Board Meeting Agenda
Thursday, September 17, 2026
Noon

Call to Order

Roll Call

Approval of Minutes

Official Action

Resolution 1522 – A Resolution Amending the Rate Schedules of the Electric Division, as Previously Established by Resolution No. 1060, as heretofore amended, in Accordance with TVA Rate Changes, including New Rate Schedules for Data Centers (DCA, DC) and Amending Rate Schedule Language in the General and Manufacturing Rate Schedules TDGSA, TDMSA, GSB, GSC, GSD, MSB, MSC and MSD

Resolution 1523 – A Resolution Amending the Purchased Power Adjustment of the Electric Division, as Previously Established by Resolution No. 1065, as Heretofore Amended, to Reflect New Electric Division Rate Schedules for Data Centers, in Accordance with the Recent TVA Wholesale Rate Change

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.

September 11, 2026

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

Commissioners:

The September 17 Board meeting agenda has two official action items, both related to flowing through the impacts of recent TVA rate changes, including amending our Electric Division Rate Schedules and the Purchased Power Adjustment. As you will recall, an overview of the TVA rate changes was provided at last month's meeting.

A summary of each resolution is provided below.

Resolution 1522
Resolution 1522 amends KUB's Electric Division Rate Schedules to reflect changes in certain TVA wholesale rates, approved by the TVA Board of Directors in August.

The TVA rate changes are designed to protect electric customers from infrastructure costs incurred by TVA in serving large energy intensive loads, including data centers. The approved changes include new rate schedules for data centers and amended rate schedules for general and manufacturing service customers to remove data center eligibility for manufacturing rates and better align large electric customers' power usage with their contract demand.

The TVA changes necessitate KUB accordingly amend its Electric Division Rate Schedules to include new rate schedules for data centers and reflect the changes for general and manufacturing service rates.

As you know, KUB rate changes require two readings by the KUB Board. If approved on first reading next week, second reading will occur at the October Board meeting.

Resolution 1522, including the amended rate schedules, is enclosed for your information. I recommend approval of Resolution 1522 on first reading.

Resolution 1523
Resolution 1523 amends KUB’s Purchased Power Adjustment (PPA) to reflect the new data center rate schedules. The PPA, initially adopted by the Board in 2002, provides for the flow through of wholesale power cost changes to KUB’s electric customers, including TVA monthly fuel cost adjustments and rate changes.

As it is rate-related, this resolution will also require two readings. Resolution 1523 is enclosed for your information, including the amended PPA. I recommend approval of Resolution 1523 on first reading.

In addition to the official action items, the President’s report for next week’s meeting will include an update on our vegetation management program and a report on KUB programs supporting economic development and growth.

Respectfully submitted,

Gabriel Bolas
President and CEO

DRAFT

RESOLUTION NO. 1522

A Resolution Amending the Rate Schedules of the Electric Division, as Previously Established by Resolution No. 1060, as Heretofore Amended, in Accordance with TVA Rate Changes, including New Rate Schedules for Data Centers (DCA, DC) and Amending Rate Schedule Language in the General and Manufacturing Rate Schedules TDGSA, TDMSA, GSB, GSC, GSD, MSB, MSC and MSD

Whereas, by the provisions of the Charter of the City of Knoxville, Tennessee ("City"), the management and operation of the City's electrical system has been placed under the jurisdiction of the Board of Commissioners ("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 electric power requirements from the Tennessee Valley Authority ("TVA"); and

Whereas, the TVA Board of Directors recently approved several wholesale rate changes designed to protect customers in the Tennessee Valley region from infrastructure costs associated with TVA providing power for large energy-intensive power loads, including but not limited to new rate schedules for data centers; and

Whereas, the rate schedules of KUB's Electric Division need to be amended, as applicable, to reflect the TVA rate changes, including but not limited to new data center rate schedules for the Electric Division; and

Whereas, it is in the best interest of KUB and its customers for KUB to amend its Electric Division rate schedules to reflect, as applicable, the TVA rate changes; 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 rate schedules of the Electric Division, as set forth in Section 1 of Resolution No. 1060, as heretofore amended, be amended to include new rate schedules for data centers and to amend the General and Manufacturing Power Rate Schedules, as set forth in Exhibit A to this Resolution, to be effective November 1, 2026.

Section 2. 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 new rate schedules for data centers and to amend the General and Manufacturing Power Rate Schedules, as set forth in Exhibit B to this Resolution, to be effective April 1, 2027.

____
Cynthia Gibson, Chair

____
Mark Walker, Board Secretary

APPROVED ON 1st
READING: ________________________
APPROVED ON 2nd
READING: ________________________
EFFECTIVE DATE: _________________
MINUTE BOOK 50 PAGE____________

RESOLUTION 1522
EXHIBIT A
RATE SCHEDULES OF THE ELECTRIC DIVISION
EFFECTIVE NOVEMBER 1, 2026

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.

Unless otherwise provided for in a written agreement between TVA and KUB providing service under this rate schedule, for customers served under this rate schedule, the customer's "meter-reading time" shall be 0000 hours CST or CDT, whichever is currently effective, on the first day of the calendar month following the month for which a bill under this rate schedule is being calculated. Further, in accordance with TVA-furnished or TVA-approved guidelines or specifications, TVA shall have unrestricted remote access to the metering data at all times, as well as unrestricted physical access to the metering facilities for the purpose of confirming remotely-accessed data during such periods as are specified by TVA.

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.

	Summer	Winter	Transition
Monthly Demand:			
Onpeak billing demand per kW:	$12.02	$10.97	$10.97
Maximum billing demand per kW:	$8.96	$8.96	$8.96
Excess demand per kW:	$20.98	$19.93	$19.93
Monthly Energy:			
Onpeak energy per kWh:	$0.13059	$0.11380	$0.09838
Offpeak energy block 1 per kWh:	$0.09380	$0.09706	$0.09838
Offpeak energy block 2 per kWh:	$0.04717	$0.04717	$0.04717
Offpeak energy block 3 per kWh:	$0.04385	$0.04385	$0.04385

For the purposes of applying Demand Charges:

Onpeak Billing Demand: Onpeak Demand rates are applied to onpeak billing demand

Maximum Billing Demand: Maximum Demand rates are applied to maximum billing demand

Excess Demand: Demand amount that exceeds the effective onpeak or offpeak contract demand, whichever is higher

For the purposes of applying Energy Charges:

Onpeak Energy: Onpeak hours rates are applied to all metered onpeak kWh

Offpeak Energy Block 1: First 200 hours use of onpeak metered demand multiplied by the ratio of offpeak energy to total energy

Offpeak Energy Block 2: Next 200 hours use of onpeak metered demand multiplied by the ratio of offpeak energy to total energy

Offpeak Energy Block 3: 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.

After having received service for at least 1 year under this rate schedule, the customer, subject to appropriate amendments in its power contract with KUB, may receive service under the General Power Rate - Schedule GSA. In such case the term of the power contract shall remain the same and the contract demand for service under the General Power Rate - Schedule GSA shall not be less than the onpeak contract demand in effect when service was taken under this rate schedule.

The contract demand amounts and applicable rate schedule specified in the contract may be adjusted by TVA as provided under this paragraph. Beginning October 1, 2027, and occurring each October 1 thereafter, TVA will calculate the customer's highest onpeak and offpeak billing demand, established in the preceding 36 months. In the event that the customer's onpeak and/or offpeak billing demand is below 75% of the onpeak or offpeak contract demand, which is higher, TVA will provide at least 60 days written notice of an adjustment to the onpeak and/or offpeak contract demands. Said adjustment to the onpeak and/or offpeak contract demands would be established by dividing the customer's highest onpeak or offpeak billing demand from the preceding 36 months by 0.75. KUB will promptly notify the customer, in writing, of the adjusted contract demand amounts and the TVA-specified effective date. In the event the adjustment of the contract demand warrants the customer being served under a different rate schedule, the applicable rate schedule will be attached to said notice. Within 30 days of the date of the notice from TVA, KUB may submit to TVA a request for a one-year exemption due to force majeure or other events outside of the customer's control that are impacting the onpeak or offpeak billing demand. TVA will approve such request so long as (1) the customer has previously met or exceeded 75% of its onpeak or offpeak contract demand, whichever is higher, and (2) customer demonstrates, to TVA's satisfaction, customer's plan for meeting or exceeding 75% of its contract demand.

The requirement set forth in preceding paragraph shall not apply to customers that have been supplied with service through a single-point of delivery for less than ten years. The requirement set forth in the preceding paragraph also shall not apply to federal customers whose primary use of power supports activities essential to national defense. For purposes of this provision, a customer's use of power shall be considered in support of national defense when the predominant use of electricity directly enables activities, operations, or facilities determined by TVA to be directly tied to national defense needs.

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.

Customers are ineligible to be served under the GSB rate schedule and must be served under the rates and requirements of "Large Data Service Rates - Schedule DC" when the major use of electricity is for activities conducted at the delivery point serving that customer which are (1) classified with 2022 North American Industry Classification System (NAICS) subsector codes 518 or 519 (but excluding 519210), (2) classified with 2022 NAICS codes 522320 or 541214, or (3) used, in TVA's sole judgment, for the operation of computational equipment.

Service under these rate schedules is subject to any certification requirements as TVA may require.

Unless otherwise provided for in a written agreement between TVA and KUB providing service under these rate schedules, for customers served under these rate schedules, the customer's "meter-reading time" shall be 0000 hours CST or CDT, whichever is currently effective, on the first day of the calendar month following the month for which a bill under these rate schedules is being calculated. Further, in accordance with TVA-furnished or TVA-approved guidelines or specifications, TVA shall have unrestricted remote access to the metering data at all times, as well as unrestricted physical access to the metering facilities for the purpose of confirming remotely-accessed data during such periods as are specified by TVA.

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.

	Summer	Winter	Transition
Monthly Demand Charge:			
Onpeak billing demand per kW:	$11.81	$10.76	$10.76
Maximum billing demand per kW:	$6.96	$6.96	$6.96
Excess demand per kW:	$18.77	$17.72	$17.72
Monthly Energy Charge:			
Onpeak energy per kWh:	$0.09560	$0.08325	$0.06816
Offpeak energy block 1 per kWh:	$0.06850	$0.07092	$0.06816
Offpeak energy block 2 per kWh:	$0.03091	$0.03091	$0.03091
Offpeak energy block 3 per kWh:	$0.02720	$0.02720	$0.02720

For the purposes of applying Demand Charges:

Onpeak Billing Demand: Onpeak Demand rates are applied to onpeak billing demand

Maximum Billing Demand: Maximum Demand rates are applied to maximum billing demand

Excess Demand: Demand amount that exceeds the effective onpeak or offpeak contract demand, whichever is higher

For the purposes of applying Energy Charges:

Onpeak Energy: Onpeak hours rates are applied to all metered onpeak kWh

Offpeak Energy Block 1: First 200 hours use of onpeak metered demand multiplied by the ratio of offpeak energy to total energy

Offpeak Energy Block 2: Next 200 hours use of onpeak metered demand multiplied by the ratio of offpeak energy to total energy

Offpeak Energy Block 3: 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.

The contract demand amounts and applicable rate schedule specified in the contract may be adjusted by TVA as provided under this paragraph. For customers served under GSB rates, beginning October 1, 2027, and occurring each October 1 thereafter, TVA will calculate the customer's highest onpeak and offpeak billing demand, established in the preceding 36 months. In the event that the customer's onpeak and/or offpeak billing demand is below 75% of the onpeak or offpeak contract demand, which is higher, TVA will provide at least 60 days' written notice of an adjustment to the onpeak and/or offpeak contract demands. Said adjustment to the onpeak and/or offpeak contract demands would be established by dividing the customer's highest onpeak or offpeak billing demand from the preceding 36 months by 0.75. KUB will promptly notify the customer, in writing,

of the adjusted contract demand amounts and the TVA-specified effective date. In the event the adjustment of the contract demand warrants the customer being served under a different rate schedule, the applicable rate schedule will be attached to said notice. Within 30 days of the date of the notice from TVA, KUB may submit to TVA a request for a one-year exemption due to force majeure or other events outside of the customer's control that are impacting the onpeak or offpeak billing demand. TVA will approve such request so long as (1) the customer has previously met or exceeded 75% of its onpeak or offpeak contract demand, whichever is higher, and (2) customer demonstrates, to TVA's satisfaction, customer's plan for meeting or exceeding 75% of its contract demand.

The requirement set forth in preceding paragraph shall not apply to customers that have been supplied with service through a single-point of delivery for less than ten years. The requirement set forth in the preceding paragraph also shall not apply to federal customers whose primary use of power supports activities essential to national defense. For purposes of this provision, a customer's use of power shall be considered in support of national defense when the predominant use of electricity directly enables activities, operations, or facilities determined by TVA to be directly tied to national defense needs.

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.

Customers are ineligible to be served under the GSC rate schedule and must be served under the rates and requirements of "Large Data Service Rates - Schedule DC" when the major use of electricity is for activities conducted at the delivery point serving that customer which are (1) classified with 2022 North American Industry Classification System (NAICS) subsector codes 518 or 519 (but excluding 519210), (2) classified with 2022 NAICS codes 522320 or 541214, or (3) used, in TVA's sole judgment, for the operation of computational equipment.

Service under these rate schedules is subject to any certification requirements as TVA may require.

Unless otherwise provided for in a written agreement between TVA and KUB providing service under these rate schedules, for customers served under these rate schedules, the customer's "meter-reading time" shall be 0000 hours CST or CDT, whichever is currently effective, on the first day of the calendar month following the month for which a bill under these rate schedules is being calculated. Further, in accordance with TVA-furnished or TVA-approved guidelines or specifications, TVA shall have unrestricted remote access to the metering data at all times, as well as unrestricted physical access to the metering facilities for the purpose of confirming remotely-accessed data during such periods as are specified by TVA.

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.

	Summer	Winter	Transition
Monthly Demand:			
Onpeak billing demand per kW:	$11.81	$10.76	$10.76
Maximum billing demand per kW:	$6.79	$6.79	$6.79
Excess demand per kW:	$18.60	$17.55	$17.55
Monthly Energy Charge:			
Onpeak energy per kWh:	$0.09575	$0.08340	$0.06831
Offpeak energy block 1 per kWh:	$0.06865	$0.07107	$0.06831
Offpeak energy block 2 per kWh:	$0.03106	$0.03106	$0.03106
Offpeak energy block 3 per kWh:	$0.02735	$0.02735	$0.02735

For the purposes of applying Demand Charges:

Onpeak Billing Demand: Onpeak Demand rates are applied to onpeak billing demand

Maximum Billing Demand: Maximum Demand rates are applied to maximum billing demand

Excess Demand: Demand amount that exceeds the effective onpeak or offpeak contract demand, whichever is higher

For the purposes of applying Energy Charges:

Onpeak Energy: Onpeak hours rates are applied to all metered onpeak kWh

Offpeak Energy Block 1: First 200 hours use of onpeak metered demand multiplied by the ratio of offpeak energy to total energy

Offpeak Energy Block 2: Next 200 hours use of onpeak metered demand multiplied by the ratio of offpeak energy to total energy

Offpeak Energy Block 3: 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.

The contract demand amounts and applicable rate schedule specified in the contract may be adjusted by TVA as provided under this paragraph. For customers served under GSC rates, beginning October 1, 2027, and occurring each October 1 thereafter, TVA will calculate the customer's highest onpeak and offpeak billing demand, established in the preceding 36 months. In the event that the customer's onpeak and/or offpeak billing demand is below 75% of the onpeak or offpeak contract demand, which is higher, TVA will provide at least 60 days' written notice of an adjustment to the onpeak and/or offpeak contract demands. Said adjustment to the onpeak and/or offpeak contract demands would be established by dividing the customer's highest onpeak or offpeak billing demand from the preceding 36 months by 0.75. KUB will promptly notify the customer, in writing,

of the adjusted contract demand amounts and the TVA-specified effective date. In the event the adjustment of the contract demand warrants the customer being served under a different rate schedule, the applicable rate schedule will be attached to said notice. Within 30 days of the date of the notice from TVA, KUB may submit to TVA a request for a one-year exemption due to force majeure or other events outside of the customer's control that are impacting the onpeak or offpeak billing demand. TVA will approve such request so long as (1) the customer has previously met or exceeded 75% of its onpeak or offpeak contract demand, whichever is higher, and (2) customer demonstrates, to TVA's satisfaction, customer's plan for meeting or exceeding 75% of its contract demand.

The requirement set forth in preceding paragraph shall not apply to customers that have been supplied with service through a single-point of delivery for less than ten years. The requirement set forth in the preceding paragraph also shall not apply to federal customers whose primary use of power supports activities essential to national defense. For purposes of this provision, a customer's use of power shall be considered in support of national defense when the predominant use of electricity directly enables activities, operations, or facilities determined by TVA to be directly tied to national defense needs.

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.

Customers are ineligible to be served under the GSD rate schedule and must be served under the rates and requirements of “Large Data Service Rates - Schedule DC” when the major use of electricity is for activities conducted at the delivery point serving that customer which are (1) classified with 2022 North American Industry Classification System (NAICS) subsector codes 518 or 519 (but excluding 519210), (2) classified with 2022 NAICS codes 522320 or 541214, or (3) used, in TVA's sole judgment, for the operation of computational equipment.

Service under these rate schedules is subject to any certification requirements as TVA may require.

Unless otherwise provided for in a written agreement between TVA and KUB providing service under these rate schedules, for customers served under these rate schedules, the customer's “meter-reading time” shall be 0000 hours CST or CDT, whichever is currently effective, on the first day of the calendar month following the month for which a bill under these rate schedules is being calculated. Further, in accordance with TVA-furnished or TVA-approved guidelines or specifications, TVA shall have unrestricted remote access to the metering data at all times, as well as unrestricted physical access to the metering facilities for the purpose of confirming remotely-accessed data during such periods as are specified by TVA.

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.

	Summer	Winter	Transition
Monthly Demand:			
Onpeak billing demand per kW:	$11.81	$10.76	$10.76
Maximum billing demand per kW:	$6.66	$6.66	$6.66
Excess demand per kW:	$18.47	$17.42	$17.42
Monthly Energy:			
Onpeak energy per kWh:	$0.09576	$0.08341	$0.06832
Offpeak energy block 1 per kWh:	$0.06866	$0.07108	$0.06832
Offpeak energy block 2 per kWh:	$0.02982	$0.02982	$0.02982
Offpeak energy block 3 per kWh:	$0.02736	$0.02736	$0.02736

For the purposes of applying Demand Charges:

Onpeak Billing Demand: Onpeak Demand rates are applied to onpeak billing demand

Maximum Billing Demand: Maximum Demand rates are applied to maximum billing demand

Excess Demand: Demand amount that exceeds the effective onpeak or offpeak contract demand, whichever is higher

For the purposes of applying Energy Charges:

Onpeak Energy: Onpeak hours rates are applied to all metered onpeak kWh

Offpeak Energy Block 1: First 200 hours use of onpeak metered demand multiplied by the ratio of offpeak energy to total energy

Offpeak Energy Block 2: Next 200 hours use of onpeak metered demand multiplied by the ratio of offpeak energy to total energy

Offpeak Energy Block 3: 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 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.

The contract demand amounts and applicable rate schedule specified in the contract may be adjusted by TVA as provided under this paragraph. For customers served under GSD rates, beginning October 1, 2027, and occurring each October 1 thereafter, TVA will calculate the customer's highest onpeak and offpeak billing demand, established in the preceding 36 months. In the event that the customer's onpeak and/or offpeak billing demand is below 75% of the onpeak or offpeak contract demand, which is higher, TVA will provide at least 60 days' written notice of an adjustment to the onpeak and/or offpeak contract demands. Said adjustment to the onpeak and/or offpeak contract demands would be established by dividing the customer's highest onpeak or offpeak billing demand from the preceding 36 months by 0.75. KUB will promptly notify the customer, in writing, of the adjusted contract demand amounts and the TVA-specified effective date. In the event the adjustment of the contract demand warrants the customer being served under a different rate schedule, the applicable rate schedule will be attached to said notice. Within 30 days of the date of the notice from TVA, KUB may submit to TVA a request for a one-year exemption due to force majeure or other events outside of the customer's control that are impacting the onpeak or offpeak billing demand. TVA will approve such request so long as (1) the customer has previously met or exceeded 75% of its onpeak or offpeak contract demand, whichever is higher, and (2) customer demonstrates, to TVA's satisfaction, customer's plan for meeting or exceeding 75% of its contract demand.

The requirement set forth in preceding paragraph shall not apply to customers that have been supplied with service through a single-point of delivery for less than ten years. The requirement set forth in the preceding paragraph also shall not apply to federal customers whose primary use of power supports activities essential to national defense. For purposes of this provision, a customer's use of power shall be considered in support of national defense when the predominant use of electricity directly enables activities, operations, or facilities determined by TVA to be directly tied to national defense needs.

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 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; provided that the other conditions of this section are met.

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.

Any customer served under a prior version of this rate schedule is ineligible to be served under this rate schedule if the major use of electricity is for activities conducted at the delivery point serving that customer which are (1) classified with 2022 North American Industry Classification System (NAICS) subsector codes 518 or 519 (but excluding 519210), (2) classified with 2022 NAICS codes 522320 or 541214, or (3) used, in TVA's sole judgment, for the operation of computational equipment.

Unless otherwise provided for in a written agreement between TVA and KUB providing service under this rate schedule, for customers served under this rate schedule, the customer's "meter-reading time" shall be 0000 hours CST or CDT, whichever is currently effective, on the first day of the calendar month following the month for which a bill under this rate schedule is being calculated. Further, in accordance with TVA-furnished or TVA-approved guidelines or specifications, TVA shall have unrestricted remote access to the metering data at all times, as well as unrestricted physical access to the metering facilities for the purpose of confirming remotely-accessed data during such periods as are specified by TVA.

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.

	Summer	Winter	Transition
Monthly Demand Charge:			
Onpeak billing demand per kW:	$11.25	$10.18	$10.18
Maximum billing demand per kW:	$6.98	$6.98	$6.98
Excess demand per kW:	$18.23	$17.16	$17.16
Monthly Energy Charge:			
Onpeak energy per kWh:	$0.10210	$0.08960	$0.07898
Offpeak energy block 1 per kWh:	$0.07557	$0.07801	$0.07898
Offpeak energy block 2 per kWh:	$0.04546	$0.04546	$0.04546
Offpeak energy block 3 per kWh:	$0.04336	$0.04336	$0.04336

For the purposes of applying Demand Charges:

Onpeak Billing Demand: Onpeak Demand rates are applied to onpeak billing demand

Maximum Billing Demand: Maximum Demand rates are applied to maximum billing demand

Excess Demand: Demand amount that exceeds the effective onpeak or offpeak contract demand, whichever is higher

For the purposes of applying Energy Charges:

Onpeak Energy: Onpeak hours rates are applied to all metered onpeak kWh

Offpeak Energy Block 1: First 200 hours use of onpeak metered demand multiplied by

the ratio of offpeak energy to total energy

Offpeak Energy Block 2: Next 200 hours use of onpeak metered demand multiplied by the ratio of offpeak energy to total energy

Offpeak Energy Block 3: 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.

After having received service for at least 1 year under this rate schedule, the customer, subject to appropriate amendments in its power contract with KUB, may receive service under the General Power Rate - Schedule GSA. In such case the term of the power contract shall remain the same and the contract demand for service under the General Power Rate - Schedule GSA shall not be less than the onpeak contract demand in effect when service was taken under this rate schedule.

The contract demand amounts and applicable rate schedule specified in the contract may be adjusted by TVA as provided under this paragraph. Beginning October 1, 2027, and occurring each October 1 thereafter, TVA will calculate the customer's highest onpeak and offpeak billing demand, established in the preceding 36 months. In the event that the customer's onpeak and/or offpeak billing demand is below 75% of the onpeak or offpeak contract demand, which is higher, TVA will provide at least 60 days written notice of an adjustment to the onpeak and/or offpeak contract demands. Said adjustment to the onpeak and/or offpeak contract demands would be established by dividing the customer's highest onpeak or offpeak billing demand from the preceding 36 months by 0.75. KUB will promptly notify the customer, in writing, of the adjusted contract demand amounts and the TVA-specified effective date. In the event the adjustment of the contract demand warrants the customer being served under a different rate schedule, the applicable rate schedule will be attached to said notice. Within 30 days of the date of the notice from TVA, KUB may submit to TVA a request for a one-year exemption due to force majeure or other events outside of the customer's control that are impacting the onpeak or offpeak billing demand. TVA will approve such request so long as (1) the customer has previously met or exceeded 75% of its onpeak or offpeak contract demand, whichever is higher, and (2) customer demonstrates, to TVA's satisfaction, customer's plan for meeting or exceeding 75% of its contract demand.

The requirement set forth in preceding paragraph shall not apply to customers that have been supplied with service through a single-point of delivery for less than ten years. The requirement set forth in the preceding paragraph also shall not apply to federal customers whose primary use of power supports activities essential to national defense. For purposes of this provision, a customer's use of power shall be considered in support of national defense when the predominant use of electricity directly enables activities, operations, or facilities determined by TVA to be directly tied to national defense needs.

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 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; provided that the other conditions of this section are met.

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.

Any customer served under a prior version of this rate schedule shall be subject to service under "Large Data Service Rates - Schedule DC" if the major use of electricity is for activities conducted at the delivery point serving that customer which are (1) classified with 2022 North American Industry Classification System (NAICS) subsector codes 518 or 519 (but excluding 519210), (2) classified with 2022 NAICS codes 522320 or 541214, or (3) used, in TVA's sole judgment, for the operation of computational equipment.

Unless otherwise provided for in a written agreement between TVA and KUB providing service under these rate schedules, for customers served under these rate schedules, the customer's "meter-reading time" shall be 0000 hours CST or CDT, whichever is currently effective, on the first day of the calendar month following the month for which a bill under these rate schedules is being calculated. Further, in accordance with TVA-furnished or TVA-approved guidelines or specifications, TVA shall have unrestricted remote access to the metering data at all times, as well as unrestricted physical access to the metering facilities for the purpose of confirming remotely-accessed data during such periods as are specified by TVA.

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.

<u>Character of Service</u>

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.

<u>Rates</u>

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

Administrative Charge: $700 per delivery point per month.

	Summer	Winter	Transition
Monthly Demand Charge:			
Onpeak billing demand per kW:	$11.14	$10.08	$10.08
Maximum billing demand per kW:	$3.49	$3.49	$3.49
Excess demand per kW:	$14.63	$13.57	$13.57
Monthly Energy Charge:			
Onpeak energy per kWh:	$0.08537	$0.07338	$0.06304
Offpeak energy block 1 per kWh:	$0.05967	$0.06210	$0.06304
Offpeak energy block 2 per kWh:	$0.02739	$0.02739	$0.02739
Offpeak energy block 3 per kWh:	$0.02532	$0.02532	$0.02532

For the purposes of applying Demand Charges:

Onpeak Billing Demand: Onpeak Demand rates are applied to onpeak billing demand

Maximum Billing Demand: Maximum Demand rates are applied to maximum billing demand

Excess Demand: Demand amount that exceeds the effective onpeak or offpeak contract demand, whichever is higher

For the purposes of applying Energy Charges:

Onpeak Energy: Onpeak hours rates are applied to all metered onpeak kWh

Offpeak Energy Block 1: First 200 hours use of onpeak metered demand multiplied by the ratio of offpeak energy to total energy

Offpeak Energy Block 2: Next 200 hours use of onpeak metered demand multiplied by the ratio of offpeak energy to total energy

Offpeak Energy Block 3: 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.

The contract demand amounts and applicable rate schedule specified in the contract may be adjusted by TVA as provided under this paragraph. For customers served under MSB rates, beginning October 1, 2027, and occurring each October 1 thereafter, TVA will calculate the customer’s highest onpeak and offpeak billing demand, established in the preceding 36 months. In the event that the customer's onpeak and/or offpeak billing demand is below 75% of the onpeak or offpeak contract demand, which is higher, TVA will provide at least 60 days’ written notice of an adjustment to the onpeak and/or offpeak contract demands. Said adjustment to the onpeak and/or offpeak contract demands would be established by dividing the customer’s highest onpeak or offpeak billing demand from the preceding 36 months by 0.75. KUB will promptly notify the customer, in writing, of the adjusted contract demand amounts and the TVA-specified effective date. In the event the adjustment of the contract demand warrants the customer being served under a different rate schedule, the applicable rate schedule will be attached to said notice. Within 30 days of the date of the notice from TVA, KUB may submit to TVA a request for a one-year exemption due to force majeure or other events outside of the customer’s control that are impacting the onpeak or offpeak billing demand. TVA will approve such request so long as (1) the customer has previously met or exceeded 75% of its onpeak or offpeak contract demand, whichever is higher, and (2) customer demonstrates, to TVA’s satisfaction, customer’s plan for meeting or exceeding 75% of its contract demand.

The requirement set forth in preceding paragraph shall not apply to customers that have been supplied with service through a single-point of delivery for less than ten years. The requirement set forth in the preceding paragraph also shall not apply to federal customers whose primary use of power supports activities essential to national defense. For purposes of this provision, a customer’s use of power shall be considered in support of national defense when the predominant use of electricity directly enables activities, operations, or facilities determined by TVA to be directly tied to national defense needs.

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 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.

Any customer served under a prior version of this rate schedule shall be subject to service under "Large Data Service Rates - Schedule DC" if the major use of electricity is for activities conducted at the delivery point serving that customer which are (1) classified with 2022 North American Industry Classification System (NAICS) subsector codes 518 or 519 (but excluding 519210), (2) classified with 2022 NAICS codes 522320 or 541214, or (3) used, in TVA's sole judgment, for the operation of computational equipment.

Unless otherwise provided for in a written agreement between TVA and KUB providing service under these rate schedules, for customers served under these rate schedules, the customer's "meter-reading time" shall be 0000 hours CST or CDT, whichever is currently effective, on the first day of the calendar month following the month for which a bill under these rate schedules is being calculated. Further, in accordance with TVA-furnished or TVA-approved guidelines or specifications, TVA shall have unrestricted remote access to the metering data at all times, as well as unrestricted physical access to the metering facilities for the purpose of confirming remotely-accessed data during such periods as are specified by TVA.

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.

	Summer	Winter	Transition
Monthly Demand Charge:			
Onpeak billing demand per kW:	$11.14	$10.08	$10.08
Maximum billing demand per kW:	$3.37	$3.37	$3.37
Excess demand per kW:	$14.51	$13.45	$13.45
Monthly Energy Charge:			
Onpeak energy per kWh:	$0.08617	$0.07375	$0.06234
Offpeak energy block 1 per kWh:	$0.05897	$0.06139	$0.06234
Offpeak energy block 2 per kWh:	$0.02944	$0.02944	$0.02944
Offpeak energy block 3 per kWh:	$0.02944	$0.02944	$0.02944

For the purposes of applying Demand Charges:

Onpeak Billing Demand: Onpeak Demand rates are applied to onpeak billing demand

Maximum Billing Demand: Maximum Demand rates are applied to maximum billing demand

Excess Demand: Demand amount that exceeds the effective onpeak or offpeak contract demand, whichever is higher

For the purposes of applying Energy Charges:

Onpeak Energy: Onpeak hours rates are applied to all metered onpeak kWh

Offpeak Energy Block 1: First 200 hours use of onpeak metered demand multiplied by the ratio of offpeak energy to total energy

Offpeak Energy Block 2: Next 200 hours use of onpeak metered demand multiplied by the ratio of offpeak energy to total energy

Offpeak Energy Block 3: 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.

The contract demand amounts and applicable rate schedule specified in the contract may be adjusted by TVA as provided under this paragraph. For customers served under MSC rates, beginning October 1, 2027, and occurring each October 1 thereafter, TVA will calculate the customer's highest onpeak and offpeak billing demand, established in the preceding 36 months. In the event that the customer's onpeak and/or offpeak billing demand is below 75% of the onpeak or offpeak contract demand, which is higher, TVA will provide at least 60 days' written notice of an adjustment to the onpeak and/or offpeak contract demands. Said adjustment to the onpeak and/or offpeak contract demands would be established by dividing the customer's highest onpeak or offpeak billing demand from the preceding 36 months by 0.75. KUB will promptly notify the customer, in writing, of the adjusted contract demand amounts and the TVA-specified effective date. In the event the adjustment of the contract demand warrants the customer being served under a different rate schedule, the applicable rate schedule will be attached to said notice. Within 30 days of the date of the notice from TVA, KUB may submit to TVA a request for a one-year exemption due to force majeure or other events outside of the customer's control that are impacting the onpeak or offpeak billing demand. TVA will approve such request so long as (1) the customer has previously met or exceeded 75% of its onpeak or offpeak contract demand, whichever is higher, and (2) customer demonstrates, to TVA's satisfaction, customer's plan for meeting or exceeding 75% of its contract demand.

The requirement set forth in preceding paragraph shall not apply to customers that have been supplied with service through a single-point of delivery for less than ten years. The requirement set forth in the preceding paragraph also shall not apply to federal customers whose primary use of power supports activities essential to national defense. For purposes of this provision, a customer's use of power shall be considered in support of national defense when the predominant use of electricity directly enables activities, operations, or facilities determined by TVA to be directly tied to national defense needs.

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 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.

Any customer served under a prior version of this rate schedule shall be subject to service under "Large Data Service Rates - Schedule DC" if the major use of electricity is for activities conducted at the delivery point serving that customer which are (1) classified with 2022 North American Industry Classification System (NAICS) subsector codes 518 or 519 (but excluding 519210), (2) classified with 2022 NAICS codes 522320 or 541214, or (3) used, in TVA's sole judgment, for the operation of computational equipment.

Unless otherwise provided for in a written agreement between TVA and KUB providing service under these rate schedules, for customers served under these rate schedules, the customer's "meter-reading time" shall be 0000 hours CST or CDT, whichever is currently effective, on the first day of the calendar month following the month for which a bill under these rate schedules is being calculated. Further, in accordance with TVA-furnished or TVA-approved guidelines or specifications, TVA shall have unrestricted remote access to the metering data at all times, as well as unrestricted physical access to the metering facilities for the purpose of confirming remotely-accessed data during such periods as are specified by TVA.

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.

	Summer	Winter	Transition
Monthly Demand Charge:			
Onpeak billing demand per kW:	$11.14	$10.08	$10.08
Maximum billing demand per kW:	$2.92	$2.92	$2.92
Excess demand per kW:	$14.06	$13.00	$13.00
Monthly Energy Charge:			
Onpeak energy per kWh:	$0.08235	$0.06994	$0.05852
Offpeak energy block 1 per kWh:	$0.05517	$0.05756	$0.05852
Offpeak energy block 2 per kWh:	$0.02626	$0.02626	$0.02626
Offpeak energy block 3 per kWh:	$0.02563	$0.02563	$0.02563

For the purposes of applying Demand Charges:

Onpeak Billing Demand: Onpeak Demand rates are applied to onpeak billing demand

Maximum Billing Demand: Maximum Demand rates are applied to maximum billing demand

Excess Demand: Demand amount that exceeds the effective onpeak or offpeak contract demand, whichever is higher

For the purposes of applying Energy Charges:

Onpeak Energy: Onpeak hours rates are applied to all metered onpeak kWh

Offpeak Energy Block 1: First 200 hours use of onpeak metered demand multiplied by the ratio of offpeak energy to total energy

Offpeak Energy Block 2: Next 200 hours use of onpeak metered demand multiplied by the ratio of offpeak energy to total energy

Offpeak Energy Block 3: 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.

The contract demand amounts and applicable rate schedule specified in the contract may be adjusted by TVA as provided under this paragraph. For customers served under MSD rates, beginning October 1, 2027, and occurring each October 1 thereafter, TVA will calculate the customer's highest onpeak and offpeak billing demand, established in the preceding 36 months. In the event that the customer's onpeak and/or offpeak billing demand is below 75% of the onpeak or offpeak contract demand, which is higher, TVA will provide at least 60 days' written notice of an adjustment to the onpeak and/or offpeak contract demands. Said adjustment to the onpeak and/or offpeak contract demands would be established by dividing the customer's highest onpeak or offpeak billing demand from the preceding 36 months by 0.75. KUB will promptly notify the customer, in writing, of the adjusted contract demand amounts and the TVA-specified effective date. In the event the adjustment of the contract demand warrants the customer being served under a different rate schedule, the applicable rate schedule will be attached to said notice. Within 30 days of the date of the notice from TVA, KUB may submit to TVA a request for a one-year exemption due to force majeure or other events outside of the customer's control that are impacting the onpeak or offpeak billing demand. TVA will approve such request so long as (1) the customer has previously met or exceeded 75% of its onpeak or offpeak contract demand, whichever is higher, and (2) customer demonstrates, to TVA's satisfaction, customer's plan for meeting or exceeding 75% of its contract demand.

The requirement set forth in preceding paragraph shall not apply to customers that have been supplied with service through a single-point of delivery for less than ten years. The requirement set forth in the preceding paragraph also shall not apply to federal customers whose primary use of power supports activities essential to national defense. For purposes of this provision, a customer's use of power shall be considered in support of national defense when the predominant use of electricity directly enables activities, operations, or facilities determined by TVA to be directly tied to national defense needs.

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.

LARGE DATA SERVICE RATE - SCHEDULE DCA

Availability

These rates and requirements shall apply to the 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 (1) classified with 2022 North American Industry Classification System (NAICS) subsector codes 518 or 519 (but excluding 519210), (2) classified with 2022 NAICS codes 522320 or 541214, or (3) used, in TVA's sole judgment, for the operation of computational equipment; provided that the other conditions of this section are met.

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.

Unless otherwise provided for in a written agreement between TVA and KUB providing service under this rate schedule, for customers served under this rate schedule, the customer's "meter-reading time" shall be 0000 hours CST or CDT, whichever is currently effective, on the first day of the calendar month following the month for which a bill under this rate schedule is being calculated. Further, in accordance with TVA-furnished or TVA-approved guidelines or specifications, TVA shall have unrestricted remote access to the metering data at all times, as well as unrestricted physical access to the metering facilities for the purpose of confirming remotely-accessed data during such periods as are specified by TVA.

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.

	Summer	Winter	Transition
Monthly Demand Charge:			
Onpeak billing demand per kW:	$11.25	$10.18	$10.18
Maximum billing demand per kW:	$6.98	$6.98	$6.98
Excess demand per kW:	$18.23	$17.16	$17.16
Monthly Energy Charge:			
Onpeak energy per kWh:	$0.10210	$0.08960	$0.07898
Offpeak energy block 1 per kWh:	$0.07557	$0.07801	$0.07898
Offpeak energy block 2 per kWh:	$0.04546	$0.04546	$0.04546
Offpeak energy block 3 per kWh:	$0.04336	$0.04336	$0.04336

For the purposes of applying Demand Charges:

Onpeak Billing Demand: Onpeak Demand rates are applied to onpeak billing demand

Maximum Billing Demand: Maximum Demand rates are applied to maximum billing demand

Excess Demand: Demand amount that exceeds the effective onpeak or offpeak contract demand, whichever is higher

For the purposes of applying Energy Charges:

Onpeak Energy: Onpeak hours rates are applied to all metered onpeak kWh

Offpeak Energy Block 1: First 200 hours use of onpeak metered demand multiplied by the ratio of offpeak energy to total energy

Offpeak Energy Block 2: Next 200 hours use of onpeak metered demand multiplied by the ratio of offpeak energy to total energy

Offpeak Energy Block 3: 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 one year 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.

After having received service for at least 1 year under this rate schedule, the customer, subject to appropriate amendments in its power contract with KUB, may receive service under the General Power Rate - Schedule GSA. In such case the term of the power contract shall remain the same and the contract demand for service under the General Power Rate - Schedule GSA shall not be less than the onpeak contract demand in effect when service was taken under this rate schedule.

The contract demand amounts and applicable rates specified in the contract may be adjusted by TVA as provided under this paragraph. Beginning October 1, 2027, and occurring each October 1 thereafter, TVA will calculate the customer’s highest onpeak and offpeak billing demand, established in the preceding 36 months. In the event that the customer's onpeak and/or offpeak billing demand is below 75% of the onpeak or offpeak contract demand, which is higher, TVA will provide at least 60 days written notice of an adjustment to the onpeak and/or offpeak contract demands. Said adjustment to the onpeak and/or offpeak contract demands would be established by dividing the customer’s highest onpeak or offpeak billing demand from the preceding 36 months by 0.75. KUB will promptly notify the customer, in writing, of the adjusted contract demand amounts and the TVA-specified effective date. In the event the adjustment of the contract demand warrants the customer being served under a different rate schedule, the applicable rate schedule will be attached to said notice. Within 30 days of the date of the notice from TVA, KUB may submit to TVA a request for a one-year exemption due to force majeure or other events outside of the customer’s control that are impacting the onpeak or offpeak billing demand. TVA will approve such request so long as (1) the customer has previously met or exceeded 75% of its onpeak or offpeak contract demand, whichever is higher, and (2) customer demonstrates, to TVA’s satisfaction, customer’s plan for meeting or exceeding 75% of its contract demand.

The requirement set forth in preceding paragraph shall not apply to customers that have been supplied with service through a single-point of delivery for less than ten years. The requirement set forth in the preceding paragraph also shall not apply to federal customers whose primary use of power supports activities essential to national defense. For purposes of this provision, a customer’s use of power shall be considered in support of national defense when the predominant use of electricity directly enables activities, operations, or facilities determined by TVA to be directly tied to national defense needs.

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.

LARGE DATA SERVICE RATES - SCHEDULE DC

Availability

These rates and requirements shall apply to the electric power requirements where (a) a customer's currently effective onpeak or offpeak contract demand, whichever is higher, is greater than 5,000 kW, and (b) the major use of electricity is for activities conducted at the delivery point serving that customer which are (1) classified with 2022 North American Industry Classification System (NAICS) subsector codes 518 or 519 (but excluding 519210), (2) classified with 2022 NAICS codes 522320 or 541214, or (3) used, in TVA's sole judgment, for the operation of computational equipment; provided that the other conditions of this section are met.

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.

Any customer taking service under this rate schedule is subject to the TVA Capacity Commitment Charge Rider ("CCC Rider") for any new or expanded load. Prior to the effective date of any contract for new or expanded load served under this rate schedule, any charge calculated under the CCC Rider must be paid by the customer to TVA in accordance with payment instructions and terms provided by TVA. Additionally, prior to entering into any contract for power for new or expanded load, KUB must notify and consult with TVA. KUB and customer will contract with TVA, as deemed necessary by TVA, to provide for any TVA-required conditions applicable to delivery of power and energy from TVA to KUB and from KUB to customer. Such conditions may include, but are not limited to, power interruption provisions and operating restrictions and guidelines, or installation of special power regulation equipment.

Unless otherwise provided for in a written agreement between TVA and KUB providing service under these rate schedules, for customers served under these rate schedules, the customer's "meter-reading time" shall be 0000 hours CST or CDT, whichever is currently effective, on the first day of the calendar month following the month for which a bill under these rate schedules is being calculated. Further, in accordance with TVA-furnished or TVA-approved guidelines or specifications, TVA shall have unrestricted remote access to the metering data at all times, as well as unrestricted physical access to the metering facilities for the purpose of confirming remotely-accessed data during such periods as are specified by TVA.

For a customer requesting that its onpeak contract demand be different from its offpeak contract demand, these rate schedules 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.

The DCB rates below shall apply to customers with an onpeak or offpeak contract demand, whichever is higher, greater than 5,000 kW, but not more than 15,000 kW; DCC rates below shall apply to customers with an onpeak or offpeak contract demand, whichever is higher, greater than 15,000 kW, but not more than 25,000 kW; DCD rates below shall apply to customers with an onpeak or offpeak contract demand, whichever is higher, greater than 25,000 kW.

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

The rates for DCB, DCC, and DCD are set forth under the Rates Attachment to the rate schedule. Any references to the Rates section for this Schedule DC or the DCB, DCC, and DCD rates will be deemed to include the Rates Attachment.

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 these rate schedules. The contract for customers served under DCB and DCC rates shall be for an initial term of at least 5 years and any renewals or extensions of the initial contract shall be for a term of at least 1 year; after 10 years of service, any such contract for the renewal or extension of service may provide for termination upon not less than 4 months' notice. The contract for customers served under DCD rates shall be for an initial term of at least 5 years and any renewals or extensions of the initial contract shall be for a term of at least 5 years; after 10 years of service, any such contract for the renewal or extension of service may provide for termination upon not less than 16 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 these rate schedules, 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 provided under the power contract between KUB and TVA.

Prior to entering into any contract for power for new or expanded load, KUB must notify and consult with TVA. KUB and Company will contract with TVA, as deemed necessary by TVA, to provide for any TVA-required conditions applicable to delivery of power and energy from TVA to KUB and from KUB to the customer.

The contract demand amounts and applicable rates specified in the contract may be adjusted by TVA as provided under this paragraph. For customers served under DCB, DCC, or DCD rates, beginning October 1, 2027, and occurring each October 1 thereafter, TVA will calculate the customer's highest onpeak and offpeak billing demand, established in the preceding 36 months. In the event that the customer's onpeak and/or offpeak billing demand is below 75% of the onpeak or offpeak contract demand, which is higher, TVA will provide at least 60 days written notice of an adjustment to the onpeak and/or offpeak contract demands. Said adjustment to the onpeak and/or offpeak contract demands would be established by dividing the customer's highest onpeak or offpeak billing demand from the preceding 36 months by 0.75. KUB will promptly notify the customer, in writing, of the adjusted contract demand amounts and the TVA-specified effective date. In the event the adjustment of the contract demand warrants the customer being served under a different rate schedule, the applicable rate schedule will be attached to said notice. Within 30 days of the date of the notice from TVA, KUB may submit to TVA a request for a one-year exemption due to force majeure or other events outside of the customer's control that are impacting the onpeak or offpeak billing demand. TVA will approve such request so long as (1) the customer has previously met or exceeded 75% of its onpeak or offpeak contract demand, whichever is higher, and (2) customer demonstrates, to TVA’s satisfaction, customer’s plan for meeting or exceeding 75% of its contract demand.

The requirement set forth in preceding paragraph shall not apply to customers that have been supplied with service through a single-point of delivery for less than ten years. The requirement set forth in the preceding paragraph also shall not apply to federal customers whose primary use of power supports activities essential to national defense. For purposes of this provision, a customer’s use of power shall be considered in support of national defense when the predominant use of electricity directly enables activities, operations, or facilities determined by TVA to be directly tied to national defense needs.

Payment

Bills under these rate schedules will be rendered monthly. Any amount of the bill that is unpaid after the due date specified on bill may be subject to additional charges under KUB's standard policy. Failure by the customer to pay to TVA any amount due under the CCC Rider will be deemed a failure by the customer to have paid its power bill and all remedies available for non-payment of the power bill will be applicable for any amount due.

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.

Rates Attachment

Any customer taking service under this rate schedule is subject to the TVA Capacity Commitment Charge Rider for any new or expanded load. Prior to the effective date of any contract for new or expanded load served under this rate schedule, any charge calculated under the TVA Capacity Commitment Charge Rider must be paid by the customer to TVA in accordance with payment instructions provided by TVA.

	DCB	DCC	DCD	
Customer Charge	$1,500	$1,500	$1,500	per delivery point per month
Administrative Charge	$700	$700	$700	per delivery point per month

DCB (onpeak or offpeak contract demand, whichever is higher, greater than 5,000 kW, but not more than 15,000 kW)

	Summer	Winter	Transition
Monthly Demand Charge:			
Onpeak billing demand per kW:	$11.14	$10.08	$10.08
Maximum billing demand per kW:	$3.49	$3.49	$3.49
Excess demand per kW:	$14.63	$13.57	$13.57
Monthly Energy Charge:			
Onpeak energy per kWh:	$0.08537	$0.07338	$0.06304
Offpeak energy block 1 per kWh:	$0.05967	$0.06210	$0.06304
Offpeak energy block 2 per kWh:	$0.02739	$0.02739	$0.02739
Offpeak energy block 3 per kWh:	$0.02532	$0.02532	$0.02532

DCC (onpeak or offpeak contract demand, whichever is higher, greater than 15,000 kW, but not more than 25,000 kW)

	Summer	Winter	Transition
Monthly Demand Charge:			
Onpeak billing demand per kW:	$11.14	$10.08	$10.08
Maximum billing demand per kW:	$3.37	$3.37	$3.37
Excess demand per kW:	$14.51	$13.45	$13.45
Monthly Energy Charge:			
Onpeak energy per kWh:	$0.08617	$0.07375	$0.06234
Offpeak energy block 1 per kWh:	$0.05897	$0.06139	$0.06234
Offpeak energy block 2 per kWh:	$0.02944	$0.02944	$0.02944
Offpeak energy block 3 per kWh:	$0.02944	$0.02944	$0.02944

DCD (onpeak or offpeak contract demand, whichever is higher, greater than 25,000 kW)

	Summer	Winter	Transition
Monthly Demand Charge:			
Onpeak billing demand per kW:	$11.14	$10.08	$10.08
Maximum billing demand per kW:	$2.92	$2.92	$2.92
Excess demand per kW:	$14.06	$13.00	$13.00
Monthly Energy Charge:			
Onpeak energy per kWh:	$0.08235	$0.06994	$0.05852
Offpeak energy block 1 per kWh:	$0.05517	$0.05756	$0.05852
Offpeak energy block 2 per kWh:	$0.02626	$0.02626	$0.02626
Offpeak energy block 3 per kWh:	$0.02563	$0.02563	$0.02563

For the purposes of applying Demand Charges:

Onpeak Billing Demand: Onpeak Demand rates are applied to onpeak billing demand

Maximum Billing Demand: Maximum Demand rates are applied to maximum billing demand

Excess Demand: Demand amount that exceeds the effective onpeak or offpeak contract demand, whichever is higher

For the purposes of applying Energy Charges:

Onpeak Energy: Onpeak hours rates are applied to all metered onpeak kWh

Offpeak Energy Block 1: First 200 hours use of onpeak metered demand multiplied by the ratio of offpeak energy to total energy

Offpeak Energy Block 2: Next 200 hours use of onpeak metered demand multiplied by the ratio of offpeak energy to total energy

Offpeak Energy Block 3: 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.

RESOLUTION 1522
EXHIBIT B
RATE SCHEDULES OF THE ELECTRIC DIVISION
EFFECTIVE APRIL 1, 2027

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.

Unless otherwise provided for in a written agreement between TVA and KUB providing service under this rate schedule, for customers served under this rate schedule, the customer's "meter-reading time" shall be 0000 hours CST or CDT, whichever is currently effective, on the first day of the calendar month following the month for which a bill under this rate schedule is being calculated. Further, in accordance with TVA-furnished or TVA-approved guidelines or specifications, TVA shall have unrestricted remote access to the metering data at all times, as well as unrestricted physical access to the metering facilities for the purpose of confirming remotely-accessed data during such periods as are specified by TVA.

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.

	Summer	Winter	Transition
Monthly Demand:			
Onpeak billing demand per kW:	$12.02	$10.97	$10.97
Maximum billing demand per kW:	$9.18	$9.18	$9.18
Excess demand per kW:	$21.20	$20.15	$20.15
Monthly Energy:			
Onpeak energy per kWh:	$0.13239	$0.11560	$0.10018
Offpeak energy block 1 per kWh:	$0.09560	$0.09886	$0.10018
Offpeak energy block 2 per kWh:	$0.04897	$0.04897	$0.04897
Offpeak energy block 3 per kWh:	$0.04565	$0.04565	$0.04565

For the purposes of applying Demand Charges:

Onpeak Billing Demand: Onpeak Demand rates are applied to onpeak billing demand

Maximum Billing Demand: Maximum Demand rates are applied to maximum billing demand

Excess Demand: Demand amount that exceeds the effective onpeak or offpeak contract demand, whichever is higher

For the purposes of applying Energy Charges:

Onpeak Energy: Onpeak hours rates are applied to all metered onpeak kWh

Offpeak Energy Block 1: First 200 hours use of onpeak metered demand multiplied by the ratio of offpeak energy to total energy

Offpeak Energy Block 2: Next 200 hours use of onpeak metered demand multiplied by the ratio of offpeak energy to total energy

Offpeak Energy Block 3: 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.

After having received service for at least 1 year under this rate schedule, the customer, subject to appropriate amendments in its power contract with KUB, may receive service under the General Power Rate - Schedule GSA. In such case the term of the power contract shall remain the same and the contract demand for service under the General Power Rate - Schedule GSA shall not be less than the onpeak contract demand in effect when service was taken under this rate schedule.

The contract demand amounts and applicable rate schedule specified in the contract may be adjusted by TVA as provided under this paragraph. Beginning October 1, 2027, and occurring each October 1 thereafter, TVA will calculate the customer's highest onpeak and offpeak billing demand, established in the preceding 36 months. In the event that the customer's onpeak and/or offpeak billing demand is below 75% of the onpeak or offpeak contract demand, which is higher, TVA will provide at least 60 days written notice of an adjustment to the onpeak and/or offpeak contract demands. Said adjustment to the onpeak and/or offpeak contract demands would be established by dividing the customer's highest onpeak or offpeak billing demand from the preceding 36 months by 0.75. KUB will promptly notify the customer, in writing, of the adjusted contract demand amounts and the TVA-specified effective date. In the event the adjustment of the contract demand warrants the customer being served under a different rate schedule, the applicable rate schedule will be attached to said notice. Within 30 days of the date of the notice from

TVA, KUB may submit to TVA a request for a one-year exemption due to force majeure or other events outside of the customer’s control that are impacting the onpeak or offpeak billing demand. TVA will approve such request so long as (1) the customer has previously met or exceeded 75% of its onpeak or offpeak contract demand, whichever is higher, and (2) customer demonstrates, to TVA’s satisfaction, customer’s plan for meeting or exceeding 75% of its contract demand.

The requirement set forth in preceding paragraph shall not apply to customers that have been supplied with service through a single-point of delivery for less than ten years. The requirement set forth in the preceding paragraph also shall not apply to federal customers whose primary use of power supports activities essential to national defense. For purposes of this provision, a customer’s use of power shall be considered in support of national defense when the predominant use of electricity directly enables activities, operations, or facilities determined by TVA to be directly tied to national defense needs.

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.

Customers are ineligible to be served under the GSB rate schedule and must be served under the rates and requirements of "Large Data Service Rates - Schedule DC" when the major use of electricity is for activities conducted at the delivery point serving that customer which are (1) classified with 2022 North American Industry Classification System (NAICS) subsector codes 518 or 519 (but excluding 519210), (2) classified with 2022 NAICS codes 522320 or 541214, or (3) used, in TVA's sole judgment, for the operation of computational equipment.

Service under these rate schedules is subject to any certification requirements as TVA may require.

Unless otherwise provided for in a written agreement between TVA and KUB providing service under these rate schedules, for customers served under these rate schedules, the customer's "meter-reading time" shall be 0000 hours CST or CDT, whichever is currently effective, on the first day of the calendar month following the month for which a bill under these rate schedules is being calculated. Further, in accordance with TVA-furnished or TVA-approved guidelines or specifications, TVA shall have unrestricted remote access to the metering data at all times, as well as unrestricted physical access to the metering facilities for the purpose of confirming remotely-accessed data during such periods as are specified by TVA.

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.

	Summer	Winter	Transition
Monthly Demand Charge:			
Onpeak billing demand per kW:	$11.81	$10.76	$10.76
Maximum billing demand per kW:	$7.05	$7.05	$7.05
Excess demand per kW:	$18.86	$17.81	$17.81
Monthly Energy Charge:			
Onpeak energy per kWh:	$0.09626	$0.08391	$0.06882
Offpeak energy block 1 per kWh:	$0.06916	$0.07158	$0.06882
Offpeak energy block 2 per kWh:	$0.03157	$0.03157	$0.03157
Offpeak energy block 3 per kWh:	$0.02786	$0.02786	$0.02786

For the purposes of applying Demand Charges:

Onpeak Billing Demand: Onpeak Demand rates are applied to onpeak billing demand

Maximum Billing Demand: Maximum Demand rates are applied to maximum billing demand

Excess Demand: Demand amount that exceeds the effective onpeak or offpeak contract demand, whichever is higher

For the purposes of applying Energy Charges:

Onpeak Energy: Onpeak hours rates are applied to all metered onpeak kWh

Offpeak Energy Block 1: First 200 hours use of onpeak metered demand multiplied by the ratio of offpeak energy to total energy

Offpeak Energy Block 2: Next 200 hours use of onpeak metered demand multiplied by the ratio of offpeak energy to total energy

Offpeak Energy Block 3: 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.

The contract demand amounts and applicable rate schedule specified in the contract may be adjusted by TVA as provided under this paragraph. For customers served under GSB rates, beginning October 1, 2027, and occurring each October 1 thereafter, TVA will calculate the customer's highest onpeak and offpeak billing demand, established in the preceding 36 months. In the event that the customer's onpeak and/or offpeak billing demand is below 75% of the onpeak or offpeak contract demand, which is higher, TVA will provide at least 60 days' written notice of an adjustment to the onpeak and/or offpeak contract demands. Said adjustment to the onpeak and/or offpeak contract demands would be established by dividing the customer's highest onpeak or offpeak billing demand from the preceding 36 months by 0.75. KUB will promptly notify the customer, in writing,

of the adjusted contract demand amounts and the TVA-specified effective date. In the event the adjustment of the contract demand warrants the customer being served under a different rate schedule, the applicable rate schedule will be attached to said notice. Within 30 days of the date of the notice from TVA, KUB may submit to TVA a request for a one-year exemption due to force majeure or other events outside of the customer's control that are impacting the onpeak or offpeak billing demand. TVA will approve such request so long as (1) the customer has previously met or exceeded 75% of its onpeak or offpeak contract demand, whichever is higher, and (2) customer demonstrates, to TVA's satisfaction, customer's plan for meeting or exceeding 75% of its contract demand.

The requirement set forth in preceding paragraph shall not apply to customers that have been supplied with service through a single-point of delivery for less than ten years. The requirement set forth in the preceding paragraph also shall not apply to federal customers whose primary use of power supports activities essential to national defense. For purposes of this provision, a customer's use of power shall be considered in support of national defense when the predominant use of electricity directly enables activities, operations, or facilities determined by TVA to be directly tied to national defense needs.

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.

Customers are ineligible to be served under the GSC rate schedule and must be served under the rates and requirements of "Large Data Service Rates - Schedule DC" when the major use of electricity is for activities conducted at the delivery point serving that customer which are (1) classified with 2022 North American Industry Classification System (NAICS) subsector codes 518 or 519 (but excluding 519210), (2) classified with 2022 NAICS codes 522320 or 541214, or (3) used, in TVA's sole judgment, for the operation of computational equipment.

Service under these rate schedules is subject to any certification requirements as TVA may require.

Unless otherwise provided for in a written agreement between TVA and KUB providing service under these rate schedules, for customers served under these rate schedules, the customer's "meter-reading time" shall be 0000 hours CST or CDT, whichever is currently effective, on the first day of the calendar month following the month for which a bill under these rate schedules is being calculated. Further, in accordance with TVA-furnished or TVA-approved guidelines or specifications, TVA shall have unrestricted remote access to the metering data at all times, as well as unrestricted physical access to the metering facilities for the purpose of confirming remotely-accessed data during such periods as are specified by TVA.

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.

	Summer	Winter	Transition
Monthly Demand:			
Onpeak billing demand per kW:	$11.81	$10.76	$10.76
Maximum billing demand per kW:	$6.87	$6.87	$6.87
Excess demand per kW:	$18.68	$17.63	$17.63
Monthly Energy Charge:			
Onpeak energy per kWh:	$0.09639	$0.08404	$0.06895
Offpeak energy block 1 per kWh:	$0.06929	$0.07171	$0.06895
Offpeak energy block 2 per kWh:	$0.03170	$0.03170	$0.03170
Offpeak energy block 3 per kWh:	$0.02799	$0.02799	$0.02799

For the purposes of applying Demand Charges:

Onpeak Billing Demand: Onpeak Demand rates are applied to onpeak billing demand

Maximum Billing Demand: Maximum Demand rates are applied to maximum billing demand

Excess Demand: Demand amount that exceeds the effective onpeak or offpeak contract demand, whichever is higher

For the purposes of applying Energy Charges:

Onpeak Energy: Onpeak hours rates are applied to all metered onpeak kWh

Offpeak Energy Block 1: First 200 hours use of onpeak metered demand multiplied by the ratio of offpeak energy to total energy

Offpeak Energy Block 2: Next 200 hours use of onpeak metered demand multiplied by the ratio of offpeak energy to total energy

Offpeak Energy Block 3: 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.

The contract demand amounts and applicable rate schedule specified in the contract may be adjusted by TVA as provided under this paragraph. For customers served under GSC rates, beginning October 1, 2027, and occurring each October 1 thereafter, TVA will calculate the customer's highest onpeak and offpeak billing demand, established in the preceding 36 months. In the event that the customer's onpeak and/or offpeak billing demand is below 75% of the onpeak or offpeak contract demand, which is higher, TVA will provide at least 60 days' written notice of an adjustment to the onpeak and/or offpeak contract demands. Said adjustment to the onpeak and/or offpeak contract demands would be established by dividing the customer's highest onpeak or offpeak billing demand from the preceding 36 months by 0.75. KUB will promptly notify the customer, in writing,

of the adjusted contract demand amounts and the TVA-specified effective date. In the event the adjustment of the contract demand warrants the customer being served under a different rate schedule, the applicable rate schedule will be attached to said notice. Within 30 days of the date of the notice from TVA, KUB may submit to TVA a request for a one-year exemption due to force majeure or other events outside of the customer's control that are impacting the onpeak or offpeak billing demand. TVA will approve such request so long as (1) the customer has previously met or exceeded 75% of its onpeak or offpeak contract demand, whichever is higher, and (2) customer demonstrates, to TVA's satisfaction, customer's plan for meeting or exceeding 75% of its contract demand.

The requirement set forth in preceding paragraph shall not apply to customers that have been supplied with service through a single-point of delivery for less than ten years. The requirement set forth in the preceding paragraph also shall not apply to federal customers whose primary use of power supports activities essential to national defense. For purposes of this provision, a customer's use of power shall be considered in support of national defense when the predominant use of electricity directly enables activities, operations, or facilities determined by TVA to be directly tied to national defense needs.

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.

Customers are ineligible to be served under the GSD rate schedule and must be served under the rates and requirements of "Large Data Service Rates - Schedule DC" when the major use of electricity is for activities conducted at the delivery point serving that customer which are (1) classified with 2022 North American Industry Classification System (NAICS) subsector codes 518 or 519 (but excluding 519210), (2) classified with 2022 NAICS codes 522320 or 541214, or (3) used, in TVA's sole judgment, for the operation of computational equipment.

Service under these rate schedules is subject to any certification requirements as TVA may require.

Unless otherwise provided for in a written agreement between TVA and KUB providing service under these rate schedules, for customers served under these rate schedules, the customer's "meter-reading time" shall be 0000 hours CST or CDT, whichever is currently effective, on the first day of the calendar month following the month for which a bill under these rate schedules is being calculated. Further, in accordance with TVA-furnished or TVA-approved guidelines or specifications, TVA shall have unrestricted remote access to the metering data at all times, as well as unrestricted physical access to the metering facilities for the purpose of confirming remotely-accessed data during such periods as are specified by TVA.

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.

	Summer	Winter	Transition
Monthly Demand:			
Onpeak billing demand per kW:	$11.81	$10.76	$10.76
Maximum billing demand per kW:	$6.74	$6.74	$6.74
Excess demand per kW:	$18.55	$17.50	$17.50
Monthly Energy:			
Onpeak energy per kWh:	$0.09641	$0.08406	$0.06897
Offpeak energy block 1 per kWh:	$0.06931	$0.07173	$0.06897
Offpeak energy block 2 per kWh:	$0.03047	$0.03047	$0.03047
Offpeak energy block 3 per kWh:	$0.02801	$0.02801	$0.02801

For the purposes of applying Demand Charges:

Onpeak Billing Demand: Onpeak Demand rates are applied to onpeak billing demand

Maximum Billing Demand: Maximum Demand rates are applied to maximum billing demand

Excess Demand: Demand amount that exceeds the effective onpeak or offpeak contract demand, whichever is higher

For the purposes of applying Energy Charges:

Onpeak Energy: Onpeak hours rates are applied to all metered onpeak kWh

Offpeak Energy Block 1: First 200 hours use of onpeak metered demand multiplied by the ratio of offpeak energy to total energy

Offpeak Energy Block 2: Next 200 hours use of onpeak metered demand multiplied by the ratio of offpeak energy to total energy

Offpeak Energy Block 3: 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 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.

The contract demand amounts and applicable rate schedule specified in the contract may be adjusted by TVA as provided under this paragraph. For customers served under GSD rates, beginning October 1, 2027, and occurring each October 1 thereafter, TVA will calculate the customer's highest onpeak and offpeak billing demand, established in the preceding 36 months. In the event that the customer's onpeak and/or offpeak billing demand is below 75% of the onpeak or offpeak contract demand, which is higher, TVA will provide at least 60 days' written notice of an adjustment to the onpeak and/or offpeak contract demands. Said adjustment to the onpeak and/or offpeak contract demands would be established by dividing the customer's highest onpeak or offpeak billing demand from the preceding 36 months by 0.75. KUB will promptly notify the customer, in writing, of the adjusted contract demand amounts and the TVA-specified effective date. In the event the adjustment of the contract demand warrants the customer being served under a different rate schedule, the applicable rate schedule will be attached to said notice. Within 30 days of the date of the notice from TVA, KUB may submit to TVA a request for a one-year exemption due to force majeure or other events outside of the customer's control that are impacting the onpeak or offpeak billing demand. TVA will approve such request so long as (1) the customer has previously met or exceeded 75% of its onpeak or offpeak contract demand, whichever is higher, and (2) customer demonstrates, to TVA's satisfaction, customer's plan for meeting or exceeding 75% of its contract demand.

The requirement set forth in preceding paragraph shall not apply to customers that have been supplied with service through a single-point of delivery for less than ten years. The requirement set forth in the preceding paragraph also shall not apply to federal customers whose primary use of power supports activities essential to national defense. For purposes of this provision, a customer's use of power shall be considered in support of national defense when the predominant use of electricity directly enables activities, operations, or facilities determined by TVA to be directly tied to national defense needs.

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 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; provided that the other conditions of this section are met.

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.

Any customer served under a prior version of this rate schedule is ineligible to be served under this rate schedule if the major use of electricity is for activities conducted at the delivery point serving that customer which are (1) classified with 2022 North American Industry Classification System (NAICS) subsector codes 518 or 519 (but excluding 519210), (2) classified with 2022 NAICS codes 522320 or 541214, or (3) used, in TVA's sole judgment, for the operation of computational equipment.

Unless otherwise provided for in a written agreement between TVA and KUB providing service under this rate schedule, for customers served under this rate schedule, the customer's "meter-reading time" shall be 0000 hours CST or CDT, whichever is currently effective, on the first day of the calendar month following the month for which a bill under this rate schedule is being calculated. Further, in accordance with TVA-furnished or TVA-approved guidelines or specifications, TVA shall have unrestricted remote access to the metering data at all times, as well as unrestricted physical access to the metering facilities for the purpose of confirming remotely-accessed data during such periods as are specified by TVA.

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.

	Summer	Winter	Transition
Monthly Demand Charge:			
Onpeak billing demand per kW:	$11.25	$10.18	$10.18
Maximum billing demand per kW:	$7.21	$7.21	$7.21
Excess demand per kW:	$18.46	$17.39	$17.39
Monthly Energy Charge:			
Onpeak energy per kWh:	$0.10418	$0.09168	$0.08106
Offpeak energy block 1 per kWh:	$0.07765	$0.08009	$0.08106
Offpeak energy block 2 per kWh:	$0.04754	$0.04754	$0.04754
Offpeak energy block 3 per kWh:	$0.04544	$0.04544	$0.04544

For the purposes of applying Demand Charges:

Onpeak Billing Demand: Onpeak Demand rates are applied to onpeak billing demand

Maximum Billing Demand: Maximum Demand rates are applied to maximum billing demand

Excess Demand: Demand amount that exceeds the effective onpeak or offpeak contract demand, whichever is higher

For the purposes of applying Energy Charges:

Onpeak Energy: Onpeak hours rates are applied to all metered onpeak kWh

Offpeak Energy Block 1: First 200 hours use of onpeak metered demand multiplied by

the ratio of offpeak energy to total energy

Offpeak Energy Block 2: Next 200 hours use of onpeak metered demand multiplied by the ratio of offpeak energy to total energy

Offpeak Energy Block 3: 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.

After having received service for at least 1 year under this rate schedule, the customer, subject to appropriate amendments in its power contract with KUB, may receive service under the General Power Rate - Schedule GSA. In such case the term of the power contract shall remain the same and the contract demand for service under the General Power Rate - Schedule GSA shall not be less than the onpeak contract demand in effect when service was taken under this rate schedule.

The contract demand amounts and applicable rate schedule specified in the contract may be adjusted by TVA as provided under this paragraph. Beginning October 1, 2027, and occurring each October 1 thereafter, TVA will calculate the customer's highest onpeak and offpeak billing demand, established in the preceding 36 months. In the event that the customer's onpeak and/or offpeak billing demand is below 75% of the onpeak or offpeak contract demand, which is higher, TVA will provide at least 60 days written notice of an adjustment to the onpeak and/or offpeak contract demands. Said adjustment to the onpeak and/or offpeak contract demands would be established by dividing the customer's highest onpeak or offpeak billing demand from the preceding 36 months by 0.75. KUB will promptly notify the customer, in writing, of the adjusted contract demand amounts and the TVA-specified effective date. In the event the adjustment of the contract demand warrants the customer being served under a different rate schedule, the applicable rate schedule will be attached to said notice. Within 30 days of the date of the notice from TVA, KUB may submit to TVA a request for a one-year exemption due to force majeure or other events outside of the customer's control that are impacting the onpeak or offpeak billing demand. TVA will approve such request so long as (1) the customer has previously met or exceeded 75% of its onpeak or offpeak contract demand, whichever is higher, and (2) customer demonstrates, to TVA's satisfaction, customer's plan for meeting or exceeding 75% of its contract demand.

The requirement set forth in preceding paragraph shall not apply to customers that have been supplied with service through a single-point of delivery for less than ten years. The requirement set forth in the preceding paragraph also shall not apply to federal customers whose primary use of power supports activities essential to national defense. For purposes of this provision, a customer's use of power shall be considered in support of national defense when the predominant use of electricity directly enables activities, operations, or facilities determined by TVA to be directly tied to national defense needs.

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 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; provided that the other conditions of this section are met.

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.

Any customer served under a prior version of this rate schedule shall be subject to service under "Large Data Service Rates - Schedule DC" if the major use of electricity is for activities conducted at the delivery point serving that customer which are (1) classified with 2022 North American Industry Classification System (NAICS) subsector codes 518 or 519 (but excluding 519210), (2) classified with 2022 NAICS codes 522320 or 541214, or (3) used, in TVA's sole judgment, for the operation of computational equipment.

Unless otherwise provided for in a written agreement between TVA and KUB providing service under these rate schedules, for customers served under these rate schedules, the customer's "meter-reading time" shall be 0000 hours CST or CDT, whichever is currently effective, on the first day of the calendar month following the month for which a bill under these rate schedules is being calculated. Further, in accordance with TVA-furnished or TVA-approved guidelines or specifications, TVA shall have unrestricted remote access to the metering data at all times, as well as unrestricted physical access to the metering facilities for the purpose of confirming remotely-accessed data during such periods as are specified by TVA.

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.

	Summer	Winter	Transition
Monthly Demand Charge:			
Onpeak billing demand per kW:	$11.14	$10.08	$10.08
Maximum billing demand per kW:	$3.53	$3.53	$3.53
Excess demand per kW:	$14.67	$13.61	$13.61
Monthly Energy Charge:			
Onpeak energy per kWh:	$0.08580	$0.07381	$0.06347
Offpeak energy block 1 per kWh:	$0.06010	$0.06253	$0.06347
Offpeak energy block 2 per kWh:	$0.02782	$0.02782	$0.02782
Offpeak energy block 3 per kWh:	$0.02575	$0.02575	$0.02575

For the purposes of applying Demand Charges:

Onpeak Billing Demand: Onpeak Demand rates are applied to onpeak billing demand

Maximum Billing Demand: Maximum Demand rates are applied to maximum billing demand

Excess Demand: Demand amount that exceeds the effective onpeak or offpeak contract demand, whichever is higher

For the purposes of applying Energy Charges:

Onpeak Energy: Onpeak hours rates are applied to all metered onpeak kWh

Offpeak Energy Block 1: First 200 hours use of onpeak metered demand multiplied by

the ratio of offpeak energy to total energy

Offpeak Energy Block 2: Next 200 hours use of onpeak metered demand multiplied by the ratio of offpeak energy to total energy

Offpeak Energy Block 3: 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.

The contract demand amounts and applicable rate schedule specified in the contract may be adjusted by TVA as provided under this paragraph. For customers served under MSB rates, beginning October 1, 2027, and occurring each October 1 thereafter, TVA will calculate the customer’s highest onpeak and offpeak billing demand, established in the preceding 36 months. In the event that the customer's onpeak and/or offpeak billing demand is below 75% of the onpeak or offpeak contract demand, which is higher, TVA will provide at least 60 days’ written notice of an adjustment to the onpeak and/or offpeak contract demands. Said adjustment to the onpeak and/or offpeak contract demands would be established by dividing the customer’s highest onpeak or offpeak billing demand from the preceding 36 months by 0.75. KUB will promptly notify the customer, in writing, of the adjusted contract demand amounts and the TVA-specified effective date. In the event the adjustment of the contract demand warrants the customer being served under a different rate schedule, the applicable rate schedule will be attached to said notice. Within 30 days of the date of the notice from TVA, KUB may submit to TVA a request for a one-year exemption due to force majeure or other events outside of the customer’s control that are impacting the onpeak or offpeak billing demand. TVA will approve such request so long as (1) the customer has previously met or exceeded 75% of its onpeak or offpeak contract demand, whichever is higher, and (2) customer demonstrates, to TVA’s satisfaction, customer’s plan for meeting or exceeding 75% of its contract demand.

The requirement set forth in preceding paragraph shall not apply to customers that have been supplied with service through a single-point of delivery for less than ten years. The requirement set forth in the preceding paragraph also shall not apply to federal customers whose primary use of power supports activities essential to national defense. For purposes of this provision, a customer’s use of power shall be considered in support of national defense when the predominant use of electricity directly enables activities, operations, or facilities determined by TVA to be directly tied to national defense needs.

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 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.

Any customer served under a prior version of this rate schedule shall be subject to service under "Large Data Service Rates - Schedule DC" if the major use of electricity is for activities conducted at the delivery point serving that customer which are (1) classified with 2022 North American Industry Classification System (NAICS) subsector codes 518 or 519 (but excluding 519210), (2) classified with 2022 NAICS codes 522320 or 541214, or (3) used, in TVA's sole judgment, for the operation of computational equipment.

Unless otherwise provided for in a written agreement between TVA and KUB providing service under these rate schedules, for customers served under these rate schedules, the customer's "meter-reading time" shall be 0000 hours CST or CDT, whichever is currently effective, on the first day of the calendar month following the month for which a bill under these rate schedules is being calculated. Further, in accordance with TVA-furnished or TVA-approved guidelines or specifications, TVA shall have unrestricted remote access to the metering data at all times, as well as unrestricted physical access to the metering facilities for the purpose of confirming remotely-accessed data during such periods as are specified by TVA.

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.

	Summer	Winter	Transition
Monthly Demand Charge:			
Onpeak billing demand per kW:	$11.14	$10.08	$10.08
Maximum billing demand per kW:	$3.41	$3.41	$3.41
Excess demand per kW:	$14.55	$13.49	$13.49
Monthly Energy Charge:			
Onpeak energy per kWh:	$0.08671	$0.07429	$0.06288
Offpeak energy block 1 per kWh:	$0.05951	$0.06193	$0.06288
Offpeak energy block 2 per kWh:	$0.02998	$0.02998	$0.02998
Offpeak energy block 3 per kWh:	$0.02998	$0.02998	$0.02998

For the purposes of applying Demand Charges:

Onpeak Billing Demand: Onpeak Demand rates are applied to onpeak billing demand

Maximum Billing Demand: Maximum Demand rates are applied to maximum billing demand

Excess Demand: Demand amount that exceeds the effective onpeak or offpeak contract demand, whichever is higher

For the purposes of applying Energy Charges:

Onpeak Energy: Onpeak hours rates are applied to all metered onpeak kWh

Offpeak Energy Block 1: First 200 hours use of onpeak metered demand multiplied by the ratio of offpeak energy to total energy

Offpeak Energy Block 2: Next 200 hours use of onpeak metered demand multiplied by the ratio of offpeak energy to total energy

Offpeak Energy Block 3: 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.

The contract demand amounts and applicable rate schedule specified in the contract may be adjusted by TVA as provided under this paragraph. For customers served under MSC rates, beginning October 1, 2027, and occurring each October 1 thereafter, TVA will calculate the customer’s highest onpeak and offpeak billing demand, established in the preceding 36 months. In the event that the customer's onpeak and/or offpeak billing demand is below 75% of the onpeak or offpeak contract demand, which is higher, TVA will provide at least 60 days’ written notice of an adjustment to the onpeak and/or offpeak contract demands. Said adjustment to the onpeak and/or offpeak contract demands would be established by dividing the customer’s highest onpeak or offpeak billing demand from the preceding 36 months by 0.75. KUB will promptly notify the customer, in writing, of the adjusted contract demand amounts and the TVA-specified effective date. In the event the adjustment of the contract demand warrants the customer being served under a different rate schedule, the applicable rate schedule will be attached to said notice. Within 30 days of the date of the notice from TVA, KUB may submit to TVA a request for a one-year exemption due to force majeure or other events outside of the customer’s control that are impacting the onpeak or offpeak billing demand. TVA will approve such request so long as (1) the customer has previously met or exceeded 75% of its onpeak or offpeak contract demand, whichever is higher, and (2) customer demonstrates, to TVA’s satisfaction, customer’s plan for meeting or exceeding 75% of its contract demand.

The requirement set forth in preceding paragraph shall not apply to customers that have been supplied with service through a single-point of delivery for less than ten years. The requirement set forth in the preceding paragraph also shall not apply to federal customers whose primary use of power supports activities essential to national defense. For purposes of this provision, a customer’s use of power shall be considered in support of national defense when the predominant use of electricity directly enables activities, operations, or facilities determined by TVA to be directly tied to national defense needs.

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 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.

Any customer served under a prior version of this rate schedule shall be subject to service under "Large Data Service Rates - Schedule DC" if the major use of electricity is for activities conducted at the delivery point serving that customer which are (1) classified with 2022 North American Industry Classification System (NAICS) subsector codes 518 or 519 (but excluding 519210), (2) classified with 2022 NAICS codes 522320 or 541214, or (3) used, in TVA's sole judgment, for the operation of computational equipment.

Unless otherwise provided for in a written agreement between TVA and KUB providing service under these rate schedules, for customers served under these rate schedules, the customer's "meter-reading time" shall be 0000 hours CST or CDT, whichever is currently effective, on the first day of the calendar month following the month for which a bill under these rate schedules is being calculated. Further, in accordance with TVA-furnished or TVA-approved guidelines or specifications, TVA shall have unrestricted remote access to the metering data at all times, as well as unrestricted physical access to the metering facilities for the purpose of confirming remotely-accessed data during such periods as are specified by TVA.

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.

	Summer	Winter	Transition
Monthly Demand Charge:			
Onpeak billing demand per kW:	$11.14	$10.08	$10.08
Maximum billing demand per kW:	$2.96	$2.96	$2.96
Excess demand per kW:	$14.10	$13.04	$13.04
Monthly Energy Charge:			
Onpeak energy per kWh:	$0.08289	$0.07048	$0.05906
Offpeak energy block 1 per kWh:	$0.05571	$0.05810	$0.05906
Offpeak energy block 2 per kWh:	$0.02680	$0.02680	$0.02680
Offpeak energy block 3 per kWh:	$0.02617	$0.02617	$0.02617

For the purposes of applying Demand Charges:

Onpeak Billing Demand: Onpeak Demand rates are applied to onpeak billing demand

Maximum Billing Demand: Maximum Demand rates are applied to maximum billing demand

Excess Demand: Demand amount that exceeds the effective onpeak or offpeak contract demand, whichever is higher

For the purposes of applying Energy Charges:

Onpeak Energy: Onpeak hours rates are applied to all metered onpeak kWh

Offpeak Energy Block 1: First 200 hours use of onpeak metered demand multiplied by the ratio of offpeak energy to total energy

Offpeak Energy Block 2: Next 200 hours use of onpeak metered demand multiplied by the ratio of offpeak energy to total energy

Offpeak Energy Block 3: 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.

The contract demand amounts and applicable rate schedule specified in the contract may be adjusted by TVA as provided under this paragraph. For customers served under MSD rates, beginning October 1, 2027, and occurring each October 1 thereafter, TVA will calculate the customer's highest onpeak and offpeak billing demand, established in the preceding 36 months. In the event that the customer's onpeak and/or offpeak billing demand is below 75% of the onpeak or offpeak contract demand, which is higher, TVA will provide at least 60 days' written notice of an adjustment to the onpeak and/or offpeak contract demands. Said adjustment to the onpeak and/or offpeak contract demands would be established by dividing the customer's highest onpeak or offpeak billing demand from the preceding 36 months by 0.75. KUB will promptly notify the customer, in writing, of the adjusted contract demand amounts and the TVA-specified effective date. In the event the adjustment of the contract demand warrants the customer being served under a different rate schedule, the applicable rate schedule will be attached to said notice. Within 30 days of the date of the notice from TVA, KUB may submit to TVA a request for a one-year exemption due to force majeure or other events outside of the customer's control that are impacting the onpeak or offpeak billing demand. TVA will approve such request so long as (1) the customer has previously met or exceeded 75% of its onpeak or offpeak contract demand, whichever is higher, and (2) customer demonstrates, to TVA's satisfaction, customer's plan for meeting or exceeding 75% of its contract demand.

The requirement set forth in preceding paragraph shall not apply to customers that have been supplied with service through a single-point of delivery for less than ten years. The requirement set forth in the preceding paragraph also shall not apply to federal customers whose primary use of power supports activities essential to national defense. For purposes of this provision, a customer's use of power shall be considered in support of national defense when the predominant use of electricity directly enables activities, operations, or facilities determined by TVA to be directly tied to national defense needs.

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.

LARGE DATA SERVICE RATE - SCHEDULE DCA

Availability

These rates and requirements shall apply to the 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 (1) classified with 2022 North American Industry Classification System (NAICS) subsector codes 518 or 519 (but excluding 519210), (2) classified with 2022 NAICS codes 522320 or 541214, or (3) used, in TVA's sole judgment, for the operation of computational equipment; provided that the other conditions of this section are met.

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.

Unless otherwise provided for in a written agreement between TVA and KUB providing service under this rate schedule, for customers served under this rate schedule, the customer's "meter-reading time" shall be 0000 hours CST or CDT, whichever is currently effective, on the first day of the calendar month following the month for which a bill under this rate schedule is being calculated. Further, in accordance with TVA-furnished or TVA-approved guidelines or specifications, TVA shall have unrestricted remote access to the metering data at all times, as well as unrestricted physical access to the metering facilities for the purpose of confirming remotely-accessed data during such periods as are specified by TVA.

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.

	Summer	Winter	Transition
Monthly Demand Charge:			
Onpeak billing demand per kW:	$11.25	$10.18	$10.18
Maximum billing demand per kW:	$7.21	$7.21	$7.21
Excess demand per kW:	$18.46	$17.39	$17.39
Monthly Energy Charge:			
Onpeak energy per kWh:	$0.10418	$0.09168	$0.08106
Offpeak energy block 1 per kWh:	$0.07765	$0.08009	$0.08106
Offpeak energy block 2 per kWh:	$0.04754	$0.04754	$0.04754
Offpeak energy block 3 per kWh:	$0.04544	$0.04544	$0.04544

For the purposes of applying Demand Charges:

Onpeak Billing Demand: Onpeak Demand rates are applied to onpeak billing demand

Maximum Billing Demand: Maximum Demand rates are applied to maximum billing demand

Excess Demand: Demand amount that exceeds the effective onpeak or offpeak contract demand, whichever is higher

For the purposes of applying Energy Charges:

Onpeak Energy: Onpeak hours rates are applied to all metered onpeak kWh

Offpeak Energy Block 1: First 200 hours use of onpeak metered demand multiplied by the ratio of offpeak energy to total energy

Offpeak Energy Block 2: Next 200 hours use of onpeak metered demand multiplied by the ratio of offpeak energy to total energy

Offpeak Energy Block 3: 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 one year 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.

After having received service for at least 1 year under this rate schedule, the customer, subject to appropriate amendments in its power contract with KUB, may receive service under the General Power Rate - Schedule GSA. In such case the term of the power contract shall remain the same and the contract demand for service under the General Power Rate - Schedule GSA shall not be less than the onpeak contract demand in effect when service was taken under this rate schedule.

The contract demand amounts and applicable rates specified in the contract may be adjusted by TVA as provided under this paragraph. Beginning October 1, 2027, and occurring each October 1 thereafter, TVA will calculate the customer's highest onpeak and offpeak billing demand, established in the preceding 36 months. In the event that the customer's onpeak and/or offpeak billing demand is below 75% of the onpeak or offpeak contract demand, which is higher, TVA will provide at least 60 days written notice of an adjustment to the onpeak and/or offpeak contract demands. Said adjustment to the onpeak and/or offpeak contract demands would be established by dividing the customer's highest onpeak or offpeak billing demand from the preceding 36 months by 0.75. KUB will promptly notify the customer, in writing, of the adjusted contract demand amounts and the TVA-specified effective date. In the event the adjustment of the contract demand warrants the customer being served under a different rate schedule, the applicable rate schedule will be attached to said notice. Within 30 days of the date of the notice from TVA, KUB may submit to TVA a request for a one-year exemption due to force majeure or other events outside of the customer's control that are impacting the onpeak or offpeak billing demand. TVA will approve such request so long as (1) the customer has previously met or exceeded 75% of its onpeak or offpeak contract demand, whichever is higher, and (2) customer demonstrates, to TVA's satisfaction, customer's plan for meeting or exceeding 75% of its contract demand.

The requirement set forth in preceding paragraph shall not apply to customers that have been supplied with service through a single-point of delivery for less than ten years. The requirement set forth in the preceding paragraph also shall not apply to federal customers whose primary use of power supports activities essential to national defense. For purposes of this provision, a customer's use of power shall be considered in support of national defense when the predominant use of electricity directly enables activities, operations, or facilities determined by TVA to be directly tied to national defense needs.

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.

LARGE DATA SERVICE RATES - SCHEDULE DC

Availability

These rates and requirements shall apply to the electric power requirements where (a) a customer's currently effective onpeak or offpeak contract demand, whichever is higher, is greater than 5,000 kW, and (b) the major use of electricity is for activities conducted at the delivery point serving that customer which are (1) classified with 2022 North American Industry Classification System (NAICS) subsector codes 518 or 519 (but excluding 519210), (2) classified with 2022 NAICS codes 522320 or 541214, or (3) used, in TVA's sole judgment, for the operation of computational equipment; provided that the other conditions of this section are met.

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.

Any customer taking service under this rate schedule is subject to the TVA Capacity Commitment Charge Rider ("CCC Rider") for any new or expanded load. Prior to the effective date of any contract for new or expanded load served under this rate schedule, any charge calculated under the CCC Rider must be paid by the customer to TVA in accordance with payment instructions and terms provided by TVA. Additionally, prior to entering into any contract for power for new or expanded load, KUB must notify and consult with TVA. KUB and customer will contract with TVA, as deemed necessary by TVA, to provide for any TVA-required conditions applicable to delivery of power and energy from TVA to KUB and from KUB to customer. Such conditions may include, but are not limited to, power interruption provisions and operating restrictions and guidelines, or installation of special power regulation equipment.

Unless otherwise provided for in a written agreement between TVA and KUB providing service under these rate schedules, for customers served under these rate schedules, the customer's "meter-reading time" shall be 0000 hours CST or CDT, whichever is currently effective, on the first day of the calendar month following the month for which a bill under these rate schedules is being calculated. Further, in accordance with TVA-furnished or TVA-approved guidelines or specifications, TVA shall have unrestricted remote access to the metering data at all times, as well as unrestricted physical access to the metering facilities for the purpose of confirming remotely-accessed data during such periods as are specified by TVA.

For a customer requesting that its onpeak contract demand be different from its offpeak contract demand, these rate schedules 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.

The DCB rates below shall apply to customers with an onpeak or offpeak contract demand, whichever is higher, greater than 5,000 kW, but not more than 15,000 kW; DCC rates below shall apply to customers with an onpeak or offpeak contract demand, whichever is higher, greater than 15,000 kW, but not more than 25,000 kW; DCD rates below shall apply to customers with an onpeak or offpeak contract demand, whichever is higher, greater than 25,000 kW.

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

The rates for DCB, DCC, and DCD are set forth under the Rates Attachment to the rate schedule. Any references to the Rates section for this Schedule DC or the DCB, DCC, and DCD rates will be deemed to include the Rates Attachment.

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 these rate schedules. The contract for customers served under DCB and DCC rates shall be for an initial term of at least 5 years and any renewals or extensions of the initial contract shall be for a term of at least 1 year; after 10 years of service, any such contract for the renewal or extension of service may provide for termination upon not less than 4 months' notice. The contract for customers served under DCD rates shall be for an initial term of at least 5 years and any renewals or extensions of the initial contract shall be for a term of at least 5 years; after 10 years of service, any such contract for the renewal or extension of service may provide for termination upon not less than 16 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 these rate schedules, 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 provided under the power contract between KUB and TVA.

Prior to entering into any contract for power for new or expanded load, KUB must notify and consult with TVA. KUB and Company will contract with TVA, as deemed necessary by TVA, to provide for any TVA-required conditions applicable to delivery of power and energy from TVA to KUB and from KUB to the customer.

The contract demand amounts and applicable rates specified in the contract may be adjusted by TVA as provided under this paragraph. For customers served under DCB, DCC, or DCD rates, beginning October 1, 2027, and occurring each October 1 thereafter, TVA will calculate the customer's highest onpeak and offpeak billing demand, established in the preceding 36 months. In the event that the customer's onpeak and/or offpeak billing demand is below 75% of the onpeak or offpeak contract demand, which is higher, TVA will provide at least 60 days written notice of an adjustment to the onpeak and/or offpeak contract demands. Said adjustment to the onpeak and/or offpeak contract demands would be established by dividing the customer's highest onpeak or offpeak billing demand from the preceding 36 months by 0.75. KUB will promptly notify the customer, in writing, of the adjusted contract demand amounts and the TVA-specified effective date. In the event the adjustment of the contract demand warrants the customer being served under a different rate schedule, the applicable rate schedule will be attached to said notice. Within 30 days of the date of the notice from TVA, KUB may submit to TVA a request for a one-year exemption due to force majeure or other events outside of the customer's control that are impacting the onpeak or offpeak billing demand. TVA will approve such request so long as (1) the customer has previously met or exceeded 75% of its onpeak or offpeak contract demand, whichever is higher, and (2) customer demonstrates, to TVA's satisfaction, customer's plan for meeting or exceeding 75% of its contract demand.

The requirement set forth in preceding paragraph shall not apply to customers that have been supplied with service through a single-point of delivery for less than ten years. The requirement set forth in the preceding paragraph also shall not apply to federal customers whose primary use of power supports activities essential to national defense. For purposes of this provision, a customer's use of power shall be considered in support of national defense when the predominant use of electricity directly enables activities, operations, or facilities determined by TVA to be directly tied to national defense needs.

Payment

Bills under these rate schedules will be rendered monthly. Any amount of the bill that is unpaid after the due date specified on bill may be subject to additional charges under KUB's standard policy. Failure by the customer to pay to TVA any amount due under the CCC Rider will be deemed a failure by the customer to have paid its power bill and all remedies available for non-payment of the power bill will be applicable for any amount due.

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.

Rates Attachment

Any customer taking service under this rate schedule is subject to the TVA Capacity Commitment Charge Rider for any new or expanded load. Prior to the effective date of any contract for new or expanded load served under this rate schedule, any charge calculated under the TVA Capacity Commitment Charge Rider must be paid by the customer to TVA in accordance with payment instructions provided by TVA.

	DCB	DCC	DCD	
Customer Charge	$1,500	$1,500	$1,500	per delivery point per month
Administrative Charge	$700	$700	$700	per delivery point per month

DCB (onpeak or offpeak contract demand, whichever is higher, greater than 5,000 kW, but not more than 15,000 kW)

	Summer	Winter	Transition
Monthly Demand Charge:			
Onpeak billing demand per kW:	$11.14	$10.08	$10.08
Maximum billing demand per kW:	$3.53	$3.53	$3.53
Excess demand per kW:	$14.67	$13.61	$13.61
Monthly Energy Charge:			
Onpeak energy per kWh:	$0.08580	$0.07381	$0.06347
Offpeak energy block 1 per kWh:	$0.06010	$0.06253	$0.06347
Offpeak energy block 2 per kWh:	$0.02782	$0.02782	$0.02782
Offpeak energy block 3 per kWh:	$0.02575	$0.02575	$0.02575

DCC (onpeak or offpeak contract demand, whichever is higher, greater than 15,000 kW, but not more than 25,000 kW)

	Summer	Winter	Transition
Monthly Demand Charge:			
Onpeak billing demand per kW:	$11.14	$10.08	$10.08
Maximum billing demand per kW:	$3.41	$3.41	$3.41
Excess demand per kW:	$14.55	$13.49	$13.49
Monthly Energy Charge:			
Onpeak energy per kWh:	$0.08671	$0.07429	$0.06288
Offpeak energy block 1 per kWh:	$0.05951	$0.06193	$0.06288
Offpeak energy block 2 per kWh:	$0.02998	$0.02998	$0.02998
Offpeak energy block 3 per kWh:	$0.02998	$0.02998	$0.02998

DCD (onpeak or offpeak contract demand, whichever is higher, greater than 25,000 kW)

	Summer	Winter	Transition
Monthly Demand Charge:			
Onpeak billing demand per kW:	$11.14	$10.08	$10.08
Maximum billing demand per kW:	$2.96	$2.96	$2.96
Excess demand per kW:	$14.10	$13.04	$13.04
Monthly Energy Charge:			
Onpeak energy per kWh:	$0.08289	$0.07048	$0.05906
Offpeak energy block 1 per kWh:	$0.05571	$0.05810	$0.05906
Offpeak energy block 2 per kWh:	$0.02680	$0.02680	$0.02680
Offpeak energy block 3 per kWh:	$0.02617	$0.02617	$0.02617

For the purposes of applying Demand Charges:

Onpeak Billing Demand: Onpeak Demand rates are applied to onpeak billing demand

Maximum Billing Demand: Maximum Demand rates are applied to maximum billing demand

Excess Demand: Demand amount that exceeds the effective onpeak or offpeak contract demand, whichever is higher

For the purposes of applying Energy Charges:

Onpeak Energy: Onpeak hours rates are applied to all metered onpeak kWh

Offpeak Energy Block 1: First 200 hours use of onpeak metered demand multiplied by the ratio of offpeak energy to total energy

Offpeak Energy Block 2: Next 200 hours use of onpeak metered demand multiplied by the ratio of offpeak energy to total energy

Offpeak Energy Block 3: 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.

DRAFT

RESOLUTION NO. 1523

A Resolution Amending the Purchased Power Adjustment of the Electric Division, as Previously Established by Resolution No. 1065, as Heretofore Amended, to Reflect New Electric Division Rate Schedules for Data Centers, in Accordance with the Recent TVA Wholesale Rate Change

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

Whereas, the Board previously adopted Resolution No. 1065, as heretofore amended, providing for a Purchased Power Adjustment ("PPA") for the Electric Division, for the purpose of flowing changes in wholesale power costs to its electric system customers; and

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

Whereas, the TVA Board of Directors recently approved several wholesale rate changes designed to protect customers in the Tennessee Valley region from infrastructure costs associated with TVA providing power for large energy-intensive power loads, including but not limited to new rate schedules for data centers; and

Whereas, the rate schedules of KUB's Electric Division are to be amended, as applicable, to reflect the TVA rate changes, including but not limited to new data center rate schedules for the Electric Division; and

Whereas, the new data center rate schedules are classified by TVA as non-standard service; and

Whereas, the PPA also needs to be amended to reflect the new data center rate schedules for the Electric Division; 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 November 1, 2026.

____
Cynthia Gibson, Chair

____
Mark Walker, Board Secretary

APPROVED ON 1st
READING: _______________________
APPROVED ON 2ND
READING: _______________________
EFFECTIVE DATE: ________________
MINUTE BOOK 50 PAGE ___________

RESOLUTION 1523
EXHIBIT A
PURCHASED POWER ADJUSTMENT
EFFECTIVE NOVEMBER 1, 2026

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 deigned 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. Non-Standard 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 under any classification other than Standard Service

(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. Change in Demand Cost kW = Change in Demand Cost x (Demand kW Power Cost Recovery/Demand Cost Recovery)

ii. Change in Demand Cost kWh = Change in Demand Cost x (Demand kWh Power Cost Recovery/Demand Cost Recovery)

2. Change in Energy Cost = Projected Energy Cost less Energy Cost Recovery

3. Change in Residential Customer Hydro Credit Cost = Projected Residential Customer Hydro Credit Cost less Residential Customer Hydro Credit Cost Recovery

4. Change in Hydro Energy Credit Cost = Projected Hydro Energy Credit Cost less Hydro Energy Credit Cost Recovery

5. Change in Hydro Energy Debit Cost = Projected Hydro Energy Debit Cost 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) Non-Standard Service – power and energy sold and billed to KUB under any classification other than Standard Service, including but not limited to Manufacturing, General Power, and Large Data Services

(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, 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, 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 Non-Standard 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) Supplier – any entity that sells electricity to the Division

(q) 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) Non-Standard 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 Non-Standard 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) Non-Standard 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 Non-Standard 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. Non-Standard Service Purchased Power Adjustment – the sum of Non-Standard Service Demand Component and the Non-Standard 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 Non-Standard 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 1523
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

	Summer	Winter	Transition
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 ~~1487~~1523

EXHIBIT A

PURCHASED POWER ADJUSTMENT

EFFECTIVE ~~JULY 1, 2024~~NOVEMBER 1, 2026

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 deigned 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. Non-Standard ~~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 under any classification other than Standard Service

(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. Change in Demand Cost kW = Change in Demand Cost x (Demand kW Power Cost Recovery/Demand Cost Recovery)

ii. Change in Demand Cost kWh = Change in Demand Cost x (Demand kWh Power Cost Recovery/Demand Cost Recovery)

2. Change in Energy Cost = Projected Energy Cost less Energy Cost Recovery

3. Change in Residential Customer Hydro Credit Cost = Projected Residential Customer Hydro Credit Cost less Residential Customer Hydro Credit Cost Recovery

4. Change in Hydro Energy Credit Cost = Projected Hydro Energy Credit Cost less Hydro Energy Credit Cost Recovery

5. Change in Hydro Energy Debit Cost = Projected Hydro Energy Debit Cost 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~~ Non-Standard Service – power and energy sold and billed to KUB under any classification other than Standard Service, including but not limited to Manufacturing, General Power, and Large Data Services

(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~~ Non-Standard 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)~~(p) Supplier – any entity that sells electricity to the Division

~~(r)~~(q) 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~~ Non-Standard 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 Non-Standard ~~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~~ Non-Standard 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~~ Non-Standard 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~~ Non-Standard Service Purchased Power Adjustment – the sum of ~~the Manufacturing and General Power~~ Non-Standard Service Demand Component and the ~~Manufacturing and General Power~~ Non-Standard 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~~ Non-Standard 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~~1523
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

	Summer	Winter	Transition
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

DRAFT

Knoxville Utilities Board
Board Meeting Minutes
Thursday, August 20, 2026 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, August 20, 2026, pursuant to the public notice published in the January 3, 2026, edition of the *News Sentinel*. Vice Chair Kathy Hamilton called the meeting to order at 12:00 p.m.

Roll Call

Commissioners Present: Kathy Hamilton, Phyllis Nichols, Pete Pearson, and Dr. Craig Pickett, Jr.

Commissioners Absent: Ron Feinbaum and Cynthia Gibson

Approval of Minutes

Upon a motion by Commissioner Pearson and a second by Commissioner Nichols, the June 18, 2026 Board meeting minutes were approved by a unanimous voice vote. The following Commissioners voted “aye”: Hamilton, Nichols, Pearson, and Pickett. No Commissioner voted “nay”.

Old Business

None

New Business

Oath of Office for Sara Hedstrom Pinnell

Vice Chair Hamilton welcomed Sara Hedstrom Pinnell and asked George Shields, the Board’s General Counsel, to administer the Oath of Office to Ms. Hedstrom Pinnell.

Resolution 1521 – A Resolution Authorizing the Execution of an Amendment to the Knoxville Utilities Board’s Letter of Intent and Associated Power Purchase Agreement with SR Durhamville, LLC to Purchase Solar Energy Under the Tennessee Valley Authority’s Power Supply Flexibility Program

President Gabriel Bolas reminded Commissioners the Board previously approved a series of agreements that enable KUB to benefit from TVA's Power Supply Flexibility Program, which allows KUB to self-supply 5% of its electric load from certain sources within the Tennessee Valley. He recognized Chasity Hobby, Manager of Energy Solutions, to provide an update on an amendment to the Letter of Intent and associated Power Purchase Agreement with Silicon Ranch.

Upon a motion by Commissioner Nichols and a second by Commissioner Pickett, Resolution 1521 (Attachment 1) was adopted by a roll call vote on first and final reading. The following Commissioners voted "aye": Hamilton, Hedstrom Pinnell, Nichols, Pearson, and Pickett. No Commissioner voted "nay".

President's Report

FY26 Organizational Performance

President Bolas provided an update on fiscal year 2026 organizational performance. He then recognized Mark Walker, Senior Vice President and Chief Financial Officer, to provide an update on fiscal year 2026 financial and metrics performance.

TVA Rate Change Overview

President Bolas advised the Board the TVA rate changes are designed to protect customers from the infrastructure costs associated with TVA serving large energy intensive loads. Mr. Bolas recognized Anna Hagerty, Business Analyst in Rates & Budget, to provide details of the TVA rate changes and the impact on KUB's electric rate schedules.

High School Student Engagement

President Bolas thanked Commissioners for their continued support of KUB's TeenWork program. He recognized Janea Peterson, Educational Outreach Coordinator in Community Engagement & Culture, to provide an update on high school engagement efforts, an overview of the 865 Academy, and a recap of the 2026 program.

Other Business

Vice Chair Hamilton announced that the Nominating Committee met today to begin this year's process for nominating candidates for the Commissioner term that begins January 1, 2027. This will be for a new Commissioner to replace Vice Chair Hamilton, whose term is expiring December 31, 2026.

Public Comment

Steven Kandilakis

Adjournment

There being nothing further to come before the Board, Vice Chair Hamilton declared the Board meeting adjourned at 1:24 p.m.

Cynthia Gibson, Chair

Mark Walker, Board Secretary

Attachment 1	Board Letter and Resolution 1521 – A Resolution Authorizing the Execution of an Amendment to the Knoxville Utilities Board's Letter of Intent and Associated Power Purchase Agreement with SR Durhamville, LLC to Purchase Solar Energy Under the Tennessee Valley Authority's Power Supply Flexibility Program	**Page(s)** 13930 – 13943

August 14, 2026

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

Commissioners:

The August 20 Board meeting agenda includes two official action items, including the oath of office for Commissioner Sara Hedstrom Pinnell, who is filing the remaining term of former Commissioner Claudia Caballero, and a resolution authorizing the execution of an amendment to a Letter of Intent and associated Power Purchase Agreement for the purchase of solar power under TVA's Power Supply Flexibility Program.

A summary of the resolution is provided below.

Resolution 1521
As you will recall, the Board previously approved a series of agreements that enable KUB to benefit from TVA's Power Supply Flexibility Program, which allows KUB to self-supply 5% of its electric load from certain sources within the Tennessee Valley. One of those agreements is for 33 MW of solar from a facility in Durhamville, Tennessee (western portion of state) that will be developed, owned, and operated by Silicon Ranch.

Over the past year, the solar industry has been impacted by global policies, regulations, and other economic factors, which have resulted in price increases and schedule pressures on the project. As a result, and to maintain project viability, Silicon Ranch has requested a price increase of 10% per MWh and delay the delivery date by 6 months.

In considering this request, KUB staff negotiated additional favorable provisions from Silicon Ranch that will offset pricing impacts and provide additional benefits to KUB and our customers. It is staff's recommendation to proceed with the amendment for revised costs and in-service dates. Once completed in December 2028, the project will supply 33 MW of KUB's Flexibility capacity and result in approximately $1.5M in annual power cost savings.

Resolution 1521 authorizes the President and CEO to execute the amendment to the Letter of Intent and associated Power Purchase Agreement with Silicon Ranch. I recommend its approval on first and final reading.

In addition to the official action items, the President's report for next week's meeting will include an overview of TVA rate changes, which will require official action at the next two Board meetings, a review of organizational performance for fiscal year 2026, and an update on our TeenWork Program.

Respectfully submitted,

Gabriel Bolas

Gabriel Bolas
President and CEO

RESOLUTION NO. 1521

A Resolution Authorizing the Execution of an Amendment to the Knoxville Utilities Board's Letter of Intent and Associated Power Purchase Agreement with SR Durhamville, LLC to Purchase Solar Energy Under the Tennessee Valley Authority's Power Supply Flexibility Program

Whereas, the Knoxville Utilities Board ("KUB") Board of Commissioners ("Board") previously adopted Resolution No. 1498, which authorized KUB's execution of a Letter of Intent ("LOI") and associated Power Purchase Agreement ("PPA") to purchase energy output and associated attributes from a solar photovoltaic electric generation facility to be developed, owned, and operated by SR Durhamville, LLC; and

Whereas, the solar industry has been impacted by global policies, regulations, and other economic factors, which have resulted in supply constraints and significant price increases for critical components of solar equipment; and

Whereas, like many other solar development projects across the nation, the SR Durhamville, LLC solar project experienced price increases and schedule pressures; and

Whereas, SR Durhamville, LLC requested KUB provide price and time concessions to the original agreement to maintain project viability; and

Whereas, the Amendment also includes favorable provisions that will offset pricing impacts and provide additional net benefits to KUB; and

Whereas, the Board has determined, upon recommendation from KUB staff, that it is in the best interest of KUB, its customers, and the community to execute the proposed Amendment.

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

Section 1. The President and Chief Executive Officer is hereby authorized to execute the Amendment to the SR Durhamville, LLC LOI and associated PPA, substantially in the form attached hereto, and is further authorized to approve any minor changes or revisions to said document as are in the best interest of KUB and its customers.

Section 2. That this Resolution shall take effect from and after its passage.

Kathy Hamilton/s
Kathy Hamilton, Vice Chair

Mark Walker/s
Mark Walker, Board Secretary

APPROVED ON 1st
& FINAL READING: 8-20-26
EFFECTIVE DATE: 8-20-26
MINUTE BOOK 50 PAGE 13932-13943

FIRST AMENDMENT
to the
LETTER AGREEMENT
between
KNOXVILLE UTILITIES BOARD
and
SR DURHAMVILLE, LLC

This FIRST AMENDMENT TO THE LETTER AGREEMENT (“**First Amendment**”), dated as of August __, 2026 (“**Effective Date**”), is between SR Durhamville, LLC (“**Seller**”) and Knoxville Utilities Board (“**KUB**” and together with Seller, the “**Parties**”). Capitalized terms not otherwise defined herein have the meanings given such terms in the Agreement (as defined below).

WHEREAS, the Parties executed that certain Letter Agreement, effective November 27, 2024 (the “**Agreement**”);

WHEREAS, pursuant to the Agreement, the Parties will execute the PPA for the sale of energy and environmental attributes generated by the SR Durhamville Solar Project no later than two years prior to the Expected Initial Delivery Date;

WHEREAS, under the terms of the Agreement, the Expected Initial Delivery Date is June 30, 2028; and

WHEREAS, KUB and Seller desire to, among other things, extend the Expected Initial Delivery Date and the anticipated PPA execution deadline and update the PPA contract price;

NOW, THEREFORE, in consideration of the foregoing and the mutual covenants contained herein, and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, and intending to be legally bound, the Parties hereby agree as follows:

1. Section 1(a) of the Agreement is hereby amended by (i) replacing the bundled price of “$50.90/MWh” with “$56.00/MWh” and (ii) extending the PPA execution deadline by replacing “June 30, 2026” with “December 15, 2026.”

2. Section 1(b) of the Agreement is hereby amended by extending the Expected Initial Delivery Date by replacing “June 30, 2028” with “December 15, 2028.”

3. Section 1(c)(i) of the Agreement is hereby amended by replacing the bundled Contract Price of “$50.90/MWh” with “$56.00/MWh.”

4. Section 3(a)(i) of the Agreement is hereby amended by replacing “KUB” with “either Party.”

5. Section 3(a)(ii) of the Agreement is hereby amended by replacing “June 30, 2026” with “December 15, 2026.”

6. Section 3(c) of the Agreement is hereby amended and restated in its entirety as follows:

   “Upon an Event of Default by SR Durhamville, KUB shall have the right to seek, as its sole remedy, one of the following remedies: (i) pursue an action for damages; (ii) seek and obtain specific performance of SR Durhamville’s obligations under this Letter Agreement; or (iii) terminate this Letter Agreement and receive from SR Durhamville the NTP Deadline Damages (as defined in the PPA)."

7. The form of PPA attached to the Agreement as Exhibit A shall be revised as follows:

    a. Article I of the PPA is hereby amended by adding the defined term "Production Period" and its definition below in the appropriate alphabetical order:

        "Production Period" has the meaning set forth in Exhibit B."

    b. Section 1.5 of the PPA is hereby amended by deleting the defined term "Annual Supply Guarantee" and replacing it with the defined term "Supply Guarantee."

    c. Article II of the PPA is hereby amended and restated in its entirety as follows:

        "This Agreement shall become effective as of the Effective Date and, unless otherwise terminated or extended in accordance with the provisions of this Agreement, shall remain in full force and effect until 24:00 CPT on the twentieth (20^{th}) anniversary of the Initial Delivery Date; provided, however, that LPC shall have the exclusive right to extend this Agreement for a period of ten (10) years following the end of the initial twenty (20)-year term. Unless LPC, in its sole discretion, provides written notice to Seller no later than the date that is the nineteenth (19^{th}) anniversary of the Initial Delivery Date that LPC elects not to extend this Agreement, the Agreement will automatically renew for ten (10) years."

    d. Section 3.2(c) of the PPA is hereby amended by replacing "Annual Supply Guarantee" with "Supply Guarantee."

    e. Section 8.1 of the PPA is hereby amended and restated in its entirety as follows:

        "Section 8.1 Supply Guarantee Generally. Commencing on the Initial Delivery Date, Seller shall guarantee the supply of sufficient Energy Output during each Production Period so as to meet or exceed the Supply Guarantee for such Production Period. If the Energy Output provided by Seller under this Agreement is not sufficient to meet the Supply Guarantee for the Production Period in question (such shortfall being referred to as herein as "Deficient Energy"), Seller shall pay liquidated damages to LPC with respect to such Supply Guarantee: (i) with respect to Deficient Energy and (ii) with respect to Environmental Attributes associated with the amount of the Deficient Energy, if applicable, as measured in accordance with Exhibit C, and payable as set forth in Section 10.2."

    f. Section 8.2 of the PPA is hereby amended by replacing "Annual Supply Guarantee" with "Supply Guarantee."

    g. Section 8.4 of the PPA is hereby amended by replacing "Annual Supply Guarantee" with "Supply Guarantee."

    h. Exhibit A (Contract Price) of the PPA is hereby amended by replacing the Contract Price (as defined in the PPA) of "\$50.90/MWh" with "\$56.00/MWh."

i. Exhibit B (Annual Supply Guarantee) of the PPA is hereby deleted in its entirety and replaced with the new Exhibit B attached hereto as Attachment 1.

j. Exhibit C (Liquidated Damages) of the PPA is hereby deleted in its entirety and replaced with the new Exhibit C attached hereto as Attachment 2

k. Exhibit G-1 (Project Description) of the PPA is hereby revised by (i) replacing the NTP Deadline of "June 30, 2027" with "September 30, 2027" and (ii) extending the Expected Initial Delivery Date by replacing "June 30, 2028" with "December 15, 2028."

l. Exhibit H (Project Development Milestone Schedule) of the PPA is hereby deleted in its entirety and replaced with the Project Development Milestone Schedule attached hereto as Attachment 3.

8. Except as specifically amended by this First Amendment, the terms and conditions of the Agreement remain in full force and effect. The Parties hereby agree that the Agreement, as amended by this First Amendment, constitutes the final, complete and exclusive agreement of the Parties with respect to the subject matter thereof and hereof and supersedes all prior understandings and agreements relating to such subject matter.

9. This First Amendment may be executed in counterparts, each of which shall be deemed an original, but both of which together shall constitute one and the same instrument.

[Remainder of page intentionally blank]

IN WITNESS WHEREOF, the undersigned have duly executed this First Amendment as of the date first above written.

SR DURHAMVILLE, LLC	**KNOXVILLE UTILITIES BOARD**
By:______________________________	By:______________________________
Name: D. Reagan Farr	Name:
Title: President and Chief Executive Officer	Title:

ATTACHMENT 1

AMENDED AND RESTATED EXHIBIT B OF THE PPA

EXHIBIT B
SUPPLY GUARANTEE

For each consecutive, non-rolling five (5) Delivery Period block (a "Production Period") throughout the Term of the Agreement to which this Exhibit B is attached, Seller guarantees that the total amount of the actual Energy Output delivered over such Production Period, which amount will be deemed to include Energy Output not delivered due to an economic curtailment described in Section 8.4, will at least equal the "Supply Guarantee" calculated as follows:

$$\text{Supply Guarantee}_k = \text{LPC's Fraction} \times \sum_{n=5(k-1)+1}^{5k} GEO_n \left(\frac{PH - EH_n}{PH}\right)$$

$$\text{for } k = 1, 2, \ldots, 6$$

Where:

k = The applicable Production Period number 1 through 6 (i.e., 30 Delivery Periods ÷ 5), as set forth in the table below

n = The applicable Delivery Period number 1 through 30, as set forth in the table below

GEO_n = Guaranteed Energy Output (MWh) for the applicable Delivery Period from the table below

PH = Possible Hours = 8,760 hours

EH = Excused Hours, as defined under Section 8.2 of the Agreement to which this Exhibit B is attached, for the applicable Delivery Period

Delivery Period (n)	**Production Period (k)**	**Expected Energy Output (MWh)** *(Informational only)*	**Guaranteed Energy Output (MWh)**
1	1	154,006	140,308
2		153,236	139,610
3		152,470	138,916
4		151,707	138,224
5		150,949	137,537
6	2	150,194	136,853
7		149,443	136,172
8		148,696	135,494

Delivery Period (n)	**Production Period (k)**	**Expected Energy Output (MWh)** *(Informational only)*	**Guaranteed Energy Output (MWh)**
9		147,953	134,820
10		147,213	134,149
11	3	146,477	133,482
12		145,744	132,818
13		145,016	132,157
14		144,291	131,500
15		143,569	130,845
16	4	142,851	130,194
17		142,137	129,547
18		141,426	128,902
19		140,719	128,261
20		140,016	127,623
21	5	139,315	126,988
22		138,619	126,356
23		137,926	125,727
24		137,236	125,102
25		136,550	124,479
26	6	135,867	123,860
27		135,188	123,244
28		134,512	122,631
29		133,839	122,021
30		133,170	121,414

ATTACHMENT 2

AMENDED AND RESTATED EXHIBIT C TO AGREEMENT

EXHIBIT C
LIQUIDATED DAMAGES

a. Deficient Energy

The formulas for calculating the amount of any liquidated damages (LD) owed to LPC by Seller under Section 8.1 for Deficient Energy for any Production Period during the Term are as follows:

$$\mathbf{LD_k = DE_k \times CP}$$

Where:

k = The applicable Production Period number 1 through 6 (i.e., 30 Delivery Periods ÷ 5), as set forth in the table on Exhibit B

CP = the Contract Price.

DE_k = Deficient Energy in MWh and is calculated as:

$$\mathbf{DE_k = SG_k - EO_k}$$

Where:

SG_k = Supply Guarantee in MWh for the applicable Production Period, as calculated in accordance with Exhibit B

EO_k = The sum of the actual Energy Output (inclusive of Section 8.4 curtailment Energy Output) in MWh for the applicable Production Period.

For any Production Period in which the calculation of Deficient Energy above yields a negative number, there shall be no Deficient Energy for that Delivery Period, and there shall be no (zero) liquidated damages with regard to supply performance during that Production Period. Further, there shall be no further calculations using the formulas above with respect to said Production Period.

b. RECs

For each Production Period in which there is Deficient Energy, the LPC will have the option, at no cost to LPC, to receive from Seller either (a) solar RECs equivalent to LPC's Fraction of the total MWh of the Deficient Energy on a MWh-for-MWh basis, if available, or (b) LPC's Fraction of the then-current Alternative Compliance Payment, regardless of whether Seller otherwise owes a LD payment to LPC under this Exhibit.

Example Calculation for First Production Period (Delivery Periods 1 through 5):

Delivery Period (n)	**Production Period (k)**	**Guaranteed Energy Output (MWh)** *(from table above)*	**Excused Hours** *(assumption)*	**Adjusted Guaranteed Energy Output Taking into Account Excused Hours** *(rounded)*	**Energy Output (MWh)** *(Metered Energy Output plus Sec. 8.4 Curtailment) (assumption)*
1	1	140,308	60	139,347	121,006
2		139,610	60	138,654	153,236
3		138,916	40	138,282	130,470
4		138,224	90	136,804	151,707
5		137,537	60	136,595	120,949
				Totals: 689,681	677,368

Supply Guarantee_1 = 50% x 689,681 MWh = 344,841 MWh

Energy Output_1 = 50% x 677,368 MWh = 338,684 MWh

DE_1 = 6,157 MWh

LD_1 = 6,157 MWh x $56.00 = $344,792

ATTACHMENT 3

AMENDED AND RESTATED EXHIBIT H OF THE PPA

PROJECT DEVELOPMENT MILESTONE SCHEDULE

Milestone Description	Dates
Completed all Interconnection Studies and requisite agreements, including System Impact Study and Facility Study	12/31/2024
Initiate all applicable NEPA, state, and local environmental permitting and approvals for the Project	05/28/2026
Receive all applicable NEPA, state, and local environmental permitting and approvals for the Project	12/31/2026
Receive all local, state, and federal permits and regulatory approvals required to construct the Project (other than applicable NEPA, state, and local environmental permitting and approvals)	12/31/2026
Executed all Real Property Agreements necessary to establish sufficient control of the real property to construct or cause any facilities on the site to be constructed	07/21/2026
Provide, in P6, Microsoft Project, or other industry accepted schedule format, Engineering/Design schedule	07/20/2026
Engineering/Design Start	06/01/2026
Engineering/Design finish (IFC Design)	05/11/2027
NTP request to LPC	04/04/2027
RFPs for owner-furnished major material acquisition, including main power transformer, solar panels and tracking systems have been issued (if applicable)	10/31/2025
EPC contract(s) executed	04/30/2027
Provide in P6 or other industry accepted schedule format, detailed construction schedule	04/30/2027
Construction start	05/11/2027
Provide dates that major materials, including, but not limited to, switch house, transformers, solar panels, inverters, racking, and associated systems, tracking systems, and piling	02/15/2027
Ready for backfeed	07/06/2028
Provide, in P6 or other industry accepted schedule format, the schedule for	05/05/2028

Milestone Description	Dates
all commissioning requirements and testing, to include all requirements contained in TVA's OASIS commissioning requirements: https://www.oasis.oati.com/woa/docs/TVA/TVAdocs/Interconnection_-_Commissioning_Checklist_and_Guidelines_-_v0.pdf	
Commissioning and testing start	07/20/2028
Expected Initial Delivery Date	12/15/2028