptible Gas except during a Period of Interruption, then all additional gas delivered shall be considered Unauthorized Gas.

Rates

Customer Charge: \$1,175.00 per month

Monthly Demand Charge: \$22.00 per dekatherm of demand

Monthly Commodity Charge
For Firm Gas: \$7.520 per dekatherm

For Interruptible Gas:

\$7.252 per dekatherm for the first 3,000 dekatherms
\$6.574 per dekatherm from 3,000 to and including 20,000 dekatherms
\$5.671 per dekatherm from 20,000 to and including 50,000 dekatherms
\$5.090 per dekatherm for the excess over 50,000 dekatherms

For Supplemental Gas:

The Commodity Charge for Supplemental Gas shall be the total of:
(a) the cost per dekatherm to KUB for the applicable Day of acquiring Supplemental Gas on the open market, subject to the approval of the Customer to purchase Supplemental Gas at or above such price and
(b) the costs incurred by KUB in transporting such Supplemental Gas via connecting pipelines to one or more of KUB's delivery points.

Transportation Charge – for Redelivered plus Unauthorized Gas:

\$3.026 per dekatherm for the first 3,000 dekatherms
\$2.348 per dekatherm from 3,000 to and including 20,000 dekatherms
\$1.445 per dekatherm from 20,000 to and including 50,000 dekatherms
\$0.864 per dekatherm for the excess over 50,000 dekatherms

Unauthorized Gas Charge: \$25.00 per dekatherm of Unauthorized Gas, plus the total of the cost per dekatherm of obtaining such gas on the open market as determined by the applicable Gulf Cost Price Index for the applicable day as published in Gas Daily, Natural Gas Intelligence, Intercontinental Exchange, or other index as deemed reasonable for use by the gas industry. KUB will select an industry recognized index at its sole discretion.

In determining the appropriate rate block to bill Transportation Charges for Redelivered and Unauthorized Gas, the following volumes shall be combined: Interruptible Gas, Supplemental Gas, Transport Gas, and Unauthorized Gas.

Adjustment

The Commodity Charge for Firm Gas and Interruptible Gas shall be subject to KUB's Purchased Gas Adjustment. Rates shown above are inclusive of the Purchased Gas Adjustment for the current month.

Determination of Demand

Demand shall be the daily quantity of gas contracted for as Firm Gas by the Customer. Customer, with the consent of KUB, may from time to time change the amount of Firm Gas by providing written notice to KUB at least three (3) business days prior to the beginning of the monthly billing period for which Customer desires the change to be effective; provided, however, that such changes shall not effect a reduction in the previously specified Firm Gas, unless the previously specified Firm Gas has been in effect for the entire twelve month period immediately preceding the date the requested change is to become effective.

Unauthorized Gas Charge

No Customer shall take Unauthorized Gas. Customer must immediately notify KUB if it has taken, or anticipates taking, Unauthorized Gas. In the event Customer takes Unauthorized Gas, Customer shall be charged the Unauthorized Gas Charge for all Unauthorized Gas delivered by KUB to Customer. In addition, KUB may suspend or terminate service and/or pursue any other remedy available to it under applicable law. The existence of an Unauthorized Gas Charge shall not be construed to give Customer the right to take Unauthorized Gas. The penalty portion of the Unauthorized Gas Charge may be waived or reduced by KUB on a non-discriminatory basis.

Priority of Service

Interruptible gas service is supplied to customers of KUB under Rate Schedules G-7 and G-11. Except as may be otherwise determined by KUB in its sole discretion, Periods of Interruption shall generally be imposed on interruptible customers of KUB in the following order:

- (1) If the Period of Interruption is necessary due to an emergency or capacity limitation on KUB's gas distribution system, then the interruption of service to all interruptible customers of KUB shall be handled on a pro rata or other equitable basis as determined by KUB.
- (2) If the capacity limitation affects only a restricted geographic area of KUB's gas distribution system, then only interruptible customers of KUB within the restricted area will have their service interrupted. The interruption of such customers shall be handled on a pro rata or other equitable basis as determined by KUB.
- (3) If the Period of Interruption is necessary due to a shortage of KUB's normal gas supply, whether caused by a capacity limitation of KUB's connecting pipeline(s) or by an actual shortage of gas, then:

- (a) The first service interrupted shall be Rate Schedule G-7 Customers (other than Redeliveries of Supplemental Gas and Transport Gas) who have not heretofore been interrupted as provided above.
- (b) The second service interrupted shall be Redeliveries of Supplemental Gas to Rate Schedule G-7 Customers. Even though KUB may have acquired Supplemental Gas for the account of a Customer under Rate Schedule G-7, this service may be interrupted to the extent necessary to provide service to KUB's Firm Gas customers.

Within each category, the interruption of such customers shall be handled on a pro rata or other equitable basis as determined by KUB.

Insofar as Transport Gas has been Delivered to KUB for any customer receiving service under Rate Schedule G-7 or Rate Schedule G-11, and insofar as the Period of Interruption is not due to an emergency or capacity limitation on KUB's gas distribution system, the delivery of Transport Gas by KUB to those customers will not be interrupted.

- (4) If the Period of Interruption is necessary due to a lack of confirmation by any connecting pipeline of deliveries for any Rate Schedule G-11 customers or to any Customers receiving Transportation Service under Rate Schedule G-7, then only service to the affected Rate Schedule G-11 customers or to the affected Customers receiving Transportation Service under Rate Schedule G-7, as applicable, will be interrupted.

Notices

To the extent possible, KUB shall give Customer at least a one hour Notice of Interruption before a Period of Interruption begins. A Notice of Interruption may be provided by KUB by any means including written, verbal or electronic, and shall be sufficient if given by KUB to the person or persons designated from time to time by the Customer as authorized to receive such notices. If a Period of Interruption involves only a reduction in the amount of gas that may be purchased, the Notice of Interruption shall state the daily and/or hourly quantity of gas which Customer may purchase. A Period of Interruption shall continue in effect until KUB notifies Customer that the Period of Interruption has terminated or until the time specified in the Notice of Interruption expires.

Minimum Bill

The minimum bill for each monthly billing period shall be the sum of the Customer Charge and the Demand Charge.

Contract for Service

Each Customer receiving service under this rate shall execute a contract with KUB for at least twelve (12) months to end on the November 1st specified in said contract or such other period as Customer and KUB agree upon. Transportation Service under this rate shall be provided only after such customer executes a contract with KUB providing for Transportation Service.

Rules and Regulations

Service is subject to Rules and Regulations of KUB.

TRANSPORTATION GAS SERVICE

RATE SCHEDULE G-11

Definitions

“Customer” means a person or entity contracting with or otherwise receiving service from KUB for transportation gas service under this rate.

“Day” means a period of twenty-four (24) consecutive hours, beginning and ending at 10:00 A.M. prevailing Knoxville time or such other period as may be established by the applicable connecting pipeline(s) to KUB’s system.

“Delivery” means the delivery of Transport Gas to KUB.

“Firm Gas” means the amount of gas designated as such in a written contract between KUB and the Customer; Firm Gas is not subject to interruption or curtailment except for emergency or other causes as provided for in KUB’s Rules and Regulations.

“Imbalance” means the difference between Deliveries to KUB for a Customer and Redeliveries by KUB to the Customer.

“Notice of Interruption” means the notice given by KUB to a Customer that a Period of Interruption has commenced or will commence.

“Operational Flow Order” means any directive issued to a Customer by KUB which requires the Customer to adjust Deliveries to KUB or deliveries of non-Firm gas to the Customer by KUB.

“Period of Interruption” means any period of time during which KUB shall interrupt or curtail the delivery of gas to the Customer.

“Redelivery” means the delivery of gas, excluding Firm Gas and Unauthorized Gas, to a Customer by KUB.

“Scheduled Daily Amount” means the amount of Transport Gas approved by KUB from time to time to be Delivered by a Customer to KUB and delivered to the Customer by KUB on a daily basis.

“Transport Gas” means the gas purchased by a Customer from a supplier other than KUB that Customer has arranged to have Delivered to KUB for delivery to the Customer by KUB.

“Transportation Service Agreement” means the contract between KUB and the Customer whereby KUB agrees to provide transportation gas service to the Customer.

“Unauthorized Gas” means (a) the quantity of gas taken by Customer exceeding the amount which is permitted during a Period of Interruption or (b) the difference (whether positive or negative) between the quantity of gas taken by Customer and the volumes provided for under an Operational Flow Order.

Availability

Service under Rate Schedule G-11 shall be available to any customer who meets the following conditions:

(a) Customer’s annual gas usage (excluding Firm Gas), on an actual or projected basis, shall not be less than 25,000 dekatherms (one dekatherm is equivalent to ten therms);

(b) Customer shall be permitted to purchase only one (1) dekatherm of Firm Gas under Rate Schedule G-11 for each two (2) dekatherms of Transport Gas delivered by KUB to the Customer;

(c) Customer must have standby equipment of sufficient capacity capable of providing Customer’s normal gas service requirements for a period of five (5) working days without replenishment when Transport Gas is completely interrupted. Customer shall maintain such equipment ready for operation at any time and shall utilize a fuel other than gas furnished by KUB and shall be subject to periodic inspections by KUB to ensure compliance with this provision;

Condition (c) shall be optional for any Customer who meets the following requirements: (1) annual gas usage (excluding Firm Gas) is equal to or greater than 25,000 dekatherms; (2) primary use of gas is for industrial or process use; and (3) provides satisfactory evidence to KUB of its ability and willingness to have its gas service interrupted or curtailed by KUB in accordance with the terms and conditions of this Rate Schedule.

(d) Customer’s use under this rate shall not work a hardship on any other customers of KUB, nor adversely affect any other class of KUB’s customers and further provided the Customer’s use under this rate shall not adversely affect KUB’s gas purchase plans and/or effective utilization of the daily demands under KUB’s gas purchase contracts with its suppliers, as solely determined by KUB.

(e) KUB must determine that its existing distribution system facilities are adequate and available for the requested service; and

(f) Customer must execute a Transportation Service Agreement for transportation gas service.

In the event Customer shall fail at any time to meet conditions (a) through (d) service under Rate Schedule G-11 shall no longer be available; but at KUB's option, gas service may be provided to the Customer under other KUB rate schedules.

Notwithstanding the foregoing, any Customer which received service under Rate Schedule G-11 prior to November 1, 1997 may receive service under Rate Schedule G-11 without fulfilling conditions (a) and (b). Any such Customer shall comply with all other terms and conditions of Rate Schedule G-11.

Character of Service

Pursuant to a Transportation Service Agreement and Rate Schedule G-11, and subject to Periods of Interruption determined by KUB in its sole discretion, KUB shall deliver to the Customer up to the Contract Amount of Transport Gas received from one or more connected interstate natural gas pipelines for Customer's account.

The first gas delivered to the Customer on a daily basis under Rate Schedule G-11 shall be considered Firm Gas up to the daily quantity contracted for as Firm Gas by the Customer.

Gas purchased or transported under Rate Schedule G-11 shall be used only by the Customer at its facilities and shall be delivered at a single point of delivery located within the service area of KUB and shall not be resold by the Customer.

Rates

Customer Charge:	\$1,650.00 per month
Monthly Demand Charge:	\$22.00 per dekatherm of demand.
Monthly Firm Gas Charge:	\$7.520 per dekatherm.
Monthly Transportation Charge:	\$3.026 per dekatherm for the first 3,000 dekatherms of non-Firm gas delivered to Customer; \$2.348 per dekatherm for each dekatherm from 3,000 to and including 20,000 dekatherms of non-Firm gas delivered to Customer; \$1.445 per dekatherm for each dekatherm from 20,000 to and including 50,000 dekatherms of non-Firm gas delivered to Customer; \$0.864 per dekatherm for the excess over 50,000 dekatherms of non-Firm gas delivered to Customer.
Monthly Unauthorized Gas Charge:	\$25.00 per dekatherm of Unauthorized Gas as a

penalty, plus (a), the total cost per dekatherm of obtaining such gas on the open market, as defined below, plus (b), the costs incurred by KUB in transporting such Unauthorized Gas via connecting pipelines to one or more of KUB's delivery points. The cost per dekatherm of obtaining such gas on the open market, (a) above, is defined as an index price based on the High Common price for "Transco Zone 5 Delivered" or "Tennessee 500 Leg", whichever is higher for the applicable Day as published in Gas Daily, Natural Gas Intelligence, Intercontinental Exchange, or other index as deemed reasonable for use by the gas industry. KUB will select an industry recognized index at its sole discretion.

Monthly Other Charges:

Imbalance Charges (as herein defined), and any pipeline scheduling, balancing, transportation, or other similar charges incurred by KUB in connection with the transportation of gas on behalf of the Customer, as applicable.

Adjustment

The Firm Gas Charge shall be subject to KUB's Purchased Gas Adjustment. Rates shown above are inclusive of the Purchased Gas Adjustment for the current month.

Determination of Demand

Demand shall be the daily quantity of gas contracted for as Firm Gas by the Customer. Customer, with the consent of KUB, may from time to time change the amount of Firm Gas by providing written notice to KUB at least three (3) business days prior to the beginning of the monthly billing period for which the Customer desires the change to be effective; provided, however, that such changes shall not effect a reduction in the previously specified Firm Gas, unless the previously specified Firm Gas has been in effect for the entire twelve month period immediately preceding the date the requested change is to become effective.

Scheduling of Service

At least three (3) business days prior to the first calendar day of the month, Customer shall submit to KUB its schedule showing the proposed daily volumes of Transport Gas the Customer desires to deliver to KUB via connecting pipelines and have delivered to the Customer by KUB during the succeeding month ("Delivery Schedule"). Any proposed Delivery of gas in excess of the Transport Gas portion of the Contract Amount shall be specifically noted in the Delivery Schedule. At least one business day prior to the beginning of the applicable calendar month, KUB shall notify the Customer in writing of the volumes of Transport Gas for such Customer which have been approved for Delivery to KUB and delivery to the Customer by KUB on a daily basis during such month ("Scheduled Daily Amount"). The Customer must notify and obtain written approval of KUB for any changes in the Scheduled Daily Amount during a month at least twenty-four (24) hours prior to the proposed commencement of such change.

KUB shall have the right, in its sole discretion, to issue an Operational Flow Order ("OFO") which shall require the Customer to adjust Deliveries to KUB or deliveries of non-Firm gas to the Customer by KUB in order to address one or more of the following situations: (1) to maintain system operations at pressures required to provide efficient and reliable service, (2) to have adequate gas supplies in the system to deliver on demand, (3) to maintain service to all firm gas customers and for all firm gas services, (4) to avoid penalties from connecting pipelines, or (5) any other situation which may threaten the operational integrity of KUB's gas distribution system.

To the extent possible, KUB shall give at least one hour notice prior to issuing an OFO. Notice may be provided by KUB by any means including written, verbal or electronic, and shall be sufficient if given by KUB to the person or person(s) designated from time to time by the Customer as authorized to receive such notices. The OFO shall include but not be limited to the following information: (1) time and date of issuance, (2) action Customer is required to take, (3) time at which Customer must be in compliance with the OFO, (4) anticipated duration of the OFO, and (5) any other terms and conditions that KUB may reasonably require to ensure the effectiveness of the OFO.

Any volumes of gas delivered to the Customer by KUB in excess of the volumes provided for under the OFO shall be subject to the entire Unauthorized Gas Charge. If the volumes of gas delivered to the Customer by KUB are less than the volumes required to be delivered to the Customer under the OFO, the volumes not delivered to the Customer shall be subject only to the penalty portion of the Unauthorized Gas Charge.

Unauthorized Gas Charge

No Customer shall take Unauthorized Gas. A Customer must immediately notify KUB if it has taken, or anticipates taking, Unauthorized Gas. In the event a Customer takes Unauthorized Gas, the Customer shall be charged for all Unauthorized Gas delivered by

KUB to the Customer the Unauthorized Gas Charge. In addition, KUB may suspend or terminate service and/or pursue any other remedy available to it under applicable law. The existence of an Unauthorized Gas Charge shall not be construed to give any Customer the right to take Unauthorized Gas. The penalty portion of the Unauthorized Gas Charge may be waived or reduced by KUB on a non-discriminatory basis.

Balancing of Deliveries

As nearly as practical, Deliveries and Redeliveries shall be at uniform rates of flow. Due to Customer operating conditions, the quantities of gas Delivered to KUB and Redelivered to Customer during any particular period may not balance. It shall be the responsibility of the Customer to adjust Deliveries and Redeliveries of gas to maintain a daily balance of Deliveries and Redeliveries.

KUB will endeavor to monitor Deliveries and Redeliveries and, to the extent practical, inform the Customer of Imbalances which have occurred. KUB's failure to notify the Customer of an Imbalance shall not affect Customer's obligations under Rate Schedule G-11. All efforts to correct Imbalances by a Customer shall be coordinated with KUB.

KUB shall have the right to take any and all action necessary to limit Imbalances from connecting pipelines or which affect the integrity of KUB's system.

Resolution of Imbalances

The Customer's Imbalance for the month shall be the net total of daily Imbalances for the month. KUB shall divide the monthly Imbalance by the sum of the Deliveries to KUB for the Customer for each Day of the month to determine the percentage (%) monthly Imbalance. KUB shall resolve the monthly Imbalance according to the following schedules ("Imbalance Charges"):

Schedule A. Redeliveries exceed Deliveries - Customer shall pay KUB for excess volumes at the applicable percentage of the Index Price (as defined in this Schedule A) for those volumes within the corresponding % monthly imbalance range.

<u>% Monthly Imbalance</u>	<u>Price</u>
0 - 5%	100% of Index Price
> 5 - 10%	115% of Index Price
>10 - 15%	130% of Index Price
>15 - 20%	140% of Index Price
>20%	150% of Index Price

The Index Price shall be the total of: (a) the average of daily prices for the applicable Gulf Coast Price Index for the applicable month, as published in Gas Daily, Natural Gas Intelligence, Intercontinental Exchange, or other index as deemed reasonable for use by the gas industry. KUB will select an industry recognized index at its sole discretion. and (b) the costs incurred by KUB in transporting such excess volumes via connecting pipelines to one or more of KUB's delivery points.

Schedule B. Deliveries exceed Redeliveries - KUB shall pay the Customer for excess volumes at the applicable percentage of the Index Price (as defined in this Schedule B) for those volumes within the corresponding % monthly imbalance range.

<u>% Monthly Imbalance</u>	<u>Price</u>
0 - 5%	100% of Index Price
> 5 - 10%	85% of Index Price
>10 - 15%	70% of Index Price
>15 - 20%	60% of Index Price
>20%	50% of Index Price

The Index Price shall be the total of: (a) the average of daily prices for the applicable Gulf Coast Price Index for the applicable month, as published in Gas Daily, Natural Gas Intelligence, Intercontinental Exchange, or other index as deemed reasonable for use by the gas industry. KUB will select an industry recognized index at its sole discretion. and (b) the costs incurred by KUB in transporting such excess volumes via connecting pipelines to one or more of KUB's delivery points.

Priority of Service

Interruptible gas service is supplied to customers of KUB under Rate Schedules G-7 and G-11. Except as may be otherwise determined by KUB in its sole discretion, Periods of Interruption shall generally be imposed on interruptible customers of KUB in the following order:

(1) If the Period of Interruption is necessary due to an emergency or a capacity limitation on KUB's gas distribution system, then the interruption of service to all interruptible customers of KUB shall be handled on a pro rata or other equitable basis as determined by KUB.

(2) If the capacity limitation affects only a restricted geographic area of KUB's gas distribution system, then only interruptible customers of KUB within the restricted area will have their service interrupted. The interruption of such customers shall be handled on a pro rata or other equitable basis as determined by KUB.

(3) If the Period of Interruption is necessary due to a shortage of KUB's normal gas supply, whether caused by a capacity limitation of KUB's connecting pipeline(s) or by an actual shortage of gas, then the first service interrupted shall be Rate Schedule G-7

customers (other than redeliveries of supplemental gas and transport gas) who have not heretofore been interrupted as provided above. Even though KUB may have acquired supplemental gas for the account of a customer under Rate Schedule G-7 this service may be interrupted to the extent necessary to provide service to KUB's Firm Gas customers. The interruption of such customers shall be handled on a pro rata or other equitable basis as determined by KUB.

Insofar as Transport Gas has been Delivered to KUB for any customer receiving service under Rate Schedule G-7 or Rate Schedule G-11, and insofar as the Period of Interruption is not due to an emergency or capacity limitation on KUB's gas distribution system, the delivery of Transport Gas by KUB to those customers will not be interrupted.

(4) If the Period of Interruption is necessary due to a lack of confirmation by any connecting pipeline of Deliveries for any Rate Schedule G-11 Customers or to any customers receiving transportation service under Rate Schedule G-7, then only service to the affected Rate Schedule G-11 Customers or to the affected customers receiving transportation service under Rate Schedule G-7, as applicable, will be interrupted.

Notices

To the extent possible, KUB shall give Customer at least a one hour Notice of Interruption before a Period of Interruption begins. A Notice of Interruption may be provided by KUB by any means including written, verbal or electronic, and shall be sufficient if given by KUB to the person or persons designated from time to time by the Customer as authorized to receive such notices. If a Period of Interruption involves only a reduction in the amount of gas that may be transported, the Notice of Interruption shall state the daily and/or hourly quantity of gas which Customer may transport. A Period of Interruption shall continue in effect until KUB notifies Customer that the Period of Interruption has terminated or until the time specified in the Notice of Interruption expires.

Minimum Bill

The minimum bill for each monthly billing period shall be the sum of the Customer Charge and the Demand Charge.

Contract for Service

Each Customer receiving service under Rate Schedule G-11 shall execute a contract with KUB for at least twelve (12) months to end on the November 1st specified in said contract or such other period as Customer and KUB agree upon.

Rules and Regulations

Service is subject to Rules and Regulations of KUB.

G-13

DISCOUNT GAS SERVICE RIDER

Definitions

“Agreement” means a Discount Gas Service Agreement for gas service under Rate Schedule G-13 between the Customer and KUB. The Agreement shall serve as an amendment to the Contract.

“Alternate Fuel” means any source of fuel used by a customer at its facilities as an alternative to natural gas.

“Bypass” means the delivery of natural gas directly to the facilities of a customer within the gas service territory of KUB by (1) a connecting interstate or intrastate natural gas pipeline or (2) a connecting alternate natural gas distribution system, without the transportation of such gas on KUB’s natural gas distribution system.

“Contract” means an agreement for gas service from KUB under a commercial and industrial rate schedule between a customer and KUB.

“Customer” means a person or entity contracting with or otherwise receiving service from KUB under the Discount Gas Service Rider (“Rider”).

“Purchased Gas Cost Component” means the portion of a rate charged by KUB to its customers for gas service which reflects the cost of purchasing gas and transporting it to the facilities of KUB for resale to its customers.

Availability

The Discount Gas Service Rider (the “Rider”) is designed to permit KUB to discount rates set forth in the Gas Division’s rate schedules for commercial and industrial gas service for any customer receiving gas service from KUB under a commercial and industrial rate schedule provided such customer meets the terms and conditions set forth herein.

Service under the Rider shall be available only (1) to meet competitive Alternate Fuel prices or (2) to avoid Bypass of KUB’s natural gas distribution system, under the circumstances described below:

Alternate Fuel Prices

Customer’s use of Alternate Fuel sources must, in the sole judgment of KUB, be deemed economically feasible and practical. Customer shall be required to provide

KUB with an affidavit stating the Customer's intent to use Alternate Fuel sources absent service from KUB under the Rider. Customer shall also be required to provide KUB with documentation demonstrating to KUB that its Alternate Fuel source is available to Customer and the cost of the Alternate Fuel source is less than the otherwise applicable commercial and industrial gas rates charged to the Customer by KUB.

Bypass of Distribution System

Customer's facilities must be located within such distance of (1) an interstate or intrastate natural gas pipeline providing gas transportation or sales service or (2) an alternate natural gas distribution system, so that Bypass of KUB's natural gas distribution system is, in the sole judgment of KUB, deemed economically feasible and practical.

Customer shall provide KUB with an affidavit stating the Customer's intent to Bypass KUB's natural gas distribution system absent service from KUB under the Rider. Customer shall also provide KUB with any other such documentation requested by KUB to verify the investment required on part of the Customer to take gas service directly from the applicable interstate or intrastate natural gas pipeline or alternate natural gas distribution system.

Additional Conditions

In addition, any Customer receiving service under the Rider must meet the following conditions:

(a) Customer's annual gas consumption, on an actual or projected basis, shall not be less than 25,000 dekatherms (one dekatherm is equivalent to ten therms);

(b) Customer must have executed a Contract to receive gas service from KUB under a commercial and industrial rate schedule; and

(c) Customer must execute a Discount Gas Service Agreement .

If, for any reason, Customer shall fail to satisfy the conditions necessary for service under the Rider, service under the Rider shall no longer be available; however, Customer may continue to receive gas service from KUB under the applicable commercial and industrial rate schedule provided the Customer continues to satisfy the conditions required for service under such rate schedule.

Character of Service

Customer must make a written request to KUB for service under the Rider. The request must describe the circumstances under which the customer is seeking to receive service under the Rider (Alternate Fuel prices or Bypass). Customer's request for

service under the Rider and the amount of any discount provided Customer under the Rider must be previously approved by the President of KUB (or such designated agent authorized by the President of KUB to act on the President's behalf) prior to the Customer receiving service under the Rider. Customer must have previously executed a Contract prior to receiving service under the Rider.

Unless expressly stated otherwise in the Agreement for service under the Rider, all the terms and conditions of the Customer's applicable commercial and industrial rate schedule shall remain in effect while the Customer is receiving service under the Rider.

KUB shall conduct an economic analysis of the circumstances under which the customer is seeking to receive service under the Rider (Alternate Fuel prices or Bypass). Customer shall, at the request of KUB, provide any and all information necessary for KUB to conduct such an analysis. The analysis shall determine, among other things, the cost to the customer of using an Alternate Fuel or the cost to the customer to Bypass KUB's natural gas distribution system, as applicable. If Customer is approved for service under the Rider, KUB shall discount the rates set forth in the Customer's applicable commercial and industrial rate schedule in such a manner that the Customer's cost of receiving gas service from KUB is competitive with the Customer's cost of using an Alternate Fuel or Bypassing KUB's natural gas distribution system, as applicable.

The following charges specified in KUB's commercial and industrial gas rate schedules shall be subject to being discounted under the Rider: Customer Charges, Demand Charges, Commodity Charges for Firm Gas and/or Interruptible Gas, and Transportation Charges. Commodity Charges for Firm Gas and/or Interruptible Gas shall not be discounted below the applicable Purchased Gas Cost Component plus \$.10 (ten cents) per dekatherm. Transportation Charges shall not be discounted below \$.10 (ten cents) per dekatherm.

Discounted rates are subject to adjustment by KUB on a periodic basis, as determined by KUB in its sole discretion; provided, however, that the circumstances under which the Customer warranted service under the Rider shall be evaluated by KUB on no less than a biannual basis for such period of time Customer is receiving service under the Rider. Customer shall, at the request of KUB, provide any and all information necessary for KUB to evaluate the circumstances by which Customer was granted service under the Rider. Based upon an analysis of information received from the Customer or obtained by KUB of its own accord, KUB shall have the right to adjust the discount provided to the Customer up to the point of ceasing to provide service to the Customer under the Rider.

Discount Gas Service Agreement

Customer shall enter into an Agreement with KUB for service under the Rider. The Agreement shall serve as an amendment to the Customer's previously executed Contract for commercial and industrial gas service with KUB. Subject to KUB's right to

re-evaluate and adjust the discount provided for under the Agreement, the Agreement shall specify the discount to be provided by KUB to the Customer and any other such terms and conditions as KUB determines are necessary to effectuate service under the Rider.

KUB may amend the Agreement, at its sole discretion, to provide for an adjustment in the discount provided to the Customer. KUB shall provide such notice to the Customer, as deemed appropriate by KUB, of any adjustment in the discount provided to the Customer under the Agreement. Any such adjustment in the discount provided the Customer shall be in accordance with KUB's periodic evaluation of the circumstances warranting service under the Rider.

ALTERNATIVE GAS PRICING RIDER

Definitions

“Alternative Gas Pricing Agreement” means the agreement between KUB and the Customer providing the Customer gas service under the Alternative Gas Pricing Rider (“Pricing Rider”) and shall be considered an amendment to the Contract to provide gas between KUB and the Customer.

“Alternative Gas Pricing Guidelines” means the policies and procedures established by KUB for the implementation and administration of the Pricing Rider.

“Customer” means a person or entity receiving service from KUB under the Pricing Rider.

“Firm Gas Adder” means the component of the Customer’s commodity gas rate for the costs incurred by KUB for reserving interstate natural gas pipeline and storage capacity by KUB on behalf of the Customer.

“KUB System Supply Price” means the weighted average cost of gas delivered to KUB’s gas distribution system for a given month for resale to customers on the KUB gas distribution system (excluding gas sold to customers under the Pricing Rider).

“KUB System Transportation Charge” means the cost of transporting gas on KUB’s gas distribution system on behalf of the Customer to the facilities of the Customer as determined by the KUB Board of Commissioners in their sole discretion.

“Locked-Price Gas” means gas whose rate is pre-determined.

“Market-Price Gas” means gas whose rate is based upon a first-of-the-month natural gas price for Tennessee, Zone 0 as published in as published in Gas Daily, Natural Gas Intelligence, Intercontinental Exchange, or other index as deemed reasonable for use by the gas industry. KUB will select an industry recognized index at its sole discretion.

“Price Cashout” means the monthly reconciliation process between the Customer and KUB in which the Customer’s gas volume obligations for Locked-Price Gas are reconciled with KUB.

Availability

The Pricing Rider is designed to provide large commercial and industrial customers receiving gas service from KUB with the opportunity and means to manage the cost of their natural gas purchases from KUB by providing pricing alternatives for the applicable

commodity gas rates set forth in their applicable commercial and industrial rate schedules.

Service under the Pricing Rider shall be available to G-7 or G-11 commercial and industrial customers receiving gas service from KUB under the terms and conditions set forth below

(a) Customer's annual gas usage, on an actual or projected basis, shall not be less than 25,000 dekatherms.

(b) For a Customer receiving service under Rate Schedule G-11, Transportation Gas Service, pricing alternatives shall be applicable only to Firm Gas.

(c) Customer may be required to provide KUB with appropriate financial information prior to receiving service under the Pricing Rider and subsequently on a periodic basis, for the purpose of evaluating the Customer's creditworthiness. KUB reserves the right, in its sole discretion, to deny any Customer service under the Pricing Rider based upon KUB's evaluation of the Customer's creditworthiness or authorize any appropriate security arrangement, if necessary, for the Customer to receive service under the Pricing Rider. KUB also reserves the right, in its sole discretion, to refuse to execute any particular alternative price transaction on behalf of a Customer based upon KUB's initial or any subsequent evaluation of the Customer's creditworthiness.

(d) Customer must execute an Alternative Gas Pricing Agreement which shall serve as an amendment to the Customer's existing contract to receive gas service from KUB. Customer must have previously executed a contract to receive gas service from KUB prior to receiving service under the Pricing Rider.

(e) Customer must comply with any other terms and conditions required for service under the Pricing Rider which may be set forth in the Alternative Gas Pricing Guidelines.

In the event a Customer fails to satisfy the conditions necessary for service under the Pricing Rider, service under the Pricing Rider, as determined by KUB in its sole discretion, may no longer be available; however, the Customer may continue to receive gas service from KUB under the applicable commercial and industrial rate schedule provided the Customer continues to satisfy the conditions required for service under such rate schedule and the Customer's Contract, as amended with KUB.

Upon determination that service under the Pricing Rider is no longer available to a Customer, the Customer shall still be permitted to receive service under the Pricing Rider until such point in time that the Customer's outstanding Locked-Price Gas commitments have been fulfilled.

Unless expressly provided for otherwise in the Pricing Rider or in the Alternative Gas Pricing Guidelines, all the terms and conditions of the Customer's applicable commercial and industrial rate schedule shall remain in effect while the Customer is receiving service under the Pricing Rider.

Character of Service

Alternative pricing shall be applicable only for the Customer's Commodity Gas Rates for Firm Gas and Interruptible Gas ("Commodity Gas Rates"). Interruptible Gas shall still be subject to periods of interruption under the terms and conditions set forth in the Customer's applicable commercial and industrial rate schedule.

For a Customer receiving service under the Pricing Rider, the Commodity Gas Rates set forth in the Customer's applicable commercial and industrial rate schedule shall not be effective. Commodity Gas Rates for a Customer receiving service under the Pricing Rider shall be based upon the pricing alternative selected by the Customer as described below and agreed upon by KUB.

(a) Locked-Price Gas: Commodity Gas Rates shall be locked or pre-determined at the time KUB executes the pricing transaction on behalf of the Customer. The Commodity Gas Rate shall consist of the cost incurred by KUB for purchasing the gas on the open market for the benefit of the Customer plus the cost of transporting the gas on connecting interstate natural gas pipelines to KUB's gas distribution system plus the KUB System Transportation Charge; or

(b) Market-Price Gas: Commodity Gas Rates shall consist of the applicable market index, supplier premium, and the cost of transporting the gas on connecting interstate natural gas pipelines to KUB's gas distribution system plus the KUB System Transportation Charge.

Regardless of the pricing alternative utilized by the Customer, the Customer's commodity gas rate for Firm Gas shall also include a Firm Gas Adder for the costs incurred by KUB for interstate natural gas pipeline and storage capacity reservation charges.

The Market-Price alternative shall be the default pricing mechanism for Commodity Gas Charges. If KUB does not execute any Locked-Price transactions on behalf of a Customer for a given month, the Customer's Commodity Gas Charges for that particular month shall be based upon the Market-Price alternative. The Commodity Gas Charges for any gas delivered by KUB to the facilities of the Customer for a given month in excess of Locked-Price Gas shall be Market-Price Gas (excluding Transport Gas, Supplemental Gas, and Unauthorized Gas).

KUB incurs an obligation for Locked-Price Gas volumes when it executes transactions on behalf of a Customer. If, for whatever reason, the gas volumes delivered by KUB to the Customer for any month are less than the gas volumes the Customer has locked for such month, the net difference (excluding Transport Gas, Supplemental Gas, and Unauthorized Gas) shall be reconciled on a monthly basis through a Price Cashout.

If the price of the Locked-Price Gas delivered to KUB exceeds the KUB System Supply Price, the Customer shall pay a Price Cashout Charge equal to the excess price multiplied by the applicable volumes not delivered by KUB to the Customer for such

month. If the KUB System Supply Price exceeds the price of the Locked-Price Gas delivered to KUB on behalf of the Customer, the Customer shall receive a Price Cashout Credit equal to the excess price multiplied by the applicable volumes not delivered by KUB to the Customer for such month.

A Customer receiving service under the Pricing Rider shall not be permitted to revert to the Commodity Gas Rates set forth in its applicable commercial and industrial rate schedule so long as the Customer has any outstanding Locked-Price Gas commitments.

Alternative Gas Pricing Guidelines

The President and Chief Executive Officer of KUB shall have the authority to adopt and amend such Alternative Gas Pricing Guidelines as are necessary to establish policies and procedures to implement the pricing alternatives set forth in the Pricing Rider.

All service provided under the Pricing Rider shall be subject to the Alternative Gas Pricing Guidelines which from time to time shall be in effect.

**RESOLUTION 1493
EXHIBIT G
RATE SCHEDULES OF THE WATER DIVISION
EFFECTIVE JULY 1, 2025**

Water Residential Rate Schedule

Availability

Service under this rate schedule shall be available only to residential customers served individually through a separate meter or through a KUB-approved multiple meter configuration designed as a single billing point.

Rates

The Water Service Charge shall be based on the customer's meter size and monthly water usage.

For meters greater than 5/8", the Customer Charges listed in the Water Nonresidential Rate Schedule shall be utilized. In the event more than one meter is utilized to determine billed consumption, multiple basic service charges may apply. Charges will apply without regard to ownership of the meter(s).

KUB may, at its sole discretion, bill water using the same rates converted to a rate per gallon for usage measured in gallons: 1 Ccf equals 748 gallons.

Inside City Rates are for water furnished to premises entirely within the corporate limits of the City of Knoxville. Outside City Rates are for water furnished to premises upon which any water faucet or other outlet is outside the corporate limits of the City of Knoxville.

<u>Monthly Basic Service Charge</u>	<u>Inside City</u>	<u>Outside City</u>
5/8" meter	\$18.00	\$19.40
<u>Monthly Commodity Charge</u>	<u>Inside City</u>	<u>Outside City</u>
First 2 Ccf	\$2.40 per Ccf	\$2.60 per Ccf
Over 2 Ccf	\$4.10 per Ccf	\$4.90 per Ccf

Rules and Regulations

Service is subject to Rules and Regulations of KUB.

Water Nonresidential Rate Schedule

Availability

Service under this rate schedule shall be available to any commercial or industrial customer.

An existing customer or applicant for service under this schedule may be required to execute a contract specifying, among other things, a minimum bill and minimum term for service under this schedule.

Rates

The Water Service Charge shall be calculated using the applicable rate tables provided below, based on the customer's meter size and monthly water usage.

In the event more than one meter is utilized to determine billed consumption, multiple customer charges may apply. Charges will apply without regard to ownership of the meter(s).

KUB may, at its sole discretion, bill water using the same rates converted to a rate per gallon for usage measured in gallons: 1 Ccf equals 748 gallons.

Inside City and Industrial Park Rates are for water furnished to premises entirely within the corporate limits of the City of Knoxville or within the boundaries of an area recognized as an industrial park by the Tennessee Department of Economic and Community Development. Outside City Rates are for water furnished to premises upon which any water faucet or other outlet is outside the corporate limits of the City of Knoxville, excluding premises within the boundaries of an area recognized as an industrial park by the Tennessee Department of Economic and Community Development.

<u>Monthly Customer Charge</u>	<u>Inside City Industrial Park</u>	<u>Outside City</u>
5/8" meter	\$ 23.25	\$ 25.85
1" meter	\$ 38.00	\$ 42.00
1½" meter	\$ 88.00	\$ 98.00
2" meter	\$ 126.00	\$ 139.00
3" meter	\$ 244.00	\$ 271.00
4" meter	\$ 368.00	\$ 406.00
6" meter	\$ 680.00	\$ 768.00
8" meter	\$1,089.00	\$1,293.00
10" meter	\$1,623.00	\$1,926.00
12" meter	\$2,590.00	\$3,020.00

<u>Monthly Commodity Charge</u>	<u>Inside City Industrial Park</u>	<u>Outside City</u>
First 2 Ccf	\$3.60 per Ccf	\$4.00 per Ccf
Next 8 Ccf	\$5.85 per Ccf	\$6.55 per Ccf
Next 90 Ccf	\$6.15 per Ccf	\$7.05 per Ccf
Next 300 Ccf	\$5.85 per Ccf	\$6.55 per Ccf
Next 4,600 Ccf	\$3.30 per Ccf	\$3.85 per Ccf
Over 5,000 Ccf	\$1.50 per Ccf	\$1.70 per Ccf

Rules and Regulations

Service is subject to Rules and Regulations of KUB.

Water Private Fire Service Rate Schedule

Availability

Under this schedule, KUB provides water supply to privately owned automatic sprinklers or hose outlets. Such service is available to any residential, commercial, or industrial customer.

Rates

The Private Fire Service Charge shall be calculated using the table below based on the customer's fire line connections.

Monthly Service Charge per Connection

Connection less than 4"	\$ 48.00
4" Connection	\$104.00
6" Connection	\$227.00
8" Connection	\$398.00
10" Connection	\$596.00
12" Connection and greater	\$894.00

These service charges shall be in addition to the charge for any water use through fire line connections. The amount of unmetered water so used, as determined by KUB, shall be paid for at KUB's applicable rate schedules.

No charge under this rate schedule shall be made where the water supply to private fire protection facilities is through one or more metered connection(s) for which payment is made under the Water Nonresidential Rate Schedule.

No credit for charges under this rate schedule shall be allowed against the Water Nonresidential Rate Schedule charge for water supplied through a fire line to one or more metered connection(s) where the fire line serves as a connecting line between the metered connection(s) and KUB's mains.

Rules and Regulations

Service is subject to Rules and Regulations of KUB.

Water Unmetered Government Service Rate Schedule

Availability

For water used from KUB's mains with KUB's permission by any department of a governmental entity through unmetered fire hydrants for purposes other than for public fire service:

Inside – City Rate

The total amount of water used monthly by each department of a governmental entity for such purposes through a fire hydrant within the corporate limits of the City of Knoxville shall be billed to each such department at the Inside City rates set forth in the Water Nonresidential Rate Schedule.

Outside – City Rate

The total amount of water used monthly by each department of a governmental entity for such purposes through a fire hydrant outside the corporate limits of the City of Knoxville shall be billed to each such department at the Outside City rates set forth in the Water Nonresidential Rate Schedule.

Rules and Regulations

Service is subject to Rules and Regulations of KUB.

Water Public Fire Protection Service Rate Schedule

Availability

Service under this schedule shall be available only to a governmental entity that undertakes to provide public fire protection service for an area that contains at least four square miles. KUB reserves the right to require any applicant for service under this schedule to execute a contract specifying, among other things, a minimum bill and minimum term for service.

Rate

For public fire protection service rendered, the governmental entity shall pay KUB a fire protection service charge at the rate of \$656.00 per year for each KUB owned public fire hydrant located within the jurisdictional boundaries of the governmental entity and within areas provided public fire protection service by such governmental entity. In addition to the fire protection service charge, the governmental entity shall pay for all water used for fire fighting at rates set forth in the Water Nonresidential Rate Schedule.

KUB may contract with other utility providers to supply public fire protection service to an eligible governmental entity in any service area (or portion thereof), where KUB determines it desirable to do so. Charges to a governmental entity for fire protection service provided under such a contract shall be at the same rate specified above, and the hydrants of the utility provider utilized under such a contract shall be deemed to be facilities owned by KUB for the sole purpose of calculating charges under this schedule.

Rules and Regulations

Service is subject to Rules and Regulations of KUB.

Water Wholesale Rate Schedule

Availability

For water purchased on an interruptible basis for resale by a customer that does not use KUB as its sole supplier of water. This service shall be available only on an interruptible basis and only to the extent, in KUB's sole opinion, that such service can be supplied through existing facilities without adversely affecting water service to any other customer of KUB. Nothing contained herein shall prevent KUB from providing water for resale under the Water Nonresidential Rate Schedule.

Monthly Commodity Charge

\$1.57 per Ccf

KUB may, at its sole discretion, bill water using the same rates converted to a rate per gallon for usage measured in gallons: 1 Ccf equals 748 gallons.

Any unauthorized usage under this tariff shall be billed at the Outside City rates set forth in the Water Nonresidential Rate Schedule.

Rules and Regulations

Service is subject to Rules and Regulations of KUB.

**RESOLUTION 1493
EXHIBIT H
RATE SCHEDULES OF THE WATER DIVISION
EFFECTIVE JULY 1, 2026**

Water Residential Rate Schedule

Availability

Service under this rate schedule shall be available only to residential customers served individually through a separate meter or through a KUB-approved multiple meter configuration designed as a single billing point.

Rates

The Water Service Charge shall be based on the customer's meter size and monthly water usage.

For meters greater than 5/8", the Customer Charges listed in the Water Nonresidential Rate Schedule shall be utilized. In the event more than one meter is utilized to determine billed consumption, multiple basic service charges may apply. Charges will apply without regard to ownership of the meter(s).

KUB may, at its sole discretion, bill water using the same rates converted to a rate per gallon for usage measured in gallons: 1 Ccf equals 748 gallons.

Inside City Rates are for water furnished to premises entirely within the corporate limits of the City of Knoxville. Outside City Rates are for water furnished to premises upon which any water faucet or other outlet is outside the corporate limits of the City of Knoxville.

<u>Monthly Basic Service Charge</u>	<u>Inside City</u>	<u>Outside City</u>
5/8" meter	\$18.00	\$19.40
<u>Monthly Commodity Charge</u>	<u>Inside City</u>	<u>Outside City</u>
First 2 Ccf	\$2.80 per Ccf	\$3.05 per Ccf
Over 2 Ccf	\$4.55 per Ccf	\$5.35 per Ccf

Rules and Regulations

Service is subject to Rules and Regulations of KUB.

Water Nonresidential Rate Schedule

Availability

Service under this rate schedule shall be available to any commercial or industrial customer.

An existing customer or applicant for service under this schedule may be required to execute a contract specifying, among other things, a minimum bill and minimum term for service under this schedule.

Rates

The Water Service Charge shall be calculated using the applicable rate tables provided below, based on the customer's meter size and monthly water usage.

In the event more than one meter is utilized to determine billed consumption, multiple customer charges may apply. Charges will apply without regard to ownership of the meter(s).

KUB may, at its sole discretion, bill water using the same rates converted to a rate per gallon for usage measured in gallons: 1 Ccf equals 748 gallons.

Inside City and Industrial Park Rates are for water furnished to premises entirely within the corporate limits of the City of Knoxville or within the boundaries of an area recognized as an industrial park by the Tennessee Department of Economic and Community Development. Outside City Rates are for water furnished to premises upon which any water faucet or other outlet is outside the corporate limits of the City of Knoxville, excluding premises within the boundaries of an area recognized as an industrial park by the Tennessee Department of Economic and Community Development.

<u>Monthly Customer Charge</u>	<u>Inside City Industrial Park</u>	<u>Outside City</u>
5/8" meter	\$ 24.50	\$ 27.45
1" meter	\$ 41.00	\$ 45.00
1½" meter	\$ 94.00	\$ 105.00
2" meter	\$ 135.00	\$ 150.00
3" meter	\$ 262.00	\$ 296.00
4" meter	\$ 394.00	\$ 441.00
6" meter	\$ 726.00	\$ 813.00
8" meter	\$1,156.00	\$1,328.00
10" meter	\$1,681.00	\$1,931.00
12" meter	\$2,790.00	\$3,180.00

<u>Monthly Commodity Charge</u>	<u>Inside City Industrial Park</u>	<u>Outside City</u>
First 2 Ccf	\$3.85 per Ccf	\$4.30 per Ccf
Next 8 Ccf	\$6.25 per Ccf	\$6.95 per Ccf
Next 90 Ccf	\$6.45 per Ccf	\$7.30 per Ccf
Next 300 Ccf	\$6.25 per Ccf	\$6.95 per Ccf
Next 4,600 Ccf	\$3.50 per Ccf	\$4.00 per Ccf
Over 5,000 Ccf	\$1.60 per Ccf	\$1.80 per Ccf

Rules and Regulations

Service is subject to Rules and Regulations of KUB.

Water Private Fire Service Rate Schedule

Availability

Under this schedule, KUB provides water supply to privately owned automatic sprinklers or hose outlets. Such service is available to any residential, commercial, or industrial customer.

Rates

The Private Fire Service Charge shall be calculated using the table below based on the customer's fire line connections.

Monthly Service Charge per Connection

Connection less than 4"	\$ 53.00
4" Connection	\$111.00
6" Connection	\$240.00
8" Connection	\$422.00
10" Connection	\$632.00
12" Connection and greater	\$948.00

These service charges shall be in addition to the charge for any water use through fire line connections. The amount of unmetered water so used, as determined by KUB, shall be paid for at KUB's applicable rate schedules.

No charge under this rate schedule shall be made where the water supply to private fire protection facilities is through one or more metered connection(s) for which payment is made under the Water Nonresidential Rate Schedule.

No credit for charges under this rate schedule shall be allowed against the Water Nonresidential Rate Schedule charge for water supplied through a fire line to one or more metered connection(s) where the fire line serves as a connecting line between the metered connection(s) and KUB's mains.

Rules and Regulations

Service is subject to Rules and Regulations of KUB.

Water Unmetered Government Service Rate Schedule

Availability

For water used from KUB's mains with KUB's permission by any department of a governmental entity through unmetered fire hydrants for purposes other than for public fire service:

Inside – City Rate

The total amount of water used monthly by each department of a governmental entity for such purposes through a fire hydrant within the corporate limits of the City of Knoxville shall be billed to each such department at the Inside City rates set forth in the Water Nonresidential Rate Schedule.

Outside – City Rate

The total amount of water used monthly by each department of a governmental entity for such purposes through a fire hydrant outside the corporate limits of the City of Knoxville shall be billed to each such department at the Outside City rates set forth in the Water Nonresidential Rate Schedule.

Rules and Regulations

Service is subject to Rules and Regulations of KUB.

Water Public Fire Protection Service Rate Schedule

Availability

Service under this schedule shall be available only to a governmental entity that undertakes to provide public fire protection service for an area that contains at least four square miles. KUB reserves the right to require any applicant for service under this schedule to execute a contract specifying, among other things, a minimum bill and minimum term for service.

Rate

For public fire protection service rendered, the governmental entity shall pay KUB a fire protection service charge at the rate of \$695.00 per year for each KUB owned public fire hydrant located within the jurisdictional boundaries of the governmental entity and within areas provided public fire protection service by such governmental entity. In addition to the fire protection service charge, the governmental entity shall pay for all water used for fire fighting at rates set forth in the Water Nonresidential Rate Schedule.

KUB may contract with other utility providers to supply public fire protection service to an eligible governmental entity in any service area (or portion thereof), where KUB determines it desirable to do so. Charges to a governmental entity for fire protection service provided under such a contract shall be at the same rate specified above, and the hydrants of the utility provider utilized under such a contract shall be deemed to be facilities owned by KUB for the sole purpose of calculating charges under this schedule.

Rules and Regulations

Service is subject to Rules and Regulations of KUB.

Water Wholesale Rate Schedule

Availability

For water purchased on an interruptible basis for resale by a customer that does not use KUB as its sole supplier of water. This service shall be available only on an interruptible basis and only to the extent, in KUB's sole opinion, that such service can be supplied through existing facilities without adversely affecting water service to any other customer of KUB. Nothing contained herein shall prevent KUB from providing water for resale under the Water Nonresidential Rate Schedule.

Monthly Commodity Charge

\$1.67 per Ccf

KUB may, at its sole discretion, bill water using the same rates converted to a rate per gallon for usage measured in gallons: 1 Ccf equals 748 gallons.

Any unauthorized usage under this tariff shall be billed at the Outside City rates set forth in the Water Nonresidential Rate Schedule.

Rules and Regulations

Service is subject to Rules and Regulations of KUB.

RESOLUTION 1493
EXHIBIT I
RATE SCHEDULES OF THE WATER DIVISION
EFFECTIVE JULY 1, 2027

Water Residential Rate Schedule

Availability

Service under this rate schedule shall be available only to residential customers served individually through a separate meter or through a KUB-approved multiple meter configuration designed as a single billing point.

Rates

The Water Service Charge shall be based on the customer's meter size and monthly water usage.

For meters greater than 5/8", the Customer Charges listed in the Water Nonresidential Rate Schedule shall be utilized. In the event more than one meter is utilized to determine billed consumption, multiple basic service charges may apply. Charges will apply without regard to ownership of the meter(s).

KUB may, at its sole discretion, bill water using the same rates converted to a rate per gallon for usage measured in gallons: 1 Ccf equals 748 gallons.

Inside City Rates are for water furnished to premises entirely within the corporate limits of the City of Knoxville. Outside City Rates are for water furnished to premises upon which any water faucet or other outlet is outside the corporate limits of the City of Knoxville.

<u>Monthly Basic Service Charge</u>	<u>Inside City</u>	<u>Outside City</u>
5/8" meter	\$18.00	\$19.40
<u>Monthly Commodity Charge</u>	<u>Inside City</u>	<u>Outside City</u>
First 2 Ccf	\$3.35 per Ccf	\$3.65 per Ccf
Over 2 Ccf	\$4.95 per Ccf	\$5.75 per Ccf

Rules and Regulations

Service is subject to Rules and Regulations of KUB.

Water Nonresidential Rate Schedule

Availability

Service under this rate schedule shall be available to any commercial or industrial customer.

An existing customer or applicant for service under this schedule may be required to execute a contract specifying, among other things, a minimum bill and minimum term for service under this schedule.

Rates

The Water Service Charge shall be calculated using the applicable rate tables provided below, based on the customer's meter size and monthly water usage.

In the event more than one meter is utilized to determine billed consumption, multiple customer charges may apply. Charges will apply without regard to ownership of the meter(s).

KUB may, at its sole discretion, bill water using the same rates converted to a rate per gallon for usage measured in gallons: 1 Ccf equals 748 gallons.

Inside City and Industrial Park Rates are for water furnished to premises entirely within the corporate limits of the City of Knoxville or within the boundaries of an area recognized as an industrial park by the Tennessee Department of Economic and Community Development. Outside City Rates are for water furnished to premises upon which any water faucet or other outlet is outside the corporate limits of the City of Knoxville, excluding premises within the boundaries of an area recognized as an industrial park by the Tennessee Department of Economic and Community Development.

<u>Monthly Customer Charge</u>	<u>Inside City Industrial Park</u>	<u>Outside City</u>
5/8" meter	\$ 26.00	\$ 29.00
1" meter	\$ 44.00	\$ 49.00
1½" meter	\$ 100.00	\$ 113.00
2" meter	\$ 143.00	\$ 162.00
3" meter	\$ 280.00	\$ 318.00
4" meter	\$ 418.00	\$ 476.00
6" meter	\$ 776.00	\$ 861.00
8" meter	\$1,231.00	\$1,365.00
10" meter	\$1,746.00	\$1,936.00
12" meter	\$3,010.00	\$3,350.00

<u>Monthly Commodity Charge</u>	<u>Inside City Industrial Park</u>	<u>Outside City</u>
First 2 Ccf	\$4.15 per Ccf	\$4.65 per Ccf
Next 8 Ccf	\$6.70 per Ccf	\$7.50 per Ccf
Next 90 Ccf	\$6.70 per Ccf	\$7.50 per Ccf
Next 300 Ccf	\$6.70 per Ccf	\$7.50 per Ccf
Next 4,600 Ccf	\$3.75 per Ccf	\$4.25 per Ccf
Over 5,000 Ccf	\$1.70 per Ccf	\$1.90 per Ccf

Rules and Regulations

Service is subject to Rules and Regulations of KUB.

Water Private Fire Service Rate Schedule

Availability

Under this schedule, KUB provides water supply to privately owned automatic sprinklers or hose outlets. Such service is available to any residential, commercial, or industrial customer.

Rates

The Private Fire Service Charge shall be calculated using the table below based on the customer's fire line connections.

Monthly Service Charge per Connection

Connection less than 4"	\$ 59.00
4" Connection	\$118.00
6" Connection	\$254.00
8" Connection	\$447.00
10" Connection	\$670.00
12" Connection and greater	\$1,005.00

These service charges shall be in addition to the charge for any water use through fire line connections. The amount of unmetered water so used, as determined by KUB, shall be paid for at KUB's applicable rate schedules.

No charge under this rate schedule shall be made where the water supply to private fire protection facilities is through one or more metered connection(s) for which payment is made under the Water Nonresidential Rate Schedule.

No credit for charges under this rate schedule shall be allowed against the Water Nonresidential Rate Schedule charge for water supplied through a fire line to one or more metered connection(s) where the fire line serves as a connecting line between the metered connection(s) and KUB's mains.

Rules and Regulations

Service is subject to Rules and Regulations of KUB.

Water Unmetered Government Service Rate Schedule

Availability

For water used from KUB's mains with KUB's permission by any department of a governmental entity through unmetered fire hydrants for purposes other than for public fire service:

Inside – City Rate

The total amount of water used monthly by each department of a governmental entity for such purposes through a fire hydrant within the corporate limits of the City of Knoxville shall be billed to each such department at the Inside City rates set forth in the Water Nonresidential Rate Schedule.

Outside – City Rate

The total amount of water used monthly by each department of a governmental entity for such purposes through a fire hydrant outside the corporate limits of the City of Knoxville shall be billed to each such department at the Outside City rates set forth in the Water Nonresidential Rate Schedule.

Rules and Regulations

Service is subject to Rules and Regulations of KUB.

Water Public Fire Protection Service Rate Schedule

Availability

Service under this schedule shall be available only to a governmental entity that undertakes to provide public fire protection service for an area that contains at least four square miles. KUB reserves the right to require any applicant for service under this schedule to execute a contract specifying, among other things, a minimum bill and minimum term for service.

Rate

For public fire protection service rendered, the governmental entity shall pay KUB a fire protection service charge at the rate of \$737.00 per year for each KUB owned public fire hydrant located within the jurisdictional boundaries of the governmental entity and within areas provided public fire protection service by such governmental entity. In addition to the fire protection service charge, the governmental entity shall pay for all water used for fire fighting at rates set forth in the Water Nonresidential Rate Schedule.

KUB may contract with other utility providers to supply public fire protection service to an eligible governmental entity in any service area (or portion thereof), where KUB determines it desirable to do so. Charges to a governmental entity for fire protection service provided under such a contract shall be at the same rate specified above, and the hydrants of the utility provider utilized under such a contract shall be deemed to be facilities owned by KUB for the sole purpose of calculating charges under this schedule.

Rules and Regulations

Service is subject to Rules and Regulations of KUB.

Water Wholesale Rate Schedule

Availability

For water purchased on an interruptible basis for resale by a customer that does not use KUB as its sole supplier of water. This service shall be available only on an interruptible basis and only to the extent, in KUB's sole opinion, that such service can be supplied through existing facilities without adversely affecting water service to any other customer of KUB. Nothing contained herein shall prevent KUB from providing water for resale under the Water Nonresidential Rate Schedule.

Monthly Commodity Charge

\$1.77 per Ccf

KUB may, at its sole discretion, bill water using the same rates converted to a rate per gallon for usage measured in gallons: 1 Ccf equals 748 gallons.

Any unauthorized usage under this tariff shall be billed at the Outside City rates set forth in the Water Nonresidential Rate Schedule.

Rules and Regulations

Service is subject to Rules and Regulations of KUB.

RESOLUTION 1493
EXHIBIT J
RATE SCHEDULES OF THE WASTEWATER DIVISION
EFFECTIVE JULY 1, 2025

Wastewater Residential Rate Schedule

Availability

Service under this rate schedule shall be available only to residential customers served individually through a separate meter or through a KUB-approved multiple meter configuration designed as a single billing point.

Rates

The Wastewater Service Charge shall be based on the customer's water meter size and monthly water usage with the following exceptions:

- 1) For customers whose wastewater discharge volumes are metered separately from their water usage, the metered wastewater discharge volumes will be used to calculate Commodity Charges under this schedule. The meter size used to calculate the Basic Service Charge under this schedule will be the equivalent water meter size as determined by KUB.
- 2) If neither the customer's water usage nor wastewater discharge volumes are metered, the average water usage and water meter size of comparable metered customers as determined by KUB will be used to calculate the charges under this schedule.

For meters greater than 5/8", the Customer Charges listed in the Wastewater Nonresidential Rate Schedule shall be utilized.

In the event more than one meter is utilized to determine billed consumption, multiple basic service charges may apply. Charges will apply without regard to ownership of the meter(s).

KUB may, at its sole discretion, bill wastewater using the same rates converted to a rate per gallon for usage measured in gallons: 1 Ccf equals 748 gallons.

Inside City Rates are applicable for wastewater services furnished to premises entirely within the corporate limits of the City of Knoxville. Outside City Rates are applicable for wastewater services furnished to premises entirely or partly outside the corporate limits of the City of Knoxville.

<u>Monthly Basic Service Charge</u>	<u>Inside City</u>	<u>Outside City</u>
5/8" meter	\$35.90	\$39.90
<u>Monthly Commodity Charge</u>	<u>Inside City</u>	<u>Outside City</u>
First 2 Ccf	\$2.90 per Ccf	\$3.20 per Ccf
Over 2 Ccf	\$11.10 per Ccf	\$12.20 per Ccf

Additional Charges

In addition to the wastewater service charge, users whose wastewater has strength characteristics in excess of normal domestic wastewater shall pay an Extra Strength Surcharge as set forth in the Wastewater Extra Strength Surcharge Rate Schedule. A Sewer Improvement Charge may also be payable as set forth in the Wastewater Sewer Improvement Charge Rate Schedule.

Rules and Regulations

Service is subject to Rules and Regulations of KUB.

Wastewater Nonresidential Rate Schedule

Availability

Service under this rate schedule shall be available to any commercial or industrial customer.

An existing customer or applicant for service under this schedule may be required to execute a contract specifying, among other things, a minimum bill and minimum term for service under this schedule.

Rates

The Wastewater Service Charge shall be calculated using the applicable rate tables provided below, based on the customer's water meter size and monthly water usage with the following exceptions:

- 1) For customers whose wastewater discharge volumes are metered separately from their water usage, the metered wastewater discharge volumes will be used to calculate Service Charges under this schedule. The meter size used to calculate the Additional Monthly Charge under this schedule will be the largest equivalent water meter size as determined by KUB.
- 2) If neither the customer's water usage nor wastewater discharge volumes are metered, the average water usage and water meter size of comparable metered customers as determined by KUB will be used to calculate the charges under this schedule.

In the event more than one meter is utilized to determine billed consumption, multiple customer charges may apply. Charges will apply without regard to ownership of the meter(s).

KUB may, at its sole discretion, bill wastewater using the same rates converted to a rate per gallon for usage measured in gallons: 1 Ccf equals 748 gallons.

Inside City Rates are for wastewater service provided to premises entirely within the corporate limits of the City of Knoxville. Outside City Rates are for wastewater service provided to premises entirely or partly outside the corporate limits of the City of Knoxville.

<u>Monthly Customer Charge</u>	<u>Inside City</u>	<u>Outside City Industrial Park</u>
5/8" meter	\$ 36.00	\$ 40.00
1" meter	\$ 56.00	\$ 63.00
1½" meter	\$ 75.00	\$ 82.00
2" meter	\$ 107.00	\$ 118.00
3" meter	\$ 200.00	\$ 220.00
4" meter	\$ 326.00	\$ 356.00
6" meter	\$ 679.00	\$ 749.00
8" meter	\$1,180.00	\$1,295.00
10" meter	\$1,795.00	\$1,980.00
12" meter	\$2,975.00	\$3,260.00

<u>Monthly Commodity Charge</u>	<u>Inside City</u>	<u>Outside City Industrial Park</u>
First 2 Ccf	\$ 4.10 per Ccf	\$ 4.50 per Ccf
Next 8 Ccf	\$13.05 per Ccf	\$14.35 per Ccf
Next 90 Ccf	\$12.80 per Ccf	\$14.25 per Ccf
Next 300 Ccf	\$11.40 per Ccf	\$12.60 per Ccf
Next 4,600 Ccf	\$ 9.25 per Ccf	\$10.15 per Ccf
Over 5,000 Ccf	\$ 5.45 per Ccf	\$ 6.00 per Ccf

Rules and Regulations

Service is subject to Rules and Regulations of KUB.

Wastewater Extra Strength Surcharge Rate Schedule

Applicability

For user whose discharge of wastewater contains a quantity of BOD in excess of 2,000 pounds per million gallons (240 mg/l), and a quantity of suspended solids in excess of 2,500 pounds per million gallons (300 mg/l), an additional charge, based on the following schedule, shall be applied to the excess contribution, as determined by laboratory analysis of the user's discharge. This Extra Strength Surcharge is in addition to all other charges that may be applicable under KUB's wastewater rate schedules.

Monthly Rates

BOD	\$28.25 per hundred pounds of excess
Suspended Solids	\$27.00 per hundred pounds of excess

Rules and Regulations

Service is subject to Rules and Regulations of KUB.

Wastewater Hauled Waste and Special Waste Charges Rate Schedule

(A) Domestic Waste (Commercial Waste Disposal)

For users engaged in the business of cleaning wastewater and wastewater residues from septic tanks and other private disposal systems, a domestic waste discharge permit is required and certain fees and charges are assessed against those users.

(1) Annual Access Fee:

The annual access fee for the use of KUB's disposal facilities shall be \$105.00 per fiscal year, per permitted vehicle. The full fee shall be payable for any fraction of the fiscal year. Bills under this section will be rendered annually at the beginning of KUB's fiscal year or such later time during the fiscal year that service is commenced.

(2) Domestic Waste Discharge Rate:

Each load of Domestic Waste discharged to KUB's facilities shall be subject to a Discharge Rate of \$119.12 per 1,000 gallons per month.

(B) Special Waste

For users who dispose of any other waste from any tank, pond, pit or other source into the KUB system, a special waste discharge permit is required, and the following fees and charges will be assessed against those users.

(1) Special Waste Discharge Permit Application Fee:

A special Wastewater Discharge Permit must be obtained before any Special Waste may be discharged into KUB's facilities. The application fee for such permit is \$80.00. The application fee is non-refundable and is applicable whether or not the application is approved or the permit issued. The fee must be paid prior to discharge.

(2) Special Waste Discharge Fee:

Due to the widely differing character of Special Wastes, the Discharge Fee shall vary, but, at a minimum, the Fee will be the sum of the Wastewater Service Charge as set forth by the Wastewater Nonresidential Rate Schedule plus the Extra Strength Surcharges as set forth in this rate schedule. In addition to those charges set forth in the aforementioned schedules, the Customer will be required to pay the cost to KUB of analyzing, or providing special handling for, the Customer's Special Waste, plus a reasonable charge for the impact that the Special Waste is expected to have on the KUB treatment facilities as determined by KUB. Bills under this section will be rendered upon completion of the discharge.

(C) Leachate Disposal Service:

Service under this rate shall be provided only after a customer executes a contract with KUB. Users who dispose of acceptable leachate at KUB's Wastewater Treatment Plant will be subject to a Special Waste Impact Charge of \$32.15 per 1,000 gallons per month.

(D) Operating Procedures

KUB shall establish operating procedures including such items as permit issuance, acceptable wastes, disposal locations, reporting and billing methods for the implementation of this rate schedule, which may be changed from time to time by KUB.

Rules and Regulations

Service is subject to Rules and Regulations of KUB.

Wastewater Sewer Improvement Charge Rate Schedule

(A) Applicable Charges - All properties connected or having access to the wastewater system shall be subject to a Sewer Improvement Charge which shall be determined as follows:

- (1) For all users not described in paragraph A (2), or A (3), the Sewer Improvement Charge shall be an amount equal to the Contribution in Aid of Construction determined in accordance with the provisions of Section 33-19 of the Rules and Regulations for the Wastewater Division that may from time to time be in effect. Any contribution in Aid of Construction that is assessed under Section 33-19 (b) of the Rules and Regulations on or after December 1, 1992 may, at the customer's option, be paid as a part of the customer's utility bill in monthly installments for a period not to exceed ten (10) years at an annual interest rate of nine percent (9%).
- (2) For all users that: (i) on December 1, 1992 are being assessed, or which properly should be assessed, a Sewer Improvement Charge under the terms of this rate schedule as it existed immediately prior to December 1, 1992 or, (ii) which are located in areas annexed into the corporate limits of the City of Knoxville pursuant to Ordinance No. 0-31-87, the Sewer Improvement Charge shall be calculated on multiples of a basic charge (the "Basic Charge"), which shall be Six Hundred Seventy -Five Dollars (\$675.00). At the customer's option, the Sewer Improvement Charge may be paid as a part of the customer's utility bill in monthly installments of Three and 25/100 dollars (\$3.25) for the three hundred sixty (360) months. Sewer Improvement Charges assessed under the terms of this paragraph A (2) shall be calculated as follows:
 - (a) Each user consisting of a single-family dwelling shall pay a Sewer Improvement Charge equal to the Basic Charge, regardless of area.
 - (b) Each multifamily, commercial or industrial user shall pay a Sewer Improvement Charge based on the greater of the following two calculations:
 - (i) Area/meter basis: The lesser of (a) the Basic charge times the square footage of the area of the property divided by 15,000 or (b) the Basic Charge times the following multiples based on meter size:

<u>Meter Size</u>	<u>Multiple</u>
5/8"	1
3/4"	1.5
1"	2.5
1 1/2"	5
2"	8
3"	15
4"	25
6"	50
8"	80
10"	120
12"	155

* If a user is served by more than one meter, the multiple used shall be the sum of the multiple computed on each meter.

(ii) Frontage Basis – the Basic Charge times the total frontage of the property measured in feet at the building line parallel to the street along which the property lies for the greater distance divided by 100.

(c) For service to users located entirely or partly outside the corporate limits of the City of Knoxville, the Sewer Improvement Charge imposed under this paragraph A (2) shall be one and one-half (1-1/2) times the above schedule of charges.

(d) Any user charged a Sewer Improvement Charge under this paragraph A (2) that reconnects to the Wastewater system on or after December 1, 1992 because of a change in the level or character of the user's wastewater service shall upon such reconnection be subject to the Sewer Improvement Charge calculated under paragraph A (1) hereof.

(3) For all property located in a Transfer Area, that is subject to a Fee Agreement, the user shall be subject to a Sewer Improvement Charge equal in amount to the payments that would have been owed under the Fee Agreement for the affected property, assuming the Fee Agreement remained in effect for its duration, adjusted in accordance with KUB's policies for any additional property users as permitted under the Fee Agreement, less a credit for any payments actually paid to KUB under the Fee Agreement. Except as otherwise provided herein, Sewer Improvement Charges assessed under this paragraph A (3) shall be paid on the same terms provided in the Fee Agreement for the affected property. As used herein" (i) the term "Transfer Area" shall mean an area: (a) that was previously provided wastewater service by a municipal utility (other than KUB) or a utility district, and (b) with respect to which KUB acquired or otherwise succeeded to the right to provide wastewater service; and (ii) the term "Fee Agreement" shall mean a contract or other agreement entered into between the owner or other user of a tract of property and a municipal utility

(other than KUB) or a utility district, by the terms of which the owner or other user of the property agrees to pay all or any part of the cost of extending wastewater lines and facilities to such property or otherwise making wastewater service available to such property.

- (B) Deferral of Payment – A Sewer Improvement Charge shall not be billed or collectible for any monthly billing for any period for which a wastewater service charge is not payable.
- (C) Prepayment – A customer who has elected to pay the Sewer Improvement Charge in monthly installments may thereafter prepay the balance of such charge in whole (but not in part) in an amount equal to the unamortized balance of the Sewer Improvement charge as of the date of such prepayment.
- (D) Installment Terms – A customer who has elected to pay the Sewer Improvement Charge in monthly installments pursuant to paragraph A (1) shall be obligated to make such payments at the rate of interest and length of payment period specified in this rate schedule as of the date of the customer's election, notwithstanding customer's right of prepayment.
- (E) Definitions – The defined terms in this rate schedule shall have the meanings given to them from time to time in the Rules and Regulations for Wastewater Division.

Rules and Regulations

Service is subject to Rules and Regulations of KUB.

Wastewater Wholesale Treatment Rate Schedule

Availability

Service under this schedule shall be available only to governmental entities, including Utility Districts, that deliver through their wastewater collection system all or portions of their wastewater flow to KUB facilities for treatment. Applicants under this schedule may be required to execute a contract specifying, among other things, a minimum bill and minimum term for service under this schedule.

Monthly Rates

Metered Flows	\$6.04 per Thousand Gallons
Unmetered Flows	\$6.88 per Thousand Gallons

For the purpose of determining billing volumes, metered flows are those flows metered at the point of delivery to KUB's collection system, pumping station or treatment facility; unmetered flows are those flows based upon the actual water use of the customers served by the collection system discharging to KUB's facilities, said water use being determined by the water meter readings furnished by the water service provider.

KUB may, at its sole discretion, bill wastewater using the same rates converted to a rate per Ccf for usage measured in Ccf: 1 Ccf equals 748 gallons.

Rules and Regulations

Service is subject to Rules and Regulations of KUB.

**RESOLUTION 1493
EXHIBIT K
RATE SCHEDULES OF THE WASTEWATER DIVISION
EFFECTIVE JULY 1, 2026**

Wastewater Residential Rate Schedule

Availability

Service under this rate schedule shall be available only to residential customers served individually through a separate meter or through a KUB-approved multiple meter configuration designed as a single billing point.

Rates

The Wastewater Service Charge shall be based on the customer's water meter size and monthly water usage with the following exceptions:

- 1) For customers whose wastewater discharge volumes are metered separately from their water usage, the metered wastewater discharge volumes will be used to calculate Commodity Charges under this schedule. The meter size used to calculate the Basic Service Charge under this schedule will be the equivalent water meter size as determined by KUB.
- 2) If neither the customer's water usage nor wastewater discharge volumes are metered, the average water usage and water meter size of comparable metered customers as determined by KUB will be used to calculate the charges under this schedule.

For meters greater than 5/8", the Customer Charges listed in the Wastewater Nonresidential Rate Schedule shall be utilized.

In the event more than one meter is utilized to determine billed consumption, multiple basic service charges may apply. Charges will apply without regard to ownership of the meter(s).

KUB may, at its sole discretion, bill wastewater using the same rates converted to a rate per gallon for usage measured in gallons: 1 Ccf equals 748 gallons.

Inside City Rates are applicable for wastewater services furnished to premises entirely within the corporate limits of the City of Knoxville. Outside City Rates are applicable for wastewater services furnished to premises entirely or partly outside the corporate limits of the City of Knoxville.

<u>Monthly Basic Service Charge</u>	<u>Inside City</u>	<u>Outside City</u>
5/8" meter	\$35.90	\$39.90
<u>Monthly Commodity Charge</u>	<u>Inside City</u>	<u>Outside City</u>
First 2 Ccf	\$3.20 per Ccf	\$3.50 per Ccf
Over 2 Ccf	\$11.40 per Ccf	\$12.55 per Ccf

Additional Charges

In addition to the wastewater service charge, users whose wastewater has strength characteristics in excess of normal domestic wastewater shall pay an Extra Strength Surcharge as set forth in the Wastewater Extra Strength Surcharge Rate Schedule. A Sewer Improvement Charge may also be payable as set forth in the Wastewater Sewer Improvement Charge Rate Schedule.

Rules and Regulations

Service is subject to Rules and Regulations of KUB.

Wastewater Nonresidential Rate Schedule

Availability

Service under this rate schedule shall be available to any commercial or industrial customer.

An existing customer or applicant for service under this schedule may be required to execute a contract specifying, among other things, a minimum bill and minimum term for service under this schedule.

Rates

The Wastewater Service Charge shall be calculated using the applicable rate tables provided below, based on the customer's water meter size and monthly water usage with the following exceptions:

- 1) For customers whose wastewater discharge volumes are metered separately from their water usage, the metered wastewater discharge volumes will be used to calculate Service Charges under this schedule. The meter size used to calculate the Additional Monthly Charge under this schedule will be the largest equivalent water meter size as determined by KUB.
- 2) If neither the customer's water usage nor wastewater discharge volumes are metered, the average water usage and water meter size of comparable metered customers as determined by KUB will be used to calculate the charges under this schedule.

In the event more than one meter is utilized to determine billed consumption, multiple customer charges may apply. Charges will apply without regard to ownership of the meter(s).

KUB may, at its sole discretion, bill wastewater using the same rates converted to a rate per gallon for usage measured in gallons: 1 Ccf equals 748 gallons.

Inside City Rates are for wastewater service provided to premises entirely within the corporate limits of the City of Knoxville. Outside City Rates are for wastewater service provided to premises entirely or partly outside the corporate limits of the City of Knoxville.

<u>Monthly Customer Charge</u>	<u>Inside City</u>	<u>Outside City Industrial Park</u>
5/8" meter	\$ 36.00	\$ 40.00
1" meter	\$ 58.00	\$ 65.00
1½" meter	\$ 77.00	\$ 85.00
2" meter	\$ 111.00	\$ 122.00
3" meter	\$ 207.00	\$ 228.00
4" meter	\$ 337.00	\$ 370.00
6" meter	\$ 704.00	\$ 780.00
8" meter	\$1,230.00	\$1,350.00
10" meter	\$1,870.00	\$2,060.00
12" meter	\$3,250.00	\$3,560.00

<u>Monthly Commodity Charge</u>	<u>Inside City</u>	<u>Outside City Industrial Park</u>
First 2 Ccf	\$ 4.15 per Ccf	\$ 4.55 per Ccf
Next 8 Ccf	\$13.15 per Ccf	\$14.45 per Ccf
Next 90 Ccf	\$13.00 per Ccf	\$14.40 per Ccf
Next 300 Ccf	\$11.60 per Ccf	\$12.85 per Ccf
Next 4,600 Ccf	\$ 9.40 per Ccf	\$10.35 per Ccf
Over 5,000 Ccf	\$ 5.60 per Ccf	\$ 6.10 per Ccf

Rules and Regulations

Service is subject to Rules and Regulations of KUB.

Wastewater Extra Strength Surcharge Rate Schedule

Applicability

For user whose discharge of wastewater contains a quantity of BOD in excess of 2,000 pounds per million gallons (240 mg/l), and a quantity of suspended solids in excess of 2,500 pounds per million gallons (300 mg/l), an additional charge, based on the following schedule, shall be applied to the excess contribution, as determined by laboratory analysis of the user's discharge. This Extra Strength Surcharge is in addition to all other charges that may be applicable under KUB's wastewater rate schedules.

Monthly Rates

BOD	\$35.30 per hundred pounds of excess
Suspended Solids	\$33.75 per hundred pounds of excess

Rules and Regulations

Service is subject to Rules and Regulations of KUB.

Wastewater Hauled Waste and Special Waste Charges Rate Schedule

(A) Domestic Waste (Commercial Waste Disposal)

For users engaged in the business of cleaning wastewater and wastewater residues from septic tanks and other private disposal systems, a domestic waste discharge permit is required and certain fees and charges are assessed against those users.

(1) Annual Access Fee:

The annual access fee for the use of KUB's disposal facilities shall be \$105.00 per fiscal year, per permitted vehicle. The full fee shall be payable for any fraction of the fiscal year. Bills under this section will be rendered annually at the beginning of KUB's fiscal year or such later time during the fiscal year that service is commenced.

(2) Domestic Waste Discharge Rate:

Each load of Domestic Waste discharged to KUB's facilities shall be subject to a Discharge Rate of \$122.69 per 1,000 gallons per month.

(B) Special Waste

For users who dispose of any other waste from any tank, pond, pit or other source into the KUB system, a special waste discharge permit is required, and the following fees and charges will be assessed against those users.

(1) Special Waste Discharge Permit Application Fee:

A special Wastewater Discharge Permit must be obtained before any Special Waste may be discharged into KUB's facilities. The application fee for such permit is \$80.00. The application fee is non-refundable and is applicable whether or not the application is approved or the permit issued. The fee must be paid prior to discharge.

(2) Special Waste Discharge Fee:

Due to the widely differing character of Special Wastes, the Discharge Fee shall vary, but, at a minimum, the Fee will be the sum of the Wastewater Service Charge as set forth by the Wastewater Nonresidential Rate Schedule plus the Extra Strength Surcharges as set forth in this rate schedule. In addition to those charges set forth in the aforementioned schedules, the Customer will be required to pay the cost to KUB of analyzing, or providing special handling for, the Customer's Special Waste, plus a reasonable charge for the impact that the Special Waste is expected to have on the KUB treatment facilities as determined by KUB. Bills under this section will be rendered upon completion of the discharge.

(C) Leachate Disposal Service:

Service under this rate shall be provided only after a customer executes a contract with KUB. Users who dispose of acceptable leachate at KUB's Wastewater Treatment Plant will be subject to a Special Waste Impact Charge of \$33.11 per 1,000 gallons per month.

(D) Operating Procedures

KUB shall establish operating procedures including such items as permit issuance, acceptable wastes, disposal locations, reporting and billing methods for the implementation of this rate schedule, which may be changed from time to time by KUB.

Rules and Regulations

Service is subject to Rules and Regulations of KUB.

Wastewater Sewer Improvement Charge Rate Schedule

(A) Applicable Charges - All properties connected or having access to the wastewater system shall be subject to a Sewer Improvement Charge which shall be determined as follows:

- (1) For all users not described in paragraph A (2), or A (3), the Sewer Improvement Charge shall be an amount equal to the Contribution in Aid of Construction determined in accordance with the provisions of Section 33-19 of the Rules and Regulations for the Wastewater Division that may from time to time be in effect. Any contribution in Aid of Construction that is assessed under Section 33-19 (b) of the Rules and Regulations on or after December 1, 1992 may, at the customer's option, be paid as a part of the customer's utility bill in monthly installments for a period not to exceed ten (10) years at an annual interest rate of nine percent (9%).
- (2) For all users that: (i) on December 1, 1992 are being assessed, or which properly should be assessed, a Sewer Improvement Charge under the terms of this rate schedule as it existed immediately prior to December 1, 1992 or, (ii) which are located in areas annexed into the corporate limits of the City of Knoxville pursuant to Ordinance No. 0-31-87, the Sewer Improvement Charge shall be calculated on multiples of a basic charge (the "Basic Charge"), which shall be Six Hundred Seventy -Five Dollars (\$675.00). At the customer's option, the Sewer Improvement Charge may be paid as a part of the customer's utility bill in monthly installments of Three and 25/100 dollars (\$3.25) for the three hundred sixty (360) months. Sewer Improvement Charges assessed under the terms of this paragraph A (2) shall be calculated as follows:
 - (a) Each user consisting of a single-family dwelling shall pay a Sewer Improvement Charge equal to the Basic Charge, regardless of area.
 - (b) Each multifamily, commercial or industrial user shall pay a Sewer Improvement Charge based on the greater of the following two calculations:
 - (i) Area/meter basis: The lesser of (a) the Basic charge times the square footage of the area of the property divided by 15,000 or (b) the Basic Charge times the following multiples based on meter size:

<u>Meter Size</u>	<u>Multiple</u>
5/8"	1
3/4"	1.5
1"	2.5
1 1/2"	5
2"	8
3"	15
4"	25
6"	50
8"	80
10"	120
12"	155

* If a user is served by more than one meter, the multiple used shall be the sum of the multiple computed on each meter.

(ii) Frontage Basis – the Basic Charge times the total frontage of the property measured in feet at the building line parallel to the street along which the property lies for the greater distance divided by 100.

(c) For service to users located entirely or partly outside the corporate limits of the City of Knoxville, the Sewer Improvement Charge imposed under this paragraph A (2) shall be one and one-half (1-1/2) times the above schedule of charges.

(d) Any user charged a Sewer Improvement Charge under this paragraph A (2) that reconnects to the Wastewater system on or after December 1, 1992 because of a change in the level or character of the user's wastewater service shall upon such reconnection be subject to the Sewer Improvement Charge calculated under paragraph A (1) hereof.

(3) For all property located in a Transfer Area, that is subject to a Fee Agreement, the user shall be subject to a Sewer Improvement Charge equal in amount to the payments that would have been owed under the Fee Agreement for the affected property, assuming the Fee Agreement remained in effect for its duration, adjusted in accordance with KUB's policies for any additional property users as permitted under the Fee Agreement, less a credit for any payments actually paid to KUB under the Fee Agreement. Except as otherwise provided herein, Sewer Improvement Charges assessed under this paragraph A (3) shall be paid on the same terms provided in the Fee Agreement for the affected property. As used herein" (i) the term "Transfer Area" shall mean an area: (a) that was previously provided wastewater service by a municipal utility (other than KUB) or a utility district, and (b) with respect to which KUB acquired or otherwise succeeded to the right to provide wastewater service; and (ii) the term "Fee Agreement" shall mean a contract or other agreement entered into between the owner or other user of a tract of property and a municipal utility

(other than KUB) or a utility district, by the terms of which the owner or other user of the property agrees to pay all or any part of the cost of extending wastewater lines and facilities to such property or otherwise making wastewater service available to such property.

- (B) Deferral of Payment – A Sewer Improvement Charge shall not be billed or collectible for any monthly billing for any period for which a wastewater service charge is not payable.
- (C) Prepayment – A customer who has elected to pay the Sewer Improvement Charge in monthly installments may thereafter prepay the balance of such charge in whole (but not in part) in an amount equal to the unamortized balance of the Sewer Improvement charge as of the date of such prepayment.
- (D) Installment Terms – A customer who has elected to pay the Sewer Improvement Charge in monthly installments pursuant to paragraph A (1) shall be obligated to make such payments at the rate of interest and length of payment period specified in this rate schedule as of the date of the customer's election, notwithstanding customer's right of prepayment.
- (E) Definitions – The defined terms in this rate schedule shall have the meanings given to them from time to time in the Rules and Regulations for Wastewater Division.

Rules and Regulations

Service is subject to Rules and Regulations of KUB.

Wastewater Wholesale Treatment Rate Schedule

Availability

Service under this schedule shall be available only to governmental entities, including Utility Districts, that deliver through their wastewater collection system all or portions of their wastewater flow to KUB facilities for treatment. Applicants under this schedule may be required to execute a contract specifying, among other things, a minimum bill and minimum term for service under this schedule.

Monthly Rates

Metered Flows	\$6.34 per Thousand Gallons
Unmetered Flows	\$7.22 per Thousand Gallons

For the purpose of determining billing volumes, metered flows are those flows metered at the point of delivery to KUB's collection system, pumping station or treatment facility; unmetered flows are those flows based upon the actual water use of the customers served by the collection system discharging to KUB's facilities, said water use being determined by the water meter readings furnished by the water service provider.

KUB may, at its sole discretion, bill wastewater using the same rates converted to a rate per Ccf for usage measured in Ccf: 1 Ccf equals 748 gallons.

Rules and Regulations

Service is subject to Rules and Regulations of KUB.

**RESOLUTION 1493
EXHIBIT L
RATE SCHEDULES OF THE WASTEWATER DIVISION
EFFECTIVE JULY 1, 2027**

Wastewater Residential Rate Schedule

Availability

Service under this rate schedule shall be available only to residential customers served individually through a separate meter or through a KUB-approved multiple meter configuration designed as a single billing point.

Rates

The Wastewater Service Charge shall be based on the customer's water meter size and monthly water usage with the following exceptions:

- 1) For customers whose wastewater discharge volumes are metered separately from their water usage, the metered wastewater discharge volumes will be used to calculate Commodity Charges under this schedule. The meter size used to calculate the Basic Service Charge under this schedule will be the equivalent water meter size as determined by KUB.
- 2) If neither the customer's water usage nor wastewater discharge volumes are metered, the average water usage and water meter size of comparable metered customers as determined by KUB will be used to calculate the charges under this schedule.

For meters greater than 5/8", the Customer Charges listed in the Wastewater Nonresidential Rate Schedule shall be utilized.

In the event more than one meter is utilized to determine billed consumption, multiple basic service charges may apply. Charges will apply without regard to ownership of the meter(s).

KUB may, at its sole discretion, bill wastewater using the same rates converted to a rate per gallon for usage measured in gallons: 1 Ccf equals 748 gallons.

Inside City Rates are applicable for wastewater services furnished to premises entirely within the corporate limits of the City of Knoxville. Outside City Rates are applicable for wastewater services furnished to premises entirely or partly outside the corporate limits of the City of Knoxville.

<u>Monthly Basic Service Charge</u>	<u>Inside City</u>	<u>Outside City</u>
5/8" meter	\$35.90	\$39.90
<u>Monthly Commodity Charge</u>	<u>Inside City</u>	<u>Outside City</u>
First 2 Ccf	\$3.60 per Ccf	\$3.90 per Ccf
Over 2 Ccf	\$11.65 per Ccf	\$12.85 per Ccf

Additional Charges

In addition to the wastewater service charge, users whose wastewater has strength characteristics in excess of normal domestic wastewater shall pay an Extra Strength Surcharge as set forth in the Wastewater Extra Strength Surcharge Rate Schedule. A Sewer Improvement Charge may also be payable as set forth in the Wastewater Sewer Improvement Charge Rate Schedule.

Rules and Regulations

Service is subject to Rules and Regulations of KUB.

Wastewater Nonresidential Rate Schedule

Availability

Service under this rate schedule shall be available to any commercial or industrial customer.

An existing customer or applicant for service under this schedule may be required to execute a contract specifying, among other things, a minimum bill and minimum term for service under this schedule.

Rates

The Wastewater Service Charge shall be calculated using the applicable rate tables provided below, based on the customer's water meter size and monthly water usage with the following exceptions:

- 1) For customers whose wastewater discharge volumes are metered separately from their water usage, the metered wastewater discharge volumes will be used to calculate Service Charges under this schedule. The meter size used to calculate the Additional Monthly Charge under this schedule will be the largest equivalent water meter size as determined by KUB.
- 2) If neither the customer's water usage nor wastewater discharge volumes are metered, the average water usage and water meter size of comparable metered customers as determined by KUB will be used to calculate the charges under this schedule.

In the event more than one meter is utilized to determine billed consumption, multiple customer charges may apply. Charges will apply without regard to ownership of the meter(s).

KUB may, at its sole discretion, bill wastewater using the same rates converted to a rate per gallon for usage measured in gallons: 1 Ccf equals 748 gallons.

Inside City Rates are for wastewater service provided to premises entirely within the corporate limits of the City of Knoxville. Outside City Rates are for wastewater service provided to premises entirely or partly outside the corporate limits of the City of Knoxville.

<u>Monthly Customer Charge</u>	<u>Inside City</u>	<u>Outside City Industrial Park</u>
5/8" meter	\$ 36.00	\$ 40.00
1" meter	\$ 60.00	\$ 66.00
1½" meter	\$ 80.00	\$ 88.00
2" meter	\$ 115.00	\$ 126.00
3" meter	\$ 215.00	\$ 236.00
4" meter	\$ 350.00	\$ 385.00
6" meter	\$ 730.00	\$ 805.00
8" meter	\$1,280.00	\$1,405.00
10" meter	\$1,940.00	\$2,140.00
12" meter	\$3,525.00	\$3,860.00

<u>Monthly Commodity Charge</u>	<u>Inside City</u>	<u>Outside City Industrial Park</u>
First 2 Ccf	\$ 4.20 per Ccf	\$ 4.60 per Ccf
Next 8 Ccf	\$13.25 per Ccf	\$14.55 per Ccf
Next 90 Ccf	\$13.25 per Ccf	\$14.55 per Ccf
Next 300 Ccf	\$11.80 per Ccf	\$12.95 per Ccf
Next 4,600 Ccf	\$ 9.55 per Ccf	\$10.45 per Ccf
Over 5,000 Ccf	\$ 5.65 per Ccf	\$ 6.20 per Ccf

Rules and Regulations

Service is subject to Rules and Regulations of KUB.

Wastewater Extra Strength Surcharge Rate Schedule

Applicability

For user whose discharge of wastewater contains a quantity of BOD in excess of 2,000 pounds per million gallons (240 mg/l), and a quantity of suspended solids in excess of 2,500 pounds per million gallons (300 mg/l), an additional charge, based on the following schedule, shall be applied to the excess contribution, as determined by laboratory analysis of the user's discharge. This Extra Strength Surcharge is in addition to all other charges that may be applicable under KUB's wastewater rate schedules.

Monthly Rates

BOD	\$44.10 per hundred pounds of excess
Suspended Solids	\$42.25 per hundred pounds of excess

Rules and Regulations

Service is subject to Rules and Regulations of KUB.

Wastewater Hauled Waste and Special Waste Charges Rate Schedule

(A) Domestic Waste (Commercial Waste Disposal)

For users engaged in the business of cleaning wastewater and wastewater residues from septic tanks and other private disposal systems, a domestic waste discharge permit is required and certain fees and charges are assessed against those users.

(1) Annual Access Fee:

The annual access fee for the use of KUB's disposal facilities shall be \$110.00 per fiscal year, per permitted vehicle. The full fee shall be payable for any fraction of the fiscal year. Bills under this section will be rendered annually at the beginning of KUB's fiscal year or such later time during the fiscal year that service is commenced.

(2) Domestic Waste Discharge Rate:

Each load of Domestic Waste discharged to KUB's facilities shall be subject to a Discharge Rate of \$126.37 per 1,000 gallons per month.

(B) Special Waste

For users who dispose of any other waste from any tank, pond, pit or other source into the KUB system, a special waste discharge permit is required, and the following fees and charges will be assessed against those users.

(1) Special Waste Discharge Permit Application Fee:

A special Wastewater Discharge Permit must be obtained before any Special Waste may be discharged into KUB's facilities. The application fee for such permit is \$80.00. The application fee is non-refundable and is applicable whether or not the application is approved or the permit issued. The fee must be paid prior to discharge.

(2) Special Waste Discharge Fee:

Due to the widely differing character of Special Wastes, the Discharge Fee shall vary, but, at a minimum, the Fee will be the sum of the Wastewater Service Charge as set forth by the Wastewater Nonresidential Rate Schedule plus the Extra Strength Surcharges as set forth in this rate schedule. In addition to those charges set forth in the aforementioned schedules, the Customer will be required to pay the cost to KUB of analyzing, or providing special handling for, the Customer's Special Waste, plus a reasonable charge for the impact that the Special Waste is expected to have on the KUB treatment facilities as determined by KUB. Bills under this section will be rendered upon completion of the discharge.

(C) Leachate Disposal Service:

Service under this rate shall be provided only after a customer executes a contract with KUB. Users who dispose of acceptable leachate at KUB's Wastewater Treatment Plant will be subject to a Special Waste Impact Charge of \$34.10 per 1,000 gallons per month.

(D) Operating Procedures

KUB shall establish operating procedures including such items as permit issuance, acceptable wastes, disposal locations, reporting and billing methods for the implementation of this rate schedule, which may be changed from time to time by KUB.

Rules and Regulations

Service is subject to Rules and Regulations of KUB.

Wastewater Sewer Improvement Charge Rate Schedule

(A) Applicable Charges - All properties connected or having access to the wastewater system shall be subject to a Sewer Improvement Charge which shall be determined as follows:

- (1) For all users not described in paragraph A (2), or A (3), the Sewer Improvement Charge shall be an amount equal to the Contribution in Aid of Construction determined in accordance with the provisions of Section 33-19 of the Rules and Regulations for the Wastewater Division that may from time to time be in effect. Any contribution in Aid of Construction that is assessed under Section 33-19 (b) of the Rules and Regulations on or after December 1, 1992 may, at the customer's option, be paid as a part of the customer's utility bill in monthly installments for a period not to exceed ten (10) years at an annual interest rate of nine percent (9%).
- (2) For all users that: (i) on December 1, 1992 are being assessed, or which properly should be assessed, a Sewer Improvement Charge under the terms of this rate schedule as it existed immediately prior to December 1, 1992 or, (ii) which are located in areas annexed into the corporate limits of the City of Knoxville pursuant to Ordinance No. 0-31-87, the Sewer Improvement Charge shall be calculated on multiples of a basic charge (the "Basic Charge"), which shall be Six Hundred Seventy -Five Dollars (\$675.00). At the customer's option, the Sewer Improvement Charge may be paid as a part of the customer's utility bill in monthly installments of Three and 25/100 dollars (\$3.25) for the three hundred sixty (360) months. Sewer Improvement Charges assessed under the terms of this paragraph A (2) shall be calculated as follows:
 - (a) Each user consisting of a single-family dwelling shall pay a Sewer Improvement Charge equal to the Basic Charge, regardless of area.
 - (b) Each multifamily, commercial or industrial user shall pay a Sewer Improvement Charge based on the greater of the following two calculations:
 - (i) Area/meter basis: The lesser of (a) the Basic charge times the square footage of the area of the property divided by 15,000 or (b) the Basic Charge times the following multiples based on meter size:

<u>Meter Size</u>	<u>Multiple</u>
5/8" 1
3/4"	1.5
1"	2.5
1 1/2"	5
2"	8
3"	15
4"	25
6"	50
8"	80
10"	120
12"	155

* If a user is served by more than one meter, the multiple used shall be the sum of the multiple computed on each meter.

(ii) Frontage Basis – the Basic Charge times the total frontage of the property measured in feet at the building line parallel to the street along which the property lies for the greater distance divided by 100.

(c) For service to users located entirely or partly outside the corporate limits of the City of Knoxville, the Sewer Improvement Charge imposed under this paragraph A (2) shall be one and one-half (1-1/2) times the above schedule of charges.

(d) Any user charged a Sewer Improvement Charge under this paragraph A (2) that reconnects to the Wastewater system on or after December 1, 1992 because of a change in the level or character of the user's wastewater service shall upon such reconnection be subject to the Sewer Improvement Charge calculated under paragraph A (1) hereof.

(3) For all property located in a Transfer Area, that is subject to a Fee Agreement, the user shall be subject to a Sewer Improvement Charge equal in amount to the payments that would have been owed under the Fee Agreement for the affected property, assuming the Fee Agreement remained in effect for its duration, adjusted in accordance with KUB's policies for any additional property users as permitted under the Fee Agreement, less a credit for any payments actually paid to KUB under the Fee Agreement. Except as otherwise provided herein, Sewer Improvement Charges assessed under this paragraph A (3) shall be paid on the same terms provided in the Fee Agreement for the affected property. As used herein" (i) the term "Transfer Area" shall mean an area: (a) that was previously provided wastewater service by a municipal utility (other than KUB) or a utility district, and (b) with respect to which KUB acquired or otherwise succeeded to the right to provide wastewater service; and (ii) the term "Fee Agreement" shall mean a contract or other agreement entered into between the owner or other user of a tract of property and a municipal utility

(other than KUB) or a utility district, by the terms of which the owner or other user of the property agrees to pay all or any part of the cost of extending wastewater lines and facilities to such property or otherwise making wastewater service available to such property.

- (B) Deferral of Payment – A Sewer Improvement Charge shall not be billed or collectible for any monthly billing for any period for which a wastewater service charge is not payable.
- (C) Prepayment – A customer who has elected to pay the Sewer Improvement Charge in monthly installments may thereafter prepay the balance of such charge in whole (but not in part) in an amount equal to the unamortized balance of the Sewer Improvement charge as of the date of such prepayment.
- (D) Installment Terms – A customer who has elected to pay the Sewer Improvement Charge in monthly installments pursuant to paragraph A (1) shall be obligated to make such payments at the rate of interest and length of payment period specified in this rate schedule as of the date of the customer's election, notwithstanding customer's right of prepayment.
- (E) Definitions – The defined terms in this rate schedule shall have the meanings given to them from time to time in the Rules and Regulations for Wastewater Division.

Rules and Regulations

Service is subject to Rules and Regulations of KUB.

Wastewater Wholesale Treatment Rate Schedule

Availability

Service under this schedule shall be available only to governmental entities, including Utility Districts, that deliver through their wastewater collection system all or portions of their wastewater flow to KUB facilities for treatment. Applicants under this schedule may be required to execute a contract specifying, among other things, a minimum bill and minimum term for service under this schedule.

Monthly Rates

Metered Flows	\$6.65 per Thousand Gallons
Unmetered Flows	\$7.58 per Thousand Gallons

For the purpose of determining billing volumes, metered flows are those flows metered at the point of delivery to KUB's collection system, pumping station or treatment facility; unmetered flows are those flows based upon the actual water use of the customers served by the collection system discharging to KUB's facilities, said water use being determined by the water meter readings furnished by the water service provider.

KUB may, at its sole discretion, bill wastewater using the same rates converted to a rate per Ccf for usage measured in Ccf: 1 Ccf equals 748 gallons.

Rules and Regulations

Service is subject to Rules and Regulations of KUB.

**Knoxville Utilities Board
Board Meeting Minutes
Thursday, May 16, 2024 Noon**

Call to Order

The Knoxville Utilities Board met in regular session in the Larry A. Fleming Board Room at 445 S. Gay Street, on Thursday, May 16, 2024, pursuant to the public notice published in the January 6, 2024, edition of the *News Sentinel*. Chair Simpson-Brown called the meeting to order at 12:00 p.m.

Roll Call

Commissioners Present: Claudia Caballero, Ron Feinbaum, Cynthia Gibson, Kathy Hamilton, Dr. Craig Pickett, Jr., and Adrienne Simpson-Brown.

Commissioner Absent: Celeste Herbert

Approval of Minutes

Upon a motion by Commissioner Feinbaum and a second by Commissioner Hamilton, the April 18, 2024 Board meeting minutes were approved by a roll call vote. The following Commissioners voted “aye”: Caballero, Feinbaum, Gibson, Hamilton, Pickett, Jr., and Simpson-Brown. No Commissioner voted “nay”.

Old Business

None

New Business

Resolution 1487 – A Resolution Amending the Existing Purchased Power Adjustment of the Electric Division, as Previously Established by Resolution No. 1065, as Heretofore Amended, to Address Changes to Wholesale Power Supply Costs Arising from Participation in the Tennessee Valley Authority’s Power Supply Expanded Flexibility Program

Resolution 1488 – A Resolution Amending the Existing Rate Schedules of the Electric Division, as Previously Established by Resolution 1060, as Heretofore Amended, Providing for an Electric Vehicle Charging Pump (EVCP) Rate

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Resolution 1489 – A Resolution Authorizing Participation in the Tennessee Valley Authority’s PowerFlex Program and Amending the Existing Rate Schedules of the Electric Division, as Previously Established by Resolution 1060, as Heretofore Amended, Providing for a PowerFlex Rate Schedule

President Gabriel Bolas recognized Anna Hagerty, an Analyst in Rates and Analytical Services, to present three resolutions related to changes to supply costs from participation in TVA’s Power Supply Flexibility Program, establishing a rate for KUB’s new public EV chargers, and participation in TVA’s PowerFlex Program .

President Bolas recommended adoption of Resolutions 1487, 1488, and 1489 on first reading. His written recommendation is included in Attachment 1.

Upon a motion by Commissioner Gibson and a second by Commissioner Caballero, Resolution 1487 (*Attachment 1*) was adopted by a roll call vote on first reading. The following Commissioners voted “aye”: Caballero, Feinbaum, Gibson, Hamilton, Pickett, Jr., and Simpson-Brown. No Commissioner voted “nay”.

Upon a motion by Commissioner Feinbaum and a second by Commissioner Gibson, Resolution 1488 (*Attachment 2*) was adopted by a roll call vote on first reading. The following Commissioners voted “aye”: Caballero, Feinbaum, Gibson, Hamilton, Pickett, Jr., and Simpson-Brown. No Commissioner voted “nay”.

Upon a motion by Commissioner Hamilton and a second by Commissioner Feinbaum, Resolution 1489 (*Attachment 3*) was adopted by a roll call vote on first reading. The following Commissioners voted “aye”: Caballero, Feinbaum, Gibson, Hamilton, Pickett, Jr., and Simpson-Brown. No Commissioner voted “nay”.

Resolution 1490 – A Resolution to Amend Resolution No. 1478, the Caption of Which is as Follows: “A Resolution Making and Fixing the Annual Budget Appropriations of the Knoxville Utilities Board from the Funds of the Electric Division, the Gas Division, the Water Division, the Wastewater Division, and the Fiber Division for the Fiscal Year Beginning July 1, 2023, Providing for Expenditures Paid for the Period Beginning July 1, 2023, and Ending June 30, 2024”

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Resolution 1491 – A Resolution Requesting the Council of the City of Knoxville, Tennessee to Provide for the Issuance of Not to Exceed Ninety-One Million and No/100 Dollars (\$91,000,000) In Aggregate Principal Amount of Electric System Revenue Bonds, Series QQ-2024; and Issuance of Not to Exceed Twenty Million and No/100 Dollars (\$20,000,000) In Aggregate Principal Amount of Water System Revenue Bonds, Series OO-2024

Resolution 1492 – A Resolution Authorizing the Issuance of Not to Exceed Twenty Million Dollars (\$20,000,000) In Aggregate Principal Amount of Gas System Revenue Anticipation Notes (Nonrevolving Line Of Credit) of the Knoxville Utilities Board in Anticipation of the Collection of Revenues of the Natural Gas Distribution System of the City of Knoxville for the Purpose of Paying the Cost of Natural Gas Purchases and Storage and Pipeline Capacity

Resolution 1493 – A Resolution Replacing the Existing Rate Schedules of the Electric Division, Gas Division, Water Division, and Wastewater Division as Previously Established by Resolution 1060 as Heretofore Amended

This Resolution Will Replace the Existing Rate Schedules of the Electric Division By Amending Section 1 of Resolution No. 1060, Providing for an Increase in Electric Rates Effective April 1, 2025, an Increase in Electric Rates Effective April 1, 2026, and an Increase in Electric Rates Effective April 1, 2027

This Resolution Will Replace the Existing Rate Schedules of the Gas Division By Amending Section 2 of Resolution No. 1060, Providing for an Increase in Gas Rates Effective October 1, 2024, an Increase in Gas Rates Effective October 1, 2025, and an Increase in Gas Rates Effective October 1, 2026

This Resolution Will Replace the Existing Rate Schedules of the Water Division By Amending Section 3 of Resolution No. 1060, Providing for an Increase in Water Rates Effective July 1, 2025, an Increase in Water Rates Effective July 1, 2026, and an Increase in Water Rates Effective July 1, 2027

This Resolution Will Replace the Existing Rate Schedules of the Wastewater Division By Amending Section 4 of Resolution No. 1060, Providing for an Increase in Wastewater Rates Effective July 1, 2025, an Increase in Wastewater Rates Effective July 1, 2026, and an Increase in Wastewater Rates Effective July 1, 2027

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Resolution 1494 – A Resolution Making and Fixing the Annual Budget Appropriations of the Knoxville Utilities Board from the Funds of the Electric Division, the Gas Division, the Water Division, the Wastewater Division, and the Fiber Division for the Fiscal Year Beginning July 1, 2024, Providing for Expenditures Paid for the Period Beginning July 1, 2024, and Ending June 30, 2025

Resolution 1495 – A Resolution Approving Commitment Appropriations for the Fiscal Year Beginning July 1, 2024, Thereby Authorizing the Commitment of Expenditures to be Paid Subsequent to June 30, 2025, for Contractual Commitments Executed and Other Obligations Incurred on or Before June 30, 2025

President Bolas advised the Board there have been previous discussions regarding KUB's long-range plan, rate considerations in light of inflationary pressures, and KUB's proposed budget for fiscal year 2025. He recognized Mark Walker, Senior Vice President and Chief Financial Officer, to review an amendment to the current fiscal year budget, then present proposed fiscal year 2025 appropriations and funding recommendations, which are in line with information discussed at last month's workshop. Mr. Walker began by reviewing the proposed fiscal year 2024 budget amendment needed for the Wastewater Division.

He then reviewed the proposed budget for fiscal year 2025 and funding of the proposed budget. The proposed total budget appropriations for fiscal year 2025 are \$1.2 billion, including \$793.4 million for the Electric Division, \$134.9 million for the Gas Division, \$119.6 million for the Water Division, \$127.3 million for the Wastewater Division, and \$28.4 million for the Fiber Division. He also reviewed the major cost components of the proposed \$1.2 billion budget and advised the Board the proposed budget will be funded by \$1,050 billion in system revenues, \$111 million in bond proceeds, \$11 million in general fund cash, \$20 million in grants, and a \$11 million interdivisional loan from the Electric Division to the Fiber Division.

Mr. Walker next reviewed the request for the issuance of up to \$91 million in new electric bonds and up to \$20 million in new water bonds. He then reviewed the request for the issuance of a gas system revenue anticipation note of up to \$20 million to fund purchased gas costs for fiscal year 2025 to address seasonality of cash flows for the Gas Division.

Mr. Walker then reviewed a series of three annual rate increases for electric, gas, water, and wastewater. He advised the increases will be applied solely to usage rates for residential customers, with no increases in residential basic service charges. Impacts to business customers will vary based on rate classification and monthly usage.

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Lastly, Mr. Walker reviewed the request for commitment appropriations for fiscal year 2025, authorizing the commitment of expenditures for each division subsequent to June 30, 2025.

President Bolas recommended adoption of Resolutions 1490, 1491, 1492, 1494, and 1495 on first and final reading and Resolution 1493 on first reading. His written recommendation is included in Attachment 1.

Upon a motion by Commissioner Feinbaum and a second by Commissioner Gibson, Resolution 1490 (*Attachment 4*) was adopted by a roll call vote on first and final reading. The following Commissioners voted "aye": Caballero, Feinbaum, Gibson, Hamilton, Pickett, Jr., and Simpson-Brown. No Commissioner voted "nay".

Upon a motion by Commissioner Hamilton and a second by Commissioner Caballero, Resolution 1491 (*Attachment 5*) was adopted by a roll call vote on first and final reading. The following Commissioners voted "aye": Caballero, Feinbaum, Gibson, Hamilton, Pickett, Jr., and Simpson-Brown. No Commissioner voted "nay".

Upon a motion by Commissioner Caballero and a second by Commissioner Gibson, Resolution 1492 (*Attachment 6*) was adopted by a roll call vote on first and final reading. The following Commissioners voted "aye": Caballero, Feinbaum, Gibson, Hamilton, Pickett, Jr., and Simpson-Brown. No Commissioner voted "nay".

Upon a motion by Commissioner Hamilton and a second by Commissioner Feinbaum, Resolution 1493 (*Attachment 7*) was adopted by a roll call vote on first reading. The following Commissioners voted "aye": Caballero, Feinbaum, Gibson, Hamilton, Pickett, Jr., and Simpson-Brown. No Commissioner voted "nay".

Upon a motion by Commissioner Gibson and a second by Commissioner Feinbaum, Resolution 1494 (*Attachment 8*) was adopted by a roll call vote on first and final reading. The following Commissioners voted "aye": Caballero, Feinbaum, Gibson, Hamilton, Pickett, Jr., and Simpson-Brown. No Commissioner voted "nay".

Upon a motion by Commissioner Hamilton and a second by Commissioner Feinbaum, Resolution 1495 (*Attachment 9*) was adopted by a roll call vote on first and final reading. The following Commissioners voted "aye": Caballero, Feinbaum, Gibson, Hamilton, Pickett, Jr., and Simpson-Brown. No Commissioner voted "nay".

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President's Report

Fiscal Year 2025 Financial and Organizational Metrics

President Bolas recognized Commissioner Hamilton who advised the Board that the Audit and Finance Committee met on May 2, 2024 and adopted fiscal year 2025 financial and organizational metrics. She introduced Chris Hood, Vice President of Finance, to share an overview of those metrics with the full board.

Other Business

None

Public Comment

None

Adjournment

There being nothing further to come before the Board, Chair Simpson-Brown declared the Board meeting adjourned at 1:02 p.m.

Adrienne Simpson-Brown, Chair

Mark Walker, Board Secretary

Attachments

		<u>Page(s)</u>
Attachment 1	Recommendation Letter and Resolution 1487 – A Resolution Amending the Existing Purchased Power Adjustment of the Electric Division, as Previously Established by Resolution No. 1065, as Heretofore Amended, to Address Changes to Wholesale Power Supply Costs Arising from Participation in the Tennessee Valley Authority’s Power Supply Expanded Flexibility Program	12166 – 12184
Attachment 2	Resolution 1488 – A Resolution Amending the Existing Rate Schedules of the Electric Division, as Previously Established by Resolution 1060, as Heretofore Amended, Providing for an Electric Vehicle Charging Pump (EVCP) Rate	12185 – 12188
Attachment 3	Resolution 1489 – A Resolution Authorizing Participation in the Tennessee Valley Authority’s PowerFlex Program and Amending the Existing Rate Schedules of the Electric Division, as Previously Established by Resolution 1060, as Heretofore Amended, Providing for a PowerFlex Rate Schedule	12189 – 12192
Attachment 4	Resolution 1490 – A Resolution to Amend Resolution No. 1478, the Caption of Which is as Follows: “A Resolution Making and Fixing the Annual Budget Appropriations of the Knoxville Utilities Board from the Funds of the Electric Division, the Gas Division, the Water Division, the Wastewater Division, and the Fiber Division for the Fiscal Year Beginning July 1, 2023, Providing for Expenditures Paid for the Period Beginning July 1, 2023, and Ending June 30, 2024”	12193 – 12196
Attachment 5	Resolution 1491 – A Resolution Requesting the Council of the City of Knoxville, Tennessee to Provide for the Issuance of Not to Exceed Ninety-One Million and No/100 Dollars (\$91,000,000) In Aggregate Principal Amount of Electric System Revenue Bonds, Series QQ-2024; and Issuance of Not to Exceed Twenty Million and No/100 Dollars (\$20,000,000) In Aggregate Principal Amount of Water System Revenue Bonds, Series OO-2024	12197 – 12271
Attachment 6	Resolution 1492 – A Resolution Authorizing the Issuance of Not to Exceed Twenty Million Dollars (\$20,000,000) In Aggregate Principal Amount of Gas System Revenue Anticipation Notes (Nonrevolving Line Of Credit) of the Knoxville Utilities Board in Anticipation of the Collection of Revenues of the Natural Gas Distribution System of the City of Knoxville for the Purpose of Paying the Cost of Natural Gas Purchases and Storage and Pipeline Capacity	12272 – 12280

Attachment 7	<p>Resolution 1493 – A Resolution Replacing the Existing Rate Schedules of the Electric Division, Gas Division, Water Division, and Wastewater Division as Previously Established by Resolution 1060 as Heretofore Amended – 1st Reading</p> <p>This Resolution Will Replace the Existing Rate Schedules of the Electric Division By Amending Section 1 of Resolution No. 1060, Providing for an Increase in Electric Rates Effective April 1, 2025, an Increase in Electric Rates Effective April 1, 2026, and an Increase in Electric Rates Effective April 1, 2027</p> <p>This Resolution Will Replace the Existing Rate Schedules of the Gas Division By Amending Section 2 of Resolution No. 1060, Providing for an Increase in Gas Rates Effective October 1, 2024, an Increase in Gas Rates Effective October 1, 2025, and an Increase in Gas Rates Effective October 1, 2026</p> <p>This Resolution Will Replace the Existing Rate Schedules of the Water Division By Amending Section 3 of Resolution No. 1060, Providing for an Increase in Water Rates Effective July 1, 2025, an Increase in Water Rates Effective July 1, 2026, and an Increase in Water Rates Effective July 1, 2027</p> <p>This Resolution Will Replace the Existing Rate Schedules of the Wastewater Division By Amending Section 4 of Resolution No. 1060, Providing for an Increase in Wastewater Rates Effective July 1, 2025, an Increase in Wastewater Rates Effective July 1, 2026, and an Increase in Wastewater Rates Effective July 1, 2027</p>	12281 – 12665
Attachment 8	Resolution 1494 – A Resolution Making and Fixing the Annual Budget Appropriations of the Knoxville Utilities Board from the Funds of the Electric Division, the Gas Division, the Water Division, the Wastewater Division, and the Fiber Division for the Fiscal Year Beginning July 1, 2024, Providing for Expenditures Paid for the Period Beginning July 1, 2024, and Ending June 30, 2025	12666 – 12676
Attachment 9	Resolution 1495 – A Resolution Approving Commitment Appropriations for the Fiscal Year Beginning July 1, 2024, Thereby Authorizing the Commitment of Expenditures to be Paid Subsequent to June 30, 2025, for Contractual Commitments Executed and Other Obligations Incurred on or Before June 30, 2025	12677 – 12682

**Due to the large file size, the attachments to the
May 16, 2024 minutes are not included in this
document but are available upon request.**