

RATE CHANGE AMENDMENT

TV-70310A, Supp. No. 75

This amendment is between the CITY OF FLORENCE, ALABAMA ("**Distributor**") and TENNESSEE VALLEY AUTHORITY ("**TVA**").

Distributor purchases all of its power requirements from TVA for resale under contract number TV-70310A, effective July 6, 1986, as amended ("**Power Contract**").

Since the fall of 2016, Distributor and TVA have endeavored, and are continuing to endeavor, to reach agreement on certain changes to wholesale and resale rates.

Distributor and TVA want to amend the Power Contract to memorialize the parties' agreement on the changed wholesale and resale rate schedules, to extend the availability of general manufacturing credits, and to reflect correctly the implementation of TVA's electric sales statistics ("**ESS**") reporting requirements.

In consideration of the premises and the agreements below, the parties therefore agree:

SECTION 1 - WHOLESALE RATE SCHEDULE SUBSTITUTION

1.1 - Changed Wholesale Rate Schedule The Schedule of Rates and Charges attached to and made a part of the Power Contract contains a wholesale power rate schedule ("**Existing Wholesale Schedule**"). A substitute wholesale power rate schedule, designated Schedule WS, dated October 2018 ("**Changed Wholesale Schedule**") is attached to this Amendment. Additionally, an optional wholesale power rate schedule, designated Schedule WSD, dated October 2018 ("**Optional Wholesale Schedule**") is attached to this Amendment.

1.2 - Wholesale Effective Date The Existing Wholesale Schedule remains in full force and effect for all bills rendered from wholesale meter readings scheduled to be taken before October 2, 2018. The Optional Wholesale Schedule is effective for all bills rendered from wholesale meter readings scheduled to be taken on and after October 2, 2018, and will remain in effect for all bills rendered from wholesale meter readings scheduled to be taken before October 2, 2019. During that time, all references in the Power Contract to the Existing Wholesale Schedule refer to Schedule WSD. The Changed Wholesale Schedule is effective for all bills rendered from wholesale meter readings scheduled to be taken on and after October 2, 2019. Starting with the first application of the Schedule WS, all references in the Power Contract to the Existing Wholesale Schedule refer to the Changed Wholesale Schedule.

SECTION 2 - REALE RATE SCHEDULE SUBSTITUTION

2.1 - Changed Resale Schedules The Schedule of Rates and Charges attached to and made a part of the Power Contract contains various resale rate schedules ("**Existing Resale Schedules**"). Substitute resale schedules, designated Schedules RS, GSA, GSB, GSC, GSD, MSB, MSC, MSD, LS, TRS, TGSA, TDGSA, and TDMSA, all dated October 2018 ("**Changed Resale Schedules**"), are attached to this Amendment. Schedules GSB, GSC, and GSD are compiled into one "Large General Power Rate Schedules" document and Schedules MSB, MSC, and MSD are compiled into one "Large Manufacturing Service Rate Schedules" document.

2.2 - Resale Effective Date The Existing Resale Schedules remain in full force and effect for all bills rendered from resale meter readings taken for Distributor's revenue months prior to October 2018. The Changed Resale Schedules are effective for all bills rendered from resale meter readings taken for Distributor's revenue months beginning with October 2018. Starting with Distributor's October 2018 revenue month, Distributor must provide electric service to all its customers in accordance with the rates, charges, and provisions of the appropriate Changed Resale Schedules, and with the provisions of Power Contract, as supplemented and amended by this Amendment.

2.3 - October 2019 Successor Rate Schedules Distributor and TVA will endeavor to reach agreement, through February 2019, on changed resale rates applicable to customers of Distributor that are not Large Customers as defined in the wholesale rate schedule ("**Successor Rate Schedules**"). If Distributor and TVA do not reach agreement on Successor Rate Schedules by October 1, 2019, the rates that were posted to Distributor's TVA Online Connection account on July 2, 2018, adjusted by TVA to account for any local rate action occurring after that date, will be the Successor Rate Schedules. Starting with Distributor's October 2019 revenue month, Distributor must provide electric service to all its customers that are not Large Customers in accordance with the rates, charges, and provisions of the appropriate Successor Rate Schedules, and with the provisions of Power Contract, as supplemented and amended by this Amendment.

SECTION 3 - GENERAL MANUFACTURING CREDITS

The large manufacturing bill credit agreement numbered TV-70310A, Supp. No. 16, and dated June 1, 1994, as amended, providing for credits commonly known as "General Manufacturing Credits" or "Small Manufacturing Credits" will continue in effect until the effective date of the first rate change occurring after October 2019, as provided for in the "Adjustment and Change of Wholesale Rate and Resale Rates" section of the Power Contract's Schedule of Terms and Conditions.

SECTION 4 - ESS REPORTING

The parties recognize that monthly statistical and billing data is furnished to TVA by Distributor in a monthly ESS Report. This data currently includes, as applicable, certain categories of data described and specified by XML schemas designated as: Class Summaries, Large Consumers, Small Consumer Frequencies, Enhanced Growth Credits, Small Manufacturing Credit, Generation Partners, Green Power Switch, and Dispersed Power Production. In lieu of the provisions of section 5 of the rate change amendment, numbered TV-70310A, Supp. No. 58, and dated April 1, 2011, Distributor will provide to TVA all ESS data reasonably required by TVA to effectively implement any rate, product, or program in which Distributor participates, in accordance with all applicable manuals, guidelines, standards, guidance, and requirements set forth by TVA, as they may be issued and updated from time to time.

SECTION 5 - EFFECTIVE DATE AND TERM


This Amendment becomes effective on October 1, 2018, and will remain in effect for the term of the Power Contract.

SECTION 6 - POWER CONTRACT AFFIRMED

Except as set out above, nothing in this Amendment affects the other terms of the Power Contract.

The parties are signing this Amendment to be effective on the date stated in Section 5.

CITY OF FLORENCE, ALABAMA

By 
Title: **MAYOR**

TENNESSEE VALLEY AUTHORITY

By _____
Director
Power Customer Contracts

TENNESSEE VALLEY AUTHORITY SCHEDULE OF RATES AND CHARGES

WHOLESALE POWER RATE--SCHEDULE WS (October 2018)

Availability

Firm power available under long-term contracts with, and for distribution and resale by, States, counties, municipalities, and cooperative organizations of citizens or farmers, all referred to herein as "Distributor."

Base Charges

Delivery Point Charge: \$1,500 for one delivery point to Distributor per month and
\$2,000 for each additional delivery point to Distributor per month

Demand and Energy Charges:

Power and energy taken hereunder shall be billed according to the charges set out in the Standard Service subsection below except that, for any power and energy taken by Distributor for resale to one or more customers whose contract demands are greater than 5,000 kW, as well as customers served under schedules TDGSA and TDMSA, if applicable (collectively, Large Customers), the charges set out in the TOU Service subsection below shall be applied to the portion of the power and energy so resold by Distributor each month under each of the resale rate schedules (Resale Schedules) referred to in the TOU Service subsection, in accordance with their availability provisions (including any necessary certifications from such customers, which Distributor shall provide to TVA). Terms used in the TOU Service subsection that are not defined herein shall have the same meaning as they have in the corresponding Resale Schedules. The remaining power and energy, if any, taken by Distributor and determined as provided for below in the section of this schedule entitled "Determination of Standard Service Demand and Energy Billing Amounts" shall be billed under the charges set out in Standard Service subsection below.

Notwithstanding the provisions set out in the paragraph above (which are hereafter referred to as Standard Billing Arrangement), Distributor may elect an alternative arrangement (Alternate Billing Arrangement) under which power and energy taken by Distributor for resale to Large Customers shall be billed in accordance with the charges set out in the Standard Service subsection below (in lieu of the charges set out in the TOU Service subsection below). Distributor may change its election of billing arrangements commencing with the October billing month of any year by giving TVA at least 45 days' prior written notice. Except as otherwise provided herein, Distributor's election of either the Standard Billing Arrangement or the Alternate Billing Arrangement shall apply to all Large Customers. If Distributor has elected the Alternate Billing Arrangement and it acquires a new Large Customer, Distributor may choose to apply the Standard Billing Arrangement to the new customer; provided, however, that the Standard Billing Arrangement shall then apply to all Large Customers beginning with the following October billing month.

Large Customers under the Standard Billing Arrangement shall be metered in accordance with TVA-furnished or TVA-approved guidelines or specifications. Distributor shall provide to TVA, in accordance with TVA-furnished or TVA-approved guidelines or specifications, unrestricted remote access to the metering data at all times, as well as physical access to the metering facilities for the purpose of confirming remotely-accessed data during such periods as are specified by TVA. Further, for each Large Customer, Distributor shall furnish TVA with such contract information as TVA reasonably requests for purposes of performing monthly billing analysis for each such customer. In the event that TVA is not given such access to all such

metering data, or is not provided such contract information, all power and energy taken hereunder shall be billed in accordance with the Alternate Billing Arrangement.

STANDARD SERVICE

Onpeak Demand Charge:	Summer Period	\$8.07 per kW of Onpeak Billing Demand per month
	Winter Period	\$7.14 per kW of Onpeak Billing Demand per month
	Transition Period	\$7.14 per kW of Onpeak Billing Demand per month
Maximum Demand Charge:	Summer Period	\$2.97 per kW of Maximum Billing Demand per month
	Winter Period	\$2.97 per kW of Maximum Billing Demand per month
	Transition Period	\$2.97 per kW of Maximum Billing Demand per month
Grid Access Charge:	All Periods	0.500¢ per Grid Access Unit
Energy Charge:	Summer Period	3.654¢ per kWh per month (as adjusted by TOU Amount below)
	Winter Period	3.327¢ per kWh per month (as adjusted by TOU Amount below)
	Transition Period	3.194¢ per kWh per month

TOU Amounts to be added to Energy Charges:

Summer Period	
During onpeak hours:	1.500¢ per kWh per month
During offpeak hours:	-0.700¢ per kWh per month
Winter Period	
During onpeak hours:	0.800¢ per kWh per month
During offpeak hours:	-0.200¢ per kWh per month

The above TOU Amounts shall not be subject to adjustment under Adjustment 1 below.

Optional Grid Access Charge: If Distributor selects to implement the Optional Grid Access Charge, 1.500¢ per kWh of the total Energy Charge will be identified on the wholesale power bill as a separate charge. Distributor may select or unselect this option, commencing with the October billing month of any year, by giving TVA at least 45 days' prior written notice. The Optional Grid Access Charge is not subject to adjustment under Adjustment 1 below.

TOU SERVICE

For purposes of applying the charges in this section, "maximum demand" is the higher of (1) the highest onpeak metered demand or (2) the highest offpeak metered demand.

General Power Service

Schedule GSB

Administrative Charge:	\$350 per delivery point per month
Demand Charge:	
Summer Period	
Onpeak Demand	\$10.30 per kW of metered onpeak demand per month, plus
Maximum Demand	\$3.49 per kW per month of maximum demand

Winter Period
Onpeak Demand \$9.39 per kW of metered onpeak demand per month, plus
Maximum Demand \$3.49 per kW per month of maximum demand

Transition Period
Onpeak Demand \$9.39 per kW of metered onpeak demand per month, plus
Maximum Demand \$3.49 per kW per month of maximum demand

Energy Charge:

Summer Period
Onpeak 6.071¢ per kWh per month for all metered onpeak kWh, plus

Offpeak
Block 1 3.708¢ per kWh per month for the first 200 hours use of metered onpeak demand multiplied by the ratio of offpeak energy to total energy, plus
Block 2 0.430¢ per kWh per month for the next 200 hours use of metered onpeak demand multiplied by the ratio of offpeak energy to total energy, plus
Block 3 0.106¢ per kWh per month for the hours use of metered onpeak demand in excess of 400 hours multiplied by the ratio of offpeak energy to total energy

Winter Period
Onpeak 4.993¢ per kWh per month for all metered onpeak kWh, plus

Offpeak
Block 1 3.918¢ per kWh per month for the first 200 hours use of metered onpeak demand multiplied by the ratio of offpeak energy to total energy, plus
Block 2 0.430¢ per kWh per month for the next 200 hours use of metered onpeak demand multiplied by the ratio of offpeak energy to total energy, plus
Block 3 0.106¢ per kWh per month for the hours use of metered onpeak demand in excess of 400 hours multiplied by the ratio of offpeak energy to total energy

Transition Period
Onpeak 3.678¢ per kWh per month for all metered onpeak kWh, plus

Offpeak
Block 1 3.678¢ per kWh per month for the first 200 hours use of metered onpeak demand multiplied by the ratio of offpeak energy to total energy, plus
Block 2 0.430¢ per kWh per month for the next 200 hours use of metered onpeak demand multiplied by the ratio of offpeak energy to total energy, plus
Block 3 0.106¢ per kWh per month for the hours use of metered onpeak demand in excess of 400 hours multiplied by the ratio of offpeak energy to total energy

Schedule GSC

Administrative Charge: \$350 per delivery point per month

Demand Charge:

Summer Period
Onpeak Demand \$10.30 per kW of metered onpeak demand per month, plus
Maximum Demand \$3.49 per kW per month of maximum demand

Winter Period
Onpeak Demand \$9.39 per kW of metered onpeak demand per month, plus
Maximum Demand \$3.49 per kW per month of maximum demand

Transition Period
 Onpeak Demand \$9.39 per kW of metered onpeak demand per month, plus
 Maximum Demand \$3.49 per kW per month of maximum demand

Energy Charge:

Summer Period
 Onpeak 6.071¢ per kWh per month for all metered onpeak kWh, plus

Offpeak

Block 1 3.708¢ per kWh per month for the first 200 hours use of metered onpeak demand multiplied by the ratio of offpeak energy to total energy, plus
 Block 2 0.430¢ per kWh per month for the next 200 hours use of metered onpeak demand multiplied by the ratio of offpeak energy to total energy, plus
 Block 3 0.106¢ per kWh per month for the hours use of metered onpeak demand in excess of 400 hours multiplied by the ratio of offpeak energy to total energy

Winter Period

Onpeak 4.993¢ per kWh per month for all metered onpeak kWh, plus

Offpeak

Block 1 3.918¢ per kWh per month for the first 200 hours use of metered onpeak demand multiplied by the ratio of offpeak energy to total energy, plus
 Block 2 0.430¢ per kWh per month for the next 200 hours use of metered onpeak demand multiplied by the ratio of offpeak energy to total energy, plus
 Block 3 0.106¢ per kWh per month for the hours use of metered onpeak demand in excess of 400 hours multiplied by the ratio of offpeak energy to total energy

Transition Period

Onpeak 3.678¢ per kWh per month for all metered onpeak kWh, plus

Offpeak

Block 1 3.678¢ per kWh per month for the first 200 hours use of metered onpeak demand multiplied by the ratio of offpeak energy to total energy, plus
 Block 2 0.430¢ per kWh per month for the next 200 hours use of metered onpeak demand multiplied by the ratio of offpeak energy to total energy, plus
 Block 3 0.106¢ per kWh per month for the hours use of metered onpeak demand in excess of 400 hours multiplied by the ratio of offpeak energy to total energy

Schedule GSD

Administrative Charge: \$350 per delivery point per month

Demand Charge:

Summer Period

Onpeak Demand \$10.30 per kW of metered onpeak demand per month, plus
 Maximum Demand \$3.49 per kW per month of maximum demand

Winter Period

Onpeak Demand \$9.39 per kW of metered onpeak demand per month, plus
 Maximum Demand \$3.49 per kW per month of maximum demand

Transition Period

Onpeak Demand \$9.39 per kW of metered onpeak demand per month, plus
 Maximum Demand \$3.49 per kW per month of maximum demand

Energy Charge:

Summer Period

Onpeak 6.071¢ per kWh per month for all metered onpeak kWh, plus

Offpeak

Block 1 3.708¢ per kWh per month for the first 200 hours use of metered onpeak demand multiplied by the ratio of offpeak energy to total energy , plus

Block 2 0.321¢ per kWh per month for the next 200 hours use of metered onpeak demand multiplied by the ratio of offpeak energy to total energy, plus

Block 3 0.106¢ per kWh per month for the hours use of metered onpeak demand in excess of 400 hours multiplied by the ratio of offpeak energy to total energy

Winter Period

Onpeak 4.993¢ per kWh per month for all metered onpeak kWh, plus

Offpeak

Block 1 3.918¢ per kWh per month for the first 200 hours use of metered onpeak demand multiplied by the ratio of offpeak energy to total energy, plus

Block 2 0.321¢ per kWh per month for the next 200 hours use of metered onpeak demand multiplied by the ratio of offpeak energy to total energy, plus

Block 3 0.106¢ per kWh per month for the hours use of metered onpeak demand in excess of 400 hours multiplied by the ratio of offpeak energy to total energy

Transition Period

Onpeak 3.678¢ per kWh per month for all metered onpeak kWh, plus

Offpeak

Block 1 3.678¢ per kWh per month for the first 200 hours use of metered onpeak demand multiplied by the ratio of offpeak energy to total energy, plus

Block 2 0.321¢ per kWh per month for the next 200 hours use of metered onpeak demand multiplied by the ratio of offpeak energy to total energy, plus

Block 3 0.106¢ per kWh per month for the hours use of metered onpeak demand in excess of 400 hours multiplied by the ratio of offpeak energy to total energy

Schedule TDGSA

Administrative Charge: \$350 per delivery point per month

Demand Charge:

Summer Period

Onpeak Demand \$10.38 per kW of metered onpeak demand per month, plus

Maximum Demand \$3.50 per kW per month of maximum demand

Winter Period

Onpeak Demand \$9.47 per kW of metered onpeak demand per month, plus

Maximum Demand \$3.50 per kW per month of maximum demand

Transition Period

Onpeak Demand \$9.47 per kW of metered onpeak demand per month, plus

Maximum Demand \$3.50 per kW per month of maximum demand

Energy Charge:

Summer Period

Onpeak 7.527¢ per kWh per month for all metered onpeak kWh, plus

Offpeak

Block 1 4.351¢ per kWh per month for the first 200 hours use of metered onpeak demand multiplied by the ratio of offpeak energy to total energy, plus

Block 2 0.323¢ per kWh per month for the next 200 hours use of metered onpeak demand multiplied by the ratio of offpeak energy to total energy, plus

Block 3 0.036¢ per kWh per month for the hours use of metered onpeak demand in excess of 400 hours multiplied by the ratio of offpeak energy to total energy

Winter Period

Onpeak 6.077¢ per kWh per month for all metered onpeak kWh, plus

Offpeak

Block 1 4.632¢ per kWh per month for the first 200 hours use of metered onpeak demand multiplied by the ratio of offpeak energy to total energy, plus

Block 2 0.323¢ per kWh per month for the next 200 hours use of metered onpeak demand multiplied by the ratio of offpeak energy to total energy, plus

Block 3 0.036¢ per kWh per month for the hours use of metered onpeak demand in excess of 400 hours multiplied by the ratio of offpeak energy to total energy

Transition Period

Onpeak 4.745¢ per kWh per month for all metered onpeak kWh, plus

Offpeak

Block 1 4.745¢ per kWh per month for the first 200 hours use of metered onpeak demand multiplied by the ratio of offpeak energy to total energy, plus

Block 2 0.323¢ per kWh per month for the next 200 hours use of metered onpeak demand multiplied by the ratio of offpeak energy to total energy, plus

Block 3 0.036¢ per kWh per month for the hours use of metered onpeak demand in excess of 400 hours multiplied by the ratio of offpeak energy to total energy

Manufacturing Power Service

Schedule MSB

Administrative Charge: \$350 per delivery point per month

Demand Charge:

Summer Period

Onpeak Demand \$9.71 per kW of metered onpeak demand per month, plus

Maximum Demand \$0.68 per kW per month of maximum demand

Winter Period

Onpeak Demand \$8.79 per kW of metered onpeak demand per month, plus

Maximum Demand \$0.68 per kW per month of maximum demand

Transition Period

Onpeak Demand \$8.79 per kW of metered onpeak demand per month, plus

Maximum Demand \$0.68 per kW per month of maximum demand

Energy Charge:

Summer Period

Onpeak 5.374¢ per kWh per month for all metered onpeak kWh, plus

Offpeak

- Block 1 3.004¢ per kWh per month for the first 200 hours use of metered onpeak demand multiplied by the ratio of offpeak energy to total energy, plus
- Block 2 0.188¢ per kWh per month for the next 200 hours use of metered onpeak demand multiplied by the ratio of offpeak energy to total energy, plus
- Block 3 -0.053¢ per kWh per month for the hours use of metered onpeak demand in excess of 400 hours multiplied by the ratio of offpeak energy to total energy

Winter Period

Onpeak 4.293¢ per kWh per month for all metered onpeak kWh, plus

Offpeak

- Block 1 3.216¢ per kWh per month for the first 200 hours use of metered onpeak demand multiplied by the ratio of offpeak energy to total energy, plus
- Block 2 0.188¢ per kWh per month for the next 200 hours use of metered onpeak demand multiplied by the ratio of offpeak energy to total energy, plus
- Block 3 -0.053¢ per kWh per month for the hours use of metered onpeak demand in excess of 400 hours multiplied by the ratio of offpeak energy to total energy

Transition Period

Onpeak 3.298¢ per kWh per month for all metered onpeak kWh, plus

Offpeak

- Block 1 3.298¢ per kWh per month for the first 200 hours use of metered onpeak demand multiplied by the ratio of offpeak energy to total energy, plus
- Block 2 0.188¢ per kWh per month for the next 200 hours use of metered onpeak demand multiplied by the ratio of offpeak energy to total energy, plus
- Block 3 -0.053¢ per kWh per month for the hours use of metered onpeak demand in excess of 400 hours multiplied by the ratio of offpeak energy to total energy

Schedule MSC

Administrative Charge: \$350 per delivery point per month

Demand Charge:

Summer Period

Onpeak Demand \$9.71 per kW of metered onpeak demand per month, plus
Maximum Demand \$0.68 per kW per month of maximum demand

Winter Period

Onpeak Demand \$8.79 per kW of metered onpeak demand per month, plus
Maximum Demand \$0.68 per kW per month of maximum demand

Transition Period

Onpeak Demand \$8.79 per kW of metered onpeak demand per month, plus
Maximum Demand \$0.68 per kW per month of maximum demand

Energy Charge:

Summer Period

Onpeak 5.268¢ per kWh per month for all metered onpeak kWh, plus

Offpeak

Block 1 2.897¢ per kWh per month for the first 200 hours use of metered onpeak demand multiplied by the ratio of offpeak energy to total energy , plus

Block 2 0.322¢ per kWh per month for the next 200 hours use of metered onpeak demand multiplied by the ratio of offpeak energy to total energy, plus

Block 3 0.322¢ per kWh per month for the hours use of metered onpeak demand in excess of 400 hours multiplied by the ratio of offpeak energy to total energy

Winter Period

Onpeak 4.186¢ per kWh per month for all metered onpeak kWh, plus

Offpeak

Block 1 3.108¢ per kWh per month for the first 200 hours use of metered onpeak demand multiplied by the ratio of offpeak energy to total energy , plus

Block 2 0.322¢ per kWh per month for the next 200 hours use of metered onpeak demand multiplied by the ratio of offpeak energy to total energy, plus

Block 3 0.322¢ per kWh per month for the hours use of metered onpeak demand in excess of 400 hours multiplied by the ratio of offpeak energy to total energy

Transition Period

Onpeak 3.191¢ per kWh per month for all metered onpeak kWh, plus

Offpeak

Block 1 3.191¢ per kWh per month for the first 200 hours use of metered onpeak demand multiplied by the ratio of offpeak energy to total energy, plus

Block 2 0.322¢ per kWh per month for the next 200 hours use of metered onpeak demand multiplied by the ratio of offpeak energy to total energy, plus

Block 3 0.322¢ per kWh per month for the hours use of metered onpeak demand in excess of 400 hours multiplied by the ratio of offpeak energy to total energy

Schedule MSD

Administrative Charge: \$350 per delivery point per month

Demand Charge:

Summer Period

Onpeak Demand \$9.71 per kW of metered onpeak demand per month, plus

Maximum Demand \$0.68 per kW per month of maximum demand

Winter Period

Onpeak Demand \$8.79 per kW of metered onpeak demand per month, plus

Maximum Demand \$0.68 per kW per month of maximum demand

Transition Period

Onpeak Demand \$8.79 per kW of metered onpeak demand per month, plus

Maximum Demand \$0.68 per kW per month of maximum demand

Energy Charge:

Summer Period

Onpeak 5.052¢ per kWh per month for all metered onpeak kWh, plus

Offpeak

Block 1 2.682¢ per kWh per month for the first 200 hours use of metered onpeak demand multiplied by the ratio of offpeak energy to total energy, plus

Block 2 0.162¢ per kWh per month for the next 200 hours use of metered onpeak demand multiplied by the ratio of offpeak energy to total energy, plus

Block 3 0.106¢ per kWh per month for the hours use of metered onpeak demand in excess of 400 hours multiplied by the ratio of offpeak energy to total energy

Winter Period

Onpeak 3.970¢ per kWh per month for all metered onpeak kWh, plus

Offpeak

Block 1 2.892 per kWh per month for the first 200 hours use of metered onpeak demand multiplied by the ratio of offpeak energy to total energy, plus

Block 2 0.162¢ per kWh per month for the next 200 hours use of metered onpeak demand multiplied by the ratio of offpeak energy to total energy, plus

Block 3 0.106¢ per kWh per month for the hours use of metered onpeak demand in excess of 400 hours multiplied by the ratio of offpeak energy to total energy

Transition Period

Onpeak 2.975¢ per kWh per month for all metered onpeak kWh, plus

Offpeak

Block 1 2.975¢ per kWh per month for the first 200 hours use of metered onpeak demand multiplied by the ratio of offpeak energy to total energy, plus

Block 2 0.162¢ per kWh per month for the next 200 hours use of metered onpeak demand multiplied by the ratio of offpeak energy to total energy, plus

Block 3 0.106¢ per kWh per month for the hours use of metered onpeak demand in excess of 400 hours multiplied by the ratio of offpeak energy to total energy

Schedule TDMSA

Administrative Charge: \$350 per delivery point per month

Demand Charge:

Summer Period

Onpeak Demand \$9.71 per kW of metered onpeak demand per month, plus

Maximum Demand \$1.92 per kW per month of maximum demand

Winter Period

Onpeak Demand \$8.79 per kW of metered onpeak demand per month, plus

Maximum Demand \$1.92 per kW per month of maximum demand

Transition Period

Onpeak Demand \$8.79 per kW of metered onpeak demand per month, plus

Maximum Demand \$1.92 per kW per month of maximum demand

Energy Charge:

Summer Period

Onpeak 5.159¢ per kWh per month for all metered onpeak kWh, plus

Offpeak

- Block 1 2.789¢ per kWh per month for the first 200 hours use of metered onpeak demand multiplied by the ratio of offpeak energy to total energy, plus
- Block 2 0.188¢ per kWh per month for the next 200 hours use of metered onpeak demand multiplied by the ratio of offpeak energy to total energy, plus
- Block 3 -0.053¢ per kWh per month for the hours use of metered onpeak demand in excess of 400 hours multiplied by the ratio of offpeak energy to total energy

Winter Period

Onpeak 4.077¢ per kWh per month for all metered onpeak kWh, plus

- Block 1 3.000¢ per kWh per month for the first 200 hours use of metered onpeak demand multiplied by the ratio of offpeak energy to total energy, plus
- Block 2 0.188¢ per kWh per month for the next 200 hours use of metered onpeak demand multiplied by the ratio of offpeak energy to total energy, plus
- Block 3 -0.053¢ per kWh per month for the hours use of metered onpeak demand in excess of 400 hours multiplied by the ratio of offpeak energy to total energy

Transition Period

Onpeak 3.084¢ per kWh per month for all metered onpeak kWh, plus

Offpeak

- Block 1 3.084¢ per kWh per month for the first 200 hours use of metered onpeak demand multiplied by the ratio of offpeak energy to total energy, plus
- Block 2 0.188¢ per kWh per month for the next 200 hours use of metered onpeak demand multiplied by the ratio of offpeak energy to total energy, plus
- Block 3 -0.053¢ per kWh per month for the hours use of metered onpeak demand in excess of 400 hours multiplied by the ratio of offpeak energy to total energy

Adjustments

1. The base Onpeak Demand, Maximum Demand, Energy, and Grid Access charges in this rate schedule shall be increased or decreased in accordance with the current Adjustment Addendum published by TVA. The TOU Amounts to be added to Energy Charges and the Optional Grid Access Charge are not subject to adjustment under this section. For purposes of determining amounts applicable to power resold by Distributor, a resource cost allocation (RCA) methodology based on historical sales and fuel cost data shall be applied to allocate amounts calculated under any fuel cost adjustment (FCA) in the Adjustment Addendum in the manner described below.

The RCA methodology allocates a different percentage of total eligible fuel costs to (a) all distributor-served and directly served customers with contract demands greater than 5,000 kW served under manufacturing-designated rate schedules (LMS Customers), (b) all distributor-served and directly served customers with contract demands greater than 5,000 kW not served under manufacturing-designated rate schedules (LGS Customers), and (c) all other customers (All Other Customers).

The RCA methodology allocates total fuel costs in proportion to the average hourly load of LMS Customers, LGS Customers, and All Other Customers, weighted by the dispatch cost of TVA's Top 100 MW of incremental cost, in each hour, using the following formula:

$$RCA_j = \left(\frac{\sum_i h_{ij} C_i}{\sum_i \sum_j h_{ij} C_i} \right) \times FA$$

where RCA_j is the RCA allocation for the customer group: LMS Customers, LGS Customers, or All Other Customers;

h_{ij} is the hourly energy of each customer group;

C_i is the Top Cost (dispatch cost for the top 100 MW);

i is the hourly interval of the billing month;

j is the customer group: LMS Customers, LGS Customers, or All Other Customers;

FA is the actual monthly fuel and purchased power expenses as used in any FCA as reflected in the Adjustment Addendum.

Any FCA included in the Adjustment Addendum shall provide for TVA's estimated monthly fuel costs (estimated actual total fuel and purchased power expenses/estimated actual energy sales) to be adjusted based on the application of Seasonal Amounts set out below. To determine the Seasonal Amounts, using the above formula, TVA calculated an RCA allocation percentage for the Seasonal Periods set out in this rate schedule based on data from August 2011 through July 2017 (excluding the month of January 2014). The resulting percentage was applied to actual monthly fuel costs during each of the Seasonal Periods and divided by actual energy sales to obtain the following amounts:

Seasonal Period	LMS Customers	LGS Customers	All Other Customers
Summer	-0.096 ¢ per kWh	-0.062 ¢ per kWh	0.027 ¢ per kWh
Winter	-0.046 ¢ per kWh	-0.038 ¢ per kWh	0.014 ¢ per kWh
Transition	-0.044 ¢ per kWh	-0.022 ¢ per kWh	0.015 ¢ per kWh

TVA may recalculate the Seasonal Amounts annually based on changes in sales and underlying fuel and purchased power costs within the latest 12-month period ending June 30 or to reflect projected changes in sales and fuel and purchased power costs in the next 12-month period ending June 30, or both. If the recalculated Seasonal Amounts increase or decrease by more than 10 percent, TVA will change the Seasonal Amounts by providing not less than 60 days' notice to Distributor. The changed Seasonal Amounts shall be included in any FCA that is included as part of the next effective Adjustment Addendum.

Any FCA included in the Adjustment Addendum shall provide for the RCA formula to be used to reconcile the estimated fuel costs applied to LMS Customers, LGS Customers, or All Other Customers to actual fuel costs and sales.

2. Distributor's bill for each month shall be adjusted in accordance with the Hydro Allocation Adjustment in the current Adjustment Addendum published by TVA to reflect the value of the hydro generation benefits allocated by TVA to residential customers.

Effective October 1 of each year, TVA may recompute the dollar and cent amounts used in determining the Hydro Allocation Adjustment to take account of changed sales and customer account data and apply it accordingly. In performing such computations, TVA shall use the latest 12-month period ending June 30 for purposes of determining the Hydro Allocation Adjustment amounts.

Each month Distributor shall report, in a form specified by TVA, data used in determining components of the Hydro Allocation Adjustment. Such data includes, for the previous month: (1) The energy amount resold by Distributor under the Standard Service section above to non-residential customers, including customers served under a supplemental residential rate schedule, (2) The Maximum Demand and total energy units sold by Distributor to Large Customers, (3) The energy amount resold by Distributor under the Standard Service section above to residential customers excluding customers served under a supplemental residential rate schedule, and (4) the number of customers entitled to be served under Distributor's residential rate schedules, excluding customers served under a supplemental residential rate schedule. To the extent that such data is not so reported in a timely manner, the Hydro Allocation Adjustment shall be computed from estimates determined by TVA.

3. In any case in which a bill involving a metered demand less than the billing demand is applicable to a customer of Distributor with a contract demand in excess of 5,000 kW, Distributor's bill under this rate schedule shall be adjusted by adding (except as provided in the last paragraph of this section) 50 percent of the amount by which (a) the amount computed by applying the appropriate base demand charges of this rate schedule, as adjusted, to the customer's onpeak billing demand and to its maximum billing demand exceeds (b) the amount computed by applying the appropriate base demand charges of this rate schedule, as adjusted, to the customer's metered onpeak demand and to its maximum metered demand.

In any case in which a bill to a customer with a contract demand in excess of 5,000 kW involves metered offpeak energy less than billed offpeak energy, Distributor's bill under this rate schedule shall be adjusted by adding thereto for each such customer (except as provided in the last paragraph of this section) 50 percent of the amount by which (a) the amount computed by applying the appropriate base offpeak energy charges of this rate schedule, as adjusted, to the customer's billed offpeak energy exceeds (b) the amount computed by applying the appropriate base offpeak energy charges of this rate schedule, as adjusted, to the customer's metered offpeak energy. Notwithstanding the foregoing, amounts calculated under any fuel cost adjustment that is included in the Adjustment Addendum shall be not be applied to any billed offpeak energy that exceed the metered offpeak energy.

For purposes of applying these adjustments with respect to customers with contract demands in excess of 25,000 kW, all references to the term "50 percent" in the preceding paragraphs shall be replaced with the term "75 percent."

4. The base TOU Service demand and energy charges listed above shall be increased or decreased to appropriately reflect the value of the hydro generation benefits allocated by TVA to residential customers in accordance with the Hydro Allocation Adjustments in the current Adjustment Addendum published by TVA.

In addition, the Hydro Allocation Adjustments may be adjusted by TVA from time to time for the purpose of ensuring that (a) TVA does not pay out more in credits for sales to residential consumers than it receives in debits for sales to other consumers and (b) TVA does not receive more in debits for sales to other consumers than it pays out in credits for sales to residential consumers.

Facilities Rental Charge

There shall be no facilities rental charge under this rate schedule for delivery at bulk transmission voltage levels of 161 kV or higher. For delivery to Distributor at less than 161 kV, there shall be added to Distributor's bill a facilities rental charge. This charge shall be 36¢ per kW per month, except for delivery at voltages below 46 kV, in which case the charge shall be 93¢ per kW per month for the first 10,000 kW and 73¢ per kW per month for the excess over 10,000 kW. For each delivery point, such charge shall be applied to the highest average demand during any 60-consecutive-minute period (beginning on the clock hour) for each month of the preceding 12-consecutive-month period of the load measured in kW (Delivery Point Demand). The facilities rental charge shall be in addition to all other charges under this rate schedule, including minimum bill charges, and such amounts in cents per kW may be increased or decreased by TVA, effective with the

effective date of any Adjustment Addendum published by TVA, to reflect changes in the costs of providing for delivery at voltage levels below 161 kV.

Reactive Demand Charges

For each delivery point to Distributor, if the reactive demand (in kVAR) is lagging during the 60-consecutive-minute period of the month in which the Delivery Point Demand occurs, there shall be added to Distributor's bill for the following month a reactive charge of \$1.46 per kVAR of the amount, if any, by which the reactive demand exceeds 33 percent of the Delivery Point Demand. If the reactive demand (in kVAR) at a delivery point is leading during the 60-consecutive-minute period (beginning on the clock hour) of the month in which Distributor's lowest measured demand (excluding any measured demands which are less than 25 percent of the Delivery Point Demand) occurs, there shall be added to Distributor's bill for the following month 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, and such amounts in cents per kVAR may be increased or decreased by TVA, effective with the effective date of any Adjustment Addendum published by TVA, to reflect changes in the costs of providing reactive power.

Determination of Seasonal Periods

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

Determination of Onpeak and Offpeak Hours

For purposes of Standard Service, except for Saturdays and Sundays 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 be from 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. For all other hours of each day 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 TVA. In the event TVA determines that such changed onpeak and offpeak hours are appropriate, it shall so notify Distributor at least 12 months prior to the effective date of such changed hours.

Determination of Standard Service Demand and Energy Billing Amounts

For every 60-consecutive-minute period (beginning on the clock hour) of the month, the average of the loads measured in kW for each customer served under the TOU Service subsection above shall be subtracted from the average loads measured in kW at all delivery points. The highest difference computed in the onpeak period in accordance with the previous sentence will be the Onpeak Billing Demand for Standard Service provided for any month. The highest difference computed in the billing period in accordance with the first sentence will be the Maximum Billing Demand for Standard Service provided for any month.

The Standard Service onpeak energy for any month of a Summer, Winter, or Transition Period shall be the kWh amount equal to the total energy measured in kWh at all delivery points during the Standard Service onpeak hours less the sum of the energy amounts used under said TOU Service subsection in said Standard Service onpeak hours of that month. The Standard Service offpeak energy for any month of a Summer, Winter, or Transition Period shall be the kWh amount equal to the total energy measured in kWh at all delivery points during the Standard Service offpeak hours less the sum of the energy amounts used under said TOU Service subsection in said Standard Service offpeak hours of that month.

As used in the Grid Access Charge for Standard Service, a Grid Access Unit is one kWh of Distributor's average monthly Standard Service kWh energy takings over a TVA five-fiscal-year period. This five-fiscal-year period will not include any of the current or immediately preceding TVA fiscal year. The Grid Access Units will be recalculated annually. For the Grid Access Charge initially becoming effective as of the date of this rate schedule, the average will be calculated for the period from October 1, 2012, through September 30, 2017.

Minimum Bill

The monthly bill under this rate schedule, exclusive of any applicable facilities rental charges and any reactive charges, shall not be less than the higher of (a) the base delivery point charge or (b) 35 percent of the highest bill to Distributor, exclusive of any applicable facilities rental charge and any reactive charges, rendered under this rate schedule in the preceding 36-consecutive-month period.

accessed data during such periods as are specified by TVA. Further, for each Large Customer, Distributor shall furnish TVA with such contract information as TVA reasonably requests for purposes of performing monthly billing analysis for each such customer. In the event that TVA is not given such access to all such metering data, or is not provided such contract information, all power and energy taken hereunder shall be billed in accordance with the Alternate Billing Arrangement.

STANDARD SERVICE

Onpeak Demand Charge:	Summer Period	\$8.07 per kW of Onpeak Billing Demand per month
	Winter Period	\$7.14 per kW of Onpeak Billing Demand per month
	Transition Period	\$7.14 per kW of Onpeak Billing Demand per month
Maximum Demand Charge:	Summer Period	\$2.97 per kW of Maximum Billing Demand per month
	Winter Period	\$2.97 per kW of Maximum Billing Demand per month
	Transition Period	\$2.97 per kW of Maximum Billing Demand per month
Energy Charge:	Summer Period	4.154¢ per kWh per month (as adjusted by TOU Amount below)
	Winter Period	3.827¢ per kWh per month (as adjusted by TOU Amount below)
	Transition Period	3.694¢ per kWh per month

TOU Amounts to be added to Energy Charges:

Summer Period	
During onpeak hours:	1.500¢ per kWh per month
During offpeak hours:	-0.700¢ per kWh per month
Winter Period	
During onpeak hours:	0.800¢ per kWh per month
During offpeak hours:	-0.200¢ per kWh per month

The above TOU Amounts shall not be subject to adjustment under Adjustment 1 below.

TOU SERVICE

For purposes of applying the charges in this section, "maximum demand" is the higher of (1) the highest onpeak metered demand or (2) the highest offpeak metered demand.

General Power Service

Schedule GSB

Administrative Charge:	\$350 per delivery point per month
Demand Charge:	
Summer Period	
Onpeak Demand	\$10.30 per kW of metered onpeak demand per month, plus
Maximum Demand	\$3.49 per kW per month of maximum demand
Winter Period	
Onpeak Demand	\$9.39 per kW of metered onpeak demand per month, plus
Maximum Demand	\$3.49 per kW per month of maximum demand
Transition Period	
Onpeak Demand	\$9.39 per kW of metered onpeak demand per month, plus
Maximum Demand	\$3.49 per kW per month of maximum demand

Energy Charge:

Summer Period

Onpeak 6.071¢ per kWh per month for all metered onpeak kWh, plus

Offpeak

Block 1 3.708¢ per kWh per month for the first 200 hours use of metered onpeak demand multiplied by the ratio of offpeak energy to total energy, plus

Block 2 0.430¢ per kWh per month for the next 200 hours use of metered onpeak demand multiplied by the ratio of offpeak energy to total energy, plus

Block 3 0.106¢ per kWh per month for the hours use of metered onpeak demand in excess of 400 hours multiplied by the ratio of offpeak energy to total energy

Winter Period

Onpeak 4.993¢ per kWh per month for all metered onpeak kWh, plus

Offpeak

Block 1 3.918¢ per kWh per month for the first 200 hours use of metered onpeak demand multiplied by the ratio of offpeak energy to total energy, plus

Block 2 0.430¢ per kWh per month for the next 200 hours use of metered onpeak demand multiplied by the ratio of offpeak energy to total energy, plus

Block 3 0.106¢ per kWh per month for the hours use of metered onpeak demand in excess of 400 hours multiplied by the ratio of offpeak energy to total energy

Transition Period

Onpeak 3.678¢ per kWh per month for all metered onpeak kWh, plus

Offpeak

Block 1 3.678¢ per kWh per month for the first 200 hours use of metered onpeak demand multiplied by the ratio of offpeak energy to total energy, plus

Block 2 0.430¢ per kWh per month for the next 200 hours use of metered onpeak demand multiplied by the ratio of offpeak energy to total energy, plus

Block 3 0.106¢ per kWh per month for the hours use of metered onpeak demand in excess of 400 hours multiplied by the ratio of offpeak energy to total energy

Schedule GSC

Administrative Charge: \$350 per delivery point per month

Demand Charge:

Summer Period

Onpeak Demand \$10.30 per kW of metered onpeak demand per month, plus

Maximum Demand \$3.49 per kW per month of maximum demand

Winter Period

Onpeak Demand \$9.39 per kW of metered onpeak demand per month, plus

Maximum Demand \$3.49 per kW per month of maximum demand

Transition Period

Onpeak Demand \$9.39 per kW of metered onpeak demand per month, plus

Maximum Demand \$3.49 per kW per month of maximum demand

Energy Charge:

Summer Period

Onpeak 6.071¢ per kWh per month for all metered onpeak kWh, plus

Offpeak
 Block 1 3.708¢ per kWh per month for the first 200 hours use of metered onpeak demand multiplied by the ratio of offpeak energy to total energy, plus
 Block 2 0.430¢ per kWh per month for the next 200 hours use of metered onpeak demand multiplied by the ratio of offpeak energy to total energy, plus
 Block 3 0.106¢ per kWh per month for the hours use of metered onpeak demand in excess of 400 hours multiplied by the ratio of offpeak energy to total energy

Winter Period
 Onpeak 4.993¢ per kWh per month for all metered onpeak kWh, plus

Offpeak
 Block 1 3.918¢ per kWh per month for the first 200 hours use of metered onpeak demand multiplied by the ratio of offpeak energy to total energy, plus
 Block 2 0.430¢ per kWh per month for the next 200 hours use of metered onpeak demand multiplied by the ratio of offpeak energy to total energy, plus
 Block 3 0.106¢ per kWh per month for the hours use of metered onpeak demand in excess of 400 hours multiplied by the ratio of offpeak energy to total energy

Transition Period
 Onpeak 3.678¢ per kWh per month for all metered onpeak kWh, plus

Offpeak
 Block 1 3.678¢ per kWh per month for the first 200 hours use of metered onpeak demand multiplied by the ratio of offpeak energy to total energy, plus
 Block 2 0.430¢ per kWh per month for the next 200 hours use of metered onpeak demand multiplied by the ratio of offpeak energy to total energy, plus
 Block 3 0.106¢ per kWh per month for the hours use of metered onpeak demand in excess of 400 hours multiplied by the ratio of offpeak energy to total energy

Schedule GSD

Administrative Charge: \$350 per delivery point per month

Demand Charge:

Summer Period

Onpeak Demand \$10.30 per kW of metered onpeak demand per month, plus

Maximum Demand \$3.49 per kW per month of maximum demand

Winter Period

Onpeak Demand \$9.39 per kW of metered onpeak demand per month, plus

Maximum Demand \$3.49 per kW per month of maximum demand

Transition Period

Onpeak Demand \$9.39 per kW of metered onpeak demand per month, plus

Maximum Demand \$3.49 per kW per month of maximum demand

Energy Charge:

Summer Period

Onpeak 6.071¢ per kWh per month for all metered onpeak kWh, plus

Offpeak

Block 1 3.708¢ per kWh per month for the first 200 hours use of metered onpeak demand multiplied by the ratio of offpeak energy to total energy, plus

Block 2 0.321¢ per kWh per month for the next 200 hours use of metered onpeak demand multiplied by the ratio of offpeak energy to total energy, plus

Block 3	0.106¢ per kWh per month for the hours use of metered onpeak demand in excess of 400 hours multiplied by the ratio of offpeak energy to total energy
Winter Period	
Onpeak	4.993¢ per kWh per month for all metered onpeak kWh, plus
Offpeak	
Block 1	3.918¢ per kWh per month for the first 200 hours use of metered onpeak demand multiplied by the ratio of offpeak energy to total energy, plus
Block 2	0.321¢ per kWh per month for the next 200 hours use of metered onpeak demand multiplied by the ratio of offpeak energy to total energy, plus
Block 3	0.106¢ per kWh per month for the hours use of metered onpeak demand in excess of 400 hours multiplied by the ratio of offpeak energy to total energy
Transition Period	
Onpeak	3.678¢ per kWh per month for all metered onpeak kWh, plus
Offpeak	
Block 1	3.678¢ per kWh per month for the first 200 hours use of metered onpeak demand multiplied by the ratio of offpeak energy to total energy, plus
Block 2	0.321¢ per kWh per month for the next 200 hours use of metered onpeak demand multiplied by the ratio of offpeak energy to total energy, plus
Block 3	0.106¢ per kWh per month for the hours use of metered onpeak demand in excess of 400 hours multiplied by the ratio of offpeak energy to total energy

Schedule TDGSA

Administrative Charge:	\$350 per delivery point per month
Demand Charge:	
Summer Period	
Onpeak Demand	\$10.38 per kW of metered onpeak demand per month, plus
Maximum Demand	\$3.50 per kW per month of maximum demand
Winter Period	
Onpeak Demand	\$9.47 per kW of metered onpeak demand per month, plus
Maximum Demand	\$3.50 per kW per month of maximum demand
Transition Period	
Onpeak Demand	\$9.47 per kW of metered onpeak demand per month, plus
Maximum Demand	\$3.50 per kW per month of maximum demand

Energy Charge:	
Summer Period	
Onpeak	7.527¢ per kWh per month for all metered onpeak kWh, plus
Offpeak	
Block 1	4.351¢ per kWh per month for the first 200 hours use of metered onpeak demand multiplied by the ratio of offpeak energy to total energy , plus
Block 2	0.323¢ per kWh per month for the next 200 hours use of metered onpeak demand multiplied by the ratio of offpeak energy to total energy, plus
Block 3	0.036¢ per kWh per month for the hours use of metered onpeak demand in excess of 400 hours multiplied by the ratio of offpeak energy to total energy
Winter Period	
Onpeak	6.077¢ per kWh per month for all metered onpeak kWh, plus

Offpeak	
Block 1	4.632¢ per kWh per month for the first 200 hours use of metered onpeak demand multiplied by the ratio of offpeak energy to total energy, plus
Block 2	0.323¢ per kWh per month for the next 200 hours use of metered onpeak demand multiplied by the ratio of offpeak energy to total energy, plus
Block 3	0.036¢ per kWh per month for the hours use of metered onpeak demand in excess of 400 hours multiplied by the ratio of offpeak energy to total energy
Transition Period	
Onpeak	4.745¢ per kWh per month for all metered onpeak kWh, plus
Offpeak	
Block 1	4.745¢ per kWh per month for the first 200 hours use of metered onpeak demand multiplied by the ratio of offpeak energy to total energy, plus
Block 2	0.323¢ per kWh per month for the next 200 hours use of metered onpeak demand multiplied by the ratio of offpeak energy to total energy, plus
Block 3	0.036¢ per kWh per month for the hours use of metered onpeak demand in excess of 400 hours multiplied by the ratio of offpeak energy to total energy

Manufacturing Power Service

Schedule MSB

Administrative Charge: \$350 per delivery point per month

Demand Charge:

Summer Period

Onpeak Demand \$9.71 per kW of metered onpeak demand per month, plus

Maximum Demand \$0.68 per kW per month of maximum demand

Winter Period

Onpeak Demand \$8.79 per kW of metered onpeak demand per month, plus

Maximum Demand \$0.68 per kW per month of maximum demand

Transition Period

Onpeak Demand \$8.79 per kW of metered onpeak demand per month, plus

Maximum Demand \$0.68 per kW per month of maximum demand

Energy Charge:

Summer Period

Onpeak 5.374¢ per kWh per month for all metered onpeak kWh, plus

Offpeak

Block 1 3.004¢ per kWh per month for the first 200 hours use of metered onpeak demand multiplied by the ratio of offpeak energy to total energy, plus

Block 2 0.188¢ per kWh per month for the next 200 hours use of metered onpeak demand multiplied by the ratio of offpeak energy to total energy, plus

Block 3 -0.053¢ per kWh per month for the hours use of metered onpeak demand in excess of 400 hours multiplied by the ratio of offpeak energy to total energy

Winter Period

Onpeak 4.293¢ per kWh per month for all metered onpeak kWh, plus

Offpeak

Block 1	3.216¢ per kWh per month for the first 200 hours use of metered onpeak demand multiplied by the ratio of offpeak energy to total energy, plus
Block 2	0.188¢ per kWh per month for the next 200 hours use of metered onpeak demand multiplied by the ratio of offpeak energy to total energy, plus
Block 3	-0.053¢ per kWh per month for the hours use of metered onpeak demand in excess of 400 hours multiplied by the ratio of offpeak energy to total energy
Transition Period	
Onpeak	3.298¢ per kWh per month for all metered onpeak kWh, plus
Offpeak	
Block 1	3.298¢ per kWh per month for the first 200 hours use of metered onpeak demand multiplied by the ratio of offpeak energy to total energy, plus
Block 2	0.188¢ per kWh per month for the next 200 hours use of metered onpeak demand multiplied by the ratio of offpeak energy to total energy, plus
Block 3	-0.053¢ per kWh per month for the hours use of metered onpeak demand in excess of 400 hours multiplied by the ratio of offpeak energy to total energy

Schedule MSC

Administrative Charge: \$350 per delivery point per month

Demand Charge:

Summer Period

Onpeak Demand \$9.71 per kW of metered onpeak demand per month, plus

Maximum Demand \$0.68 per kW per month of maximum demand

Winter Period

Onpeak Demand \$8.79 per kW of metered onpeak demand per month, plus

Maximum Demand \$0.68 per kW per month of maximum demand

Transition Period

Onpeak Demand \$8.79 per kW of metered onpeak demand per month, plus

Maximum Demand \$0.68 per kW per month of maximum demand

Energy Charge:

Summer Period

Onpeak 5.268¢ per kWh per month for all metered onpeak kWh, plus

Offpeak

Block 1 2.897¢ per kWh per month for the first 200 hours use of metered onpeak demand multiplied by the ratio of offpeak energy to total energy , plus

Block 2 0.322¢ per kWh per month for the next 200 hours use of metered onpeak demand multiplied by the ratio of offpeak energy to total energy, plus

Block 3 0.322¢ per kWh per month for the hours use of metered onpeak demand in excess of 400 hours multiplied by the ratio of offpeak energy to total energy

Winter Period

Onpeak 4.186¢ per kWh per month for all metered onpeak kWh, plus

Offpeak

Block 1 3.108¢ per kWh per month for the first 200 hours use of metered onpeak demand multiplied by the ratio of offpeak energy to total energy , plus

Block 2 0.322¢ per kWh per month for the next 200 hours use of metered onpeak demand multiplied by the ratio of offpeak energy to total energy, plus

Block 3	0.322¢ per kWh per month for the hours use of metered onpeak demand in excess of 400 hours multiplied by the ratio of offpeak energy to total energy
Transition Period	
Onpeak	3.191¢ per kWh per month for all metered onpeak kWh, plus
Offpeak	
Block 1	3.191¢ per kWh per month for the first 200 hours use of metered onpeak demand multiplied by the ratio of offpeak energy to total energy, plus
Block 2	0.322¢ per kWh per month for the next 200 hours use of metered onpeak demand multiplied by the ratio of offpeak energy to total energy, plus
Block 3	0.322¢ per kWh per month for the hours use of metered onpeak demand in excess of 400 hours multiplied by the ratio of offpeak energy to total energy

Schedule MSD

Administrative Charge: \$350 per delivery point per month

Demand Charge:

 Summer Period

 Onpeak Demand \$9.71 per kW of metered onpeak demand per month, plus

 Maximum Demand \$0.68 per kW per month of maximum demand

 Winter Period

 Onpeak Demand \$8.79 per kW of metered onpeak demand per month, plus

 Maximum Demand \$0.68 per kW per month of maximum demand

 Transition Period

 Onpeak Demand \$8.79 per kW of metered onpeak demand per month, plus

 Maximum Demand \$0.68 per kW per month of maximum demand

Energy Charge:

 Summer Period

 Onpeak 5.052¢ per kWh per month for all metered onpeak kWh, plus

 Offpeak

 Block 1 2.682¢ per kWh per month for the first 200 hours use of metered onpeak demand multiplied by the ratio of offpeak energy to total energy, plus

 Block 2 0.162¢ per kWh per month for the next 200 hours use of metered onpeak demand multiplied by the ratio of offpeak energy to total energy, plus

 Block 3 0.106¢ per kWh per month for the hours use of metered onpeak demand in excess of 400 hours multiplied by the ratio of offpeak energy to total energy

 Winter Period

 Onpeak 3.970¢ per kWh per month for all metered onpeak kWh, plus

 Offpeak

 Block 1 2.892 per kWh per month for the first 200 hours use of metered onpeak demand multiplied by the ratio of offpeak energy to total energy, plus

 Block 2 0.162¢ per kWh per month for the next 200 hours use of metered onpeak demand multiplied by the ratio of offpeak energy to total energy, plus

 Block 3 0.106¢ per kWh per month for the hours use of metered onpeak demand in excess of 400 hours multiplied by the ratio of offpeak energy to total energy

Transition Period	
Onpeak	2.975¢ per kWh per month for all metered onpeak kWh, plus
Offpeak	
Block 1	2.975¢ per kWh per month for the first 200 hours use of metered onpeak demand multiplied by the ratio of offpeak energy to total energy, plus
Block 2	0.162¢ per kWh per month for the next 200 hours use of metered onpeak demand multiplied by the ratio of offpeak energy to total energy, plus
Block 3	0.106¢ per kWh per month for the hours use of metered onpeak demand in excess of 400 hours multiplied by the ratio of offpeak energy to total energy

Schedule TDMSA

Administrative Charge: \$350 per delivery point per month

Demand Charge:

 Summer Period

 Onpeak Demand \$9.71 per kW of metered onpeak demand per month, plus

 Maximum Demand \$1.92 per kW per month of maximum demand

 Winter Period

 Onpeak Demand \$8.79 per kW of metered onpeak demand per month, plus

 Maximum Demand \$1.92 per kW per month of maximum demand

 Transition Period

 Onpeak Demand \$8.79 per kW of metered onpeak demand per month, plus

 Maximum Demand \$1.92 per kW per month of maximum demand

Energy Charge:

 Summer Period

 Onpeak 5.159¢ per kWh per month for all metered onpeak kWh, plus

 Offpeak

 Block 1 2.789¢ per kWh per month for the first 200 hours use of metered onpeak demand multiplied by the ratio of offpeak energy to total energy, plus

 Block 2 0.188¢ per kWh per month for the next 200 hours use of metered onpeak demand multiplied by the ratio of offpeak energy to total energy, plus

 Block 3 -0.053¢ per kWh per month for the hours use of metered onpeak demand in excess of 400 hours multiplied by the ratio of offpeak energy to total energy

 Winter Period

 Onpeak 4.077¢ per kWh per month for all metered onpeak kWh, plus

 Block 1 3.000¢ per kWh per month for the first 200 hours use of metered onpeak demand multiplied by the ratio of offpeak energy to total energy, plus

 Block 2 0.188¢ per kWh per month for the next 200 hours use of metered onpeak demand multiplied by the ratio of offpeak energy to total energy, plus

 Block 3 -0.053¢ per kWh per month for the hours use of metered onpeak demand in excess of 400 hours multiplied by the ratio of offpeak energy to total energy

Transition Period	
Onpeak	3.084¢ per kWh per month for all metered onpeak kWh, plus
Offpeak	
Block 1	3.084¢ per kWh per month for the first 200 hours use of metered onpeak demand multiplied by the ratio of offpeak energy to total energy, plus
Block 2	0.188¢ per kWh per month for the next 200 hours use of metered onpeak demand multiplied by the ratio of offpeak energy to total energy, plus
Block 3	-0.053¢ per kWh per month for the hours use of metered onpeak demand in excess of 400 hours multiplied by the ratio of offpeak energy to total energy

Adjustments

1. The base Onpeak Demand, Maximum Demand, and Energy charges in this rate schedule shall be increased or decreased in accordance with the current Adjustment Addendum published by TVA. The TOU Amounts to be added to Energy Charges are not subject to adjustment under this section. For purposes of determining amounts applicable to power resold by Distributor, a resource cost allocation (RCA) methodology based on historical sales and fuel cost data shall be applied to allocate amounts calculated under any fuel cost adjustment (FCA) in the Adjustment Addendum in the manner described below.

The RCA methodology allocates a different percentage of total eligible fuel costs to (a) all distributor-served and directly served customers with contract demands greater than 5,000 kW served under manufacturing-designated rate schedules (LMS Customers), (b) all distributor-served and directly served customers with contract demands greater than 5,000 kW not served under manufacturing-designated rate schedules (LGS Customers), and (c) all other customers (All Other Customers).

The RCA methodology allocates total fuel costs in proportion to the average hourly load of LMS Customers, LGS Customers, and All Other Customers, weighted by the dispatch cost of TVA's Top 100 MW of incremental cost, in each hour, using the following formula:

$$RCA_j = \left(\frac{\sum_i h_{ij} C_i}{\sum_i \sum_j h_{ij} C_i} \right) \times FA$$

where RCA_j is the RCA allocation for the customer group: LMS Customers, LGS Customers, or All Other Customers;

h_{ij} is the hourly energy of each customer group;

C_i is the Top Cost (dispatch cost for the top 100 MW);

i is the hourly interval of the billing month;

j is the customer group: LMS Customers, LGS Customers, or All Other Customers;

FA is the actual monthly fuel and purchased power expenses as used in any FCA as reflected in the Adjustment Addendum.

Any FCA included in the Adjustment Addendum shall provide for TVA's estimated monthly fuel costs (estimated actual total fuel and purchased power expenses/estimated actual energy sales) to be adjusted based on the application of Seasonal Amounts set out below. To determine the Seasonal Amounts, using the above formula, TVA calculated an RCA allocation percentage for the Seasonal Periods set out in this rate

schedule based on data from August 2011 through July 2017 (excluding the month of January 2014). The resulting percentage was applied to actual monthly fuel costs during each of the Seasonal Periods and divided by actual energy sales to obtain the following amounts:

Seasonal Period	LMS Customers	LGS Customers	All Other Customers
Summer	-0.096 ¢ per kWh	-0.062 ¢ per kWh	0.027 ¢ per kWh
Winter	-0.046 ¢ per kWh	-0.038 ¢ per kWh	0.014 ¢ per kWh
Transition	-0.044 ¢ per kWh	-0.022 ¢ per kWh	0.015 ¢ per kWh

TVA may recalculate the Seasonal Amounts annually based on changes in sales and underlying fuel and purchased power costs within the latest 12-month period ending June 30 or to reflect projected changes in sales and fuel and purchased power costs in the next 12-month period ending June 30, or both. If the recalculated Seasonal Amounts increase or decrease by more than 10 percent, TVA will change the Seasonal Amounts by providing not less than 60 days' notice to Distributor. The changed Seasonal Amounts shall be included in any FCA that is included as part of the next effective Adjustment Addendum.

Any FCA included in the Adjustment Addendum shall provide for the RCA formula to be used to reconcile the estimated fuel costs applied to LMS Customers, LGS Customers, or All Other Customers to actual fuel costs and sales.

2. Distributor's bill for each month shall be adjusted in accordance with the Hydro Allocation Adjustment in the current Adjustment Addendum published by TVA to reflect the value of the hydro generation benefits allocated by TVA to residential customers.

Effective October 1 of each year, TVA may recompute the dollar and cent amounts used in determining the Hydro Allocation Adjustment to take account of changed sales and customer account data and apply it accordingly. In performing such computations, TVA shall use the latest 12-month period ending June 30 for purposes of determining the Hydro Allocation Adjustment amounts.

Each month Distributor shall report, in a form specified by TVA, data used in determining components of the Hydro Allocation Adjustment. Such data includes, for the previous month: (1) The energy amount resold by Distributor under the Standard Service section above to non-residential customers, including customers served under a supplemental residential rate schedule, (2) The Maximum Demand and total energy units sold by Distributor to Large Customers, (3) The energy amount resold by Distributor under the Standard Service section above to residential customers excluding customers served under a supplemental residential rate schedule, and (4) the number of customers entitled to be served under Distributor's residential rate schedules, excluding customers served under a supplemental residential rate schedule. To the extent that such data is not so reported in a timely manner, the Hydro Allocation Adjustment shall be computed from estimates determined by TVA.

3. In any case in which a bill involving a metered demand less than the billing demand is applicable to a customer of Distributor with a contract demand in excess of 5,000 kW, Distributor's bill under this rate schedule shall be adjusted by adding (except as provided in the last paragraph of this section) 50 percent of the amount by which (a) the amount computed by applying the appropriate base demand charges of this rate schedule, as adjusted, to the customer's onpeak billing demand and to its maximum billing demand exceeds (b) the amount computed by applying the appropriate base demand charges of this rate schedule, as adjusted, to the customer's metered onpeak demand and to its maximum metered demand.

In any case in which a bill to a customer with a contract demand in excess of 5,000 kW involves metered offpeak energy less than billed offpeak energy, Distributor's bill under this rate schedule shall be adjusted by adding thereto for each such customer (except as provided in the last paragraph of this section) 50 percent of the amount by which (a) the amount computed by applying the appropriate base offpeak energy charges of this rate schedule, as adjusted, to the customer's billed offpeak energy exceeds (b) the amount computed by applying the appropriate base offpeak energy charges of this rate schedule, as adjusted, to the customer's metered offpeak energy. Notwithstanding the foregoing, amounts calculated under any fuel cost adjustment that is included in the Adjustment Addendum shall be not be applied to any billed offpeak energy that exceed the metered offpeak energy.

For purposes of applying these adjustments with respect to customers with contract demands in excess of 25,000 kW, all references to the term "50 percent" in the preceding paragraphs shall be replaced with the term "75 percent."

4. The base TOU Service demand and energy charges listed above shall be increased or decreased to appropriately reflect the value of the hydro generation benefits allocated by TVA to residential customers in accordance with the Hydro Allocation Adjustments in the current Adjustment Addendum published by TVA.

In addition, the Hydro Allocation Adjustments may be adjusted by TVA from time to time for the purpose of ensuring that (a) TVA does not pay out more in credits for sales to residential consumers than it receives in debits for sales to other consumers and (b) TVA does not receive more in debits for sales to other consumers than it pays out in credits for sales to residential consumers.

Facilities Rental Charge

There shall be no facilities rental charge under this rate schedule for delivery at bulk transmission voltage levels of 161 kV or higher. For delivery to Distributor at less than 161 kV, there shall be added to Distributor's bill a facilities rental charge. This charge shall be 36¢ per kW per month, except for delivery at voltages below 46 kV, in which case the charge shall be 93¢ per kW per month for the first 10,000 kW and 73¢ per kW per month for the excess over 10,000 kW. For each delivery point, such charge shall be applied to the highest average demand during any 60-consecutive-minute period (beginning on the clock hour) for each month of the preceding 12-consecutive-month period of the load measured in kW (Delivery Point Demand). The facilities rental charge shall be in addition to all other charges under this rate schedule, including minimum bill charges, and such amounts in cents per kW may be increased or decreased by TVA, effective with the effective date of any Adjustment Addendum published by TVA, to reflect changes in the costs of providing for delivery at voltage levels below 161 kV.

Reactive Demand Charges

For each delivery point to Distributor, if the reactive demand (in kVAR) is lagging during the 60-consecutive-minute period of the month in which the Delivery Point Demand occurs, there shall be added to Distributor's bill for the following month a reactive charge of \$1.46 per kVAR of the amount, if any, by which the reactive demand exceeds 33 percent of the Delivery Point Demand. If the reactive demand (in kVAR) at a delivery point is leading during the 60-consecutive-minute period (beginning on the clock hour) of the month in which Distributor's lowest measured demand (excluding any measured demands which are less than 25 percent of the Delivery Point Demand) occurs, there shall be added to Distributor's bill for the following month 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, and such amounts in cents per kVAR may be increased or decreased by TVA, effective with the effective date of any Adjustment Addendum published by TVA, to reflect changes in the costs of providing reactive power.

Determination of Seasonal Periods

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

Determination of Onpeak and Offpeak Hours

For purposes of Standard Service, except for Saturdays and Sundays 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 be from 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. For all other hours of each day 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 TVA. In the event TVA determines that such changed onpeak and offpeak hours are appropriate, it shall so notify Distributor at least 12 months prior to the effective date of such changed hours.

Determination of Standard Service Demand and Energy Billing Amounts

For every 60-consecutive-minute period (beginning on the clock hour) of the month, the average of the loads measured in kW for each customer served under the TOU Service subsection above shall be subtracted from the average loads measured in kW at all delivery points. The highest difference computed in the onpeak period in accordance with the previous sentence will be the Onpeak Billing Demand for Standard Service provided for any month. The highest difference computed in the billing period in accordance with the first sentence will be the Maximum Billing Demand for Standard Service provided for any month.

The Standard Service onpeak energy for any month of a Summer, Winter, or Transition Period shall be the kWh amount equal to the total energy measured in kWh at all delivery points during the Standard Service onpeak hours less the sum of the energy amounts used under said TOU Service subsection in said Standard Service onpeak hours of that month. The Standard Service offpeak energy for any month of a Summer, Winter, or Transition Period shall be the kWh amount equal to the total energy measured in kWh at all delivery points during the Standard Service offpeak hours less the sum of the energy amounts used under said TOU Service subsection in said Standard Service offpeak hours of that month.

Minimum Bill

The monthly bill under this rate schedule, exclusive of any applicable facilities rental charges and any reactive charges, shall not be less than the higher of (a) the base delivery point charge or (b) 35 percent of the highest bill to Distributor, exclusive of any applicable facilities rental charge and any reactive charges, rendered under this rate schedule in the preceding 36-consecutive-month period.

**FLORENCE ELECTRICITY
DEPARTMENT**

**RESIDENTIAL RATE--SCHEDULE RS
(October 2018)**

Availability

This rate shall apply only to electric service to a single-family dwelling (including its appurtenances if served through the same meter), where the major use of electricity is for domestic purposes such as lighting, household appliances, and the personal comfort and convenience of those residing therein.

Character of Service

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

Base Charges

Customer Charge: \$18.96 per month

Energy Charge:

Summer Period 7.805¢ per kWh per month

Winter Period 7.465¢ per kWh per month

Transition Period 7.260¢ per kWh per month

Adjustment

The base customer charges and energy charges shall be increased or decreased in accordance with the current Adjustment Addendum published by TVA.

Determination of Seasonal Periods

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

Minimum Monthly Bill

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

Payment

Bills under this rate schedule 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 Distributor's standard policy.

Single-Point Delivery

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

Service is subject to Rules and Regulations of Distributor.

**FLORENCE ELECTRICITY
DEPARTMENT**

**GENERAL POWER RATE--SCHEDULE GSA
(October 2018)**

Availability

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

Character of Service

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

Base Charges

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

Customer Charge: \$25.00 per delivery point per month for single-phase service
 \$50.00 per delivery point per month for three-phase service

Energy Charge:

 Summer Period 8.083¢ per kWh per month
 Winter Period 7.748¢ per kWh per month
 Transition Period 7.547¢ per kWh per month

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

Customer Charge: \$135.00 per delivery point per month

Demand Charge:

 Summer Period First 50 kW of billing demand per month, no demand charge
 Excess over 50 kW of billing demand per month, at \$14.36 per kW
 Winter Period First 50 kW of billing demand per month, no demand charge
 Excess over 50 kW of billing demand per month, at \$13.39 per kW
 Transition Period First 50 kW of billing demand per month, no demand charge
 Excess over 50 kW of billing demand per month, at \$13.39 per kW

Energy Charge:

Summer Period	First 15,000 kWh per month at 8.483¢ per kWh Additional kWh per month at 3.850¢ per kWh
Winter Period	First 15,000 kWh per month at 8.148¢ per kWh Additional kWh per month at 3.534¢ per kWh
Transition Period	First 15,000 kWh per month at 7.947¢ per kWh Additional kWh per month at 3.409¢ per kWh

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

Customer Charge: \$350.00 per delivery point per month

Demand Charge:

Summer Period	First 1,000 kW of billing demand per month, at \$13.06 per kW Excess over 1,000 kW of billing demand per month, at \$12.95 per kW, plus an additional \$12.95 per kW per month for each kW, if any, of the amount by which the customer's billing demand exceeds the higher of 2,500 kW or its contract demand
Winter Period	First 1,000 kW of billing demand per month, at \$12.09 per kW Excess over 1,000 kW of billing demand per month, at \$11.98 per kW, plus an additional \$11.98 per kW per month for each kW, if any, of the amount by which the customer's billing demand exceeds the higher of 2,500 kW or its contract demand
Transition Period	First 1,000 kW of billing demand per month, at \$12.09 per kW Excess over 1,000 kW of billing demand per month, at \$11.98 per kW, plus an additional \$11.98 per kW per month for each kW, if any, of the amount by which the customer's billing demand exceeds the higher of 2,500 kW or its contract demand

Energy Charge:

Summer Period	4.521¢ per kWh per month
Winter Period	4.203¢ per kWh per month
Transition Period	4.081¢ per kWh per month

Adjustment

The base demand and energy charges shall be increased or decreased in accordance with the current Adjustment Addendum published by TVA.

Determination of Seasonal Periods

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

Determination of Demand

Distributor shall meter the demands in kW of all customers having loads in excess of 50 kW. The metered demand for any month shall be the highest average during any 30-consecutive-minute period of the month of the load metered in kW. The measured demand for any month shall be the higher of the highest average during any 30-consecutive-minute period of the month of (a) the load metered in kW or (b) 85 percent of the load in kVA plus an additional 10 percent for that part of the load over 5,000 kVA, and such measured demand shall be used as the billing demand, except that the billing demand for any month shall in no case be less than 30 percent of the higher of the currently effective contract demand or the highest billing demand established during the preceding 12 months.

Minimum Bill

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

Distributor may require minimum bills higher than those stated above.

Seasonal Service

Customers who contract for service on a seasonal basis shall be limited to 2,500 kW and shall pay the above charges, as adjusted, plus an additional seasonal use charge equal to:

(a) If the customer's billing demand and its contract demand, if any, are each 50 kW or less:

1.00¢ per kWh for the first 15,000 kWh of the customer's energy takings for the month.

(b) If the customer's billing demand or its contract demand exceeds 50 kW:

1.00¢ per kWh per month of the lesser of (1) the amount computed by multiplying 300 hours by the customer's billing demand or (2) the customer's energy takings for the month.

Consistent with Distributor's standard policy, the customer may arrange for seasonal testing of equipment during offpeak hours.

For such customers, the exception language under the Determination of Demand section and the minimum bill provided for above shall not apply. Distributor may require additional charges to provide recovery of costs for customer-specific distribution facilities.

Contract Requirement

Distributor may require contracts for service provided under this rate schedule. Customers whose demand requirements exceed 125 kW shall be required to execute contracts and such contracts shall be for an initial term of at least 1 year. The customer shall contract for its maximum requirements, which shall not exceed the amount of power capable of being used by customer, and Distributor shall not be obligated to supply power in greater amount at any time than the customer's currently effective contract demand. If the customer uses any power other than that supplied by Distributor 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 provided under the power contract between Distributor and TVA.

Payment

Bills under this rate schedule 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 Distributor's standard policy.

Single-Point Delivery

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

Service is subject to Rules and Regulations of Distributor.

**FLORENCE ELECTRICITY
DEPARTMENT**

LARGE GENERAL POWER RATE SCHEDULES

(October 2018)

Availability

These rates shall apply to the firm electric power requirements where a customer's currently effective onpeak or offpeak contract demand, whichever is higher, is greater than 5,000 kW; provided that the other conditions of this section are met.

Unless otherwise provided for in a written agreement between TVA and the distributor 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 General Power Rate--Schedule GSB rate schedule 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; The General Power Rate--Schedule GSC rate schedule 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; and the General Power Rate--Schedule GSD rate schedule shall apply to customers with an onpeak or offpeak contract demand, whichever is higher, greater than 25,000 kW.

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.

Base Charges

The base charges for Schedule GSB, Schedule GSC, and Schedule GSD are set forth under the Base Charges Attachment to this Large General Power Rate Schedules document. Any references to the Base Charges section of Schedule GSB, Schedule GSC, and Schedule GSD will be deemed to include the Base Charges Attachment.

Adjustment

The base demand and energy charges shall be increased or decreased in accordance with the current Adjustment Addendum published by TVA.

Facilities Rental Charge

There shall be no facilities rental charge under these rate schedules for delivery at bulk transmission voltage levels of 161 kV or higher. For delivery at less than 161 kV, there shall be added to the customer's bill a facilities rental charge. This charge shall be 36¢ per kW per month except for delivery at voltages below 46 kV, in which case the charge shall be 93¢ per kW per month for the first 10,000 kW and 73¢ 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 customer's currently effective onpeak or offpeak contract demand, whichever is higher, and shall be in addition to all other charges under these rate schedules, including minimum bill charges.

Reactive Demand Charges

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 these rate schedules, including minimum bill charges.

Determination of Seasonal Periods

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

Determination of 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 these rate schedules be from 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. For all other hours of each day 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 TVA. In the event TVA determines that such changed onpeak and offpeak hours are appropriate, it shall so notify Distributor at least 12 months prior to the effective date of such changed hours.

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 these rate schedules 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 paragraph below and (2) 110 hours (reflecting a 15 percent load factor applied to the average number of hours in a month).

Distributor shall meter the onpeak and offpeak demands in kW of all customers taking service under these rate schedules. The onpeak metered demand and offpeak metered demand for any month shall be determined separately for the respective hours of the month designated under these rate schedules 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.

Except as provided below, (1) the onpeak billing demand shall be the highest onpeak metered demand in the month, (2) the offpeak billing demand shall be the highest offpeak metered demand in the month, and (3) the maximum billing demand shall be the higher of the onpeak billing demand or 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 these rate schedules, 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, applicable to onpeak billing demand applied to the customer's onpeak billing demand, (3) the portion of the base demand charge, as adjusted, 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 these rate schedules entitled "Determination of Onpeak and Offpeak Demands, Maximum Metered Demand, and Energy Amounts." Notwithstanding the foregoing, amounts calculated under any fuel cost adjustment that is included in the Adjustment Addendum shall not be applied to any billed offpeak energy that exceeds the metered offpeak energy.

Excess demand charges are excluded from this calculation.

Distributor may require minimum bills higher than those stated above, including, without limitation, charges to cover any additional metering and related costs.

Contract Requirement

Distributor shall require contracts for all service provided under these rate schedules. The contract for Schedule GSB and Schedule GSC customers 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 Schedule GSD customers 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 Distributor 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 Distributor 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 Distributor and TVA.

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 Distributor's standard policy.

Single-Point Delivery

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

Service is subject to Rules and Regulations of Distributor.

Base Charges Attachment

	Schedule GSB	Schedule GSC	Schedule GSD	
Customer Charge	\$1,500	\$1,500	\$1,500	per delivery point per month
Administrative Charge	\$350	\$350	\$350	per delivery point per month

Demand Charges:

		Schedule GSB (\$/kW)	Schedule GSC (\$/kW)	Schedule GSD (\$/kW)	
Summer Period	Onpeak Demand	10.61	10.61	10.61	per month of onpeak billing demand
	Maximum Demand	4.00	4.00	3.99	per month of maximum billing demand
	Excess Demand	10.61	10.61	10.61	per month of the amount, if any, by which (1) the customer's onpeak billing demand exceeds its onpeak contract demand or (2) the customer's offpeak billing demand exceeds its offpeak contract demand, whichever is higher.
Winter Period	Onpeak Demand	9.67	9.67	9.67	per month of onpeak billing demand
	Maximum Demand	4.00	4.00	3.99	per month of maximum billing demand
	Excess Demand	9.67	9.67	9.67	per month of the amount, if any, by which (1) the customer's onpeak billing demand exceeds its onpeak contract demand or (2) the customer's offpeak billing demand exceeds its offpeak contract demand, whichever is higher.
Transition Period	Onpeak Demand	9.67	9.67	9.67	per month of onpeak billing demand
	Maximum Demand	4.00	4.00	3.99	per month of maximum billing demand
	Excess Demand	9.67	9.67	9.67	per month of the amount, if any, by which (1) the customer's onpeak billing demand exceeds its onpeak contract demand or (2) the customer's offpeak billing demand exceeds its offpeak contract demand, whichever is higher.

Energy Charges:

		Schedule GSB (¢/kWh)	Schedule GSC (¢/kWh)	Schedule GSD (¢/kWh)	
Summer Period	Onpeak hours	6.253	6.253	6.253	per month for all metered onpeak kWh
	Offpeak hours Block 1	3.819	3.819	3.819	per month for the first 200 hours use of metered onpeak demand multiplied by the ratio of offpeak energy to total energy
	Offpeak hours Block 2	0.443	0.443	0.331	per month for the next 200 hours use of metered onpeak demand multiplied by the ratio of offpeak energy to total energy
	Offpeak Hours Block 3	0.109	0.109	0.109	per month for the hours use of metered onpeak demand in excess of 400 hours multiplied by the ratio of offpeak energy to total energy
	Minimum offpeak energy	3.819	3.819	3.819	per month shall be applied to the portion, if any, of the minimum offpeak energy takings amount that is greater than the metered energy.
Winter Period	Onpeak hours	5.143	5.143	5.143	per month for all metered onpeak kWh
	Offpeak hours Block 1	4.036	4.036	4.036	per month for the first 200 hours use of metered onpeak demand multiplied by the ratio of offpeak energy to total energy
	Offpeak hours Block 2	0.443	0.443	0.331	per month for the next 200 hours use of metered onpeak demand multiplied by the ratio of offpeak energy to total energy
	Offpeak Hours Block 3	0.109	0.109	0.109	per month for the hours use of metered onpeak demand in excess of 400 hours multiplied by the ratio of offpeak energy to total energy
	Minimum offpeak energy	4.036	4.036	4.036	per month shall be applied to the portion, if any, of the minimum offpeak energy takings amount that is greater than the metered energy.
Transition Period	Onpeak hours	3.788	3.788	3.788	per month for all metered onpeak kWh
	Offpeak hours Block 1	3.788	3.788	3.788	per month for the first 200 hours use of metered onpeak demand multiplied by the ratio of offpeak energy to total energy
	Offpeak hours Block 2	0.443	0.443	0.331	per month for the next 200 hours use of metered onpeak demand multiplied by the ratio of offpeak energy to total energy
	Offpeak Hours Block 3	0.109	0.109	0.109	per month for the hours use of metered onpeak demand in excess of 400 hours multiplied by the ratio of offpeak energy to total energy
	Minimum offpeak energy	3.788	3.788	3.788	per month shall be applied to the portion, if any, of the minimum offpeak energy takings amount that is greater than the metered energy.

**FLORENCE ELECTRICITY
DEPARTMENT**

LARGE MANUFACTURING SERVICE RATE SCHEDULES

(October 2018)

Availability

These rates 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 5,000 kW, and (b) the major use of electricity is for activities conducted at the delivery point serving that customer which are classified with a 2-digit Standard Industrial Classification Code between 20 and 39, inclusive, or classified with 2002 North American Industry Classification System (NAICS) code 5181, or 2007 NAICS codes 5182, 522320, or 541214.

Prior to initially taking any service under any of these schedules, and from time to time thereafter as may be required by Distributor or the Tennessee Valley Authority (TVA), a customer shall certify to both Distributor and TVA that it meets the requirements set forth in condition (b) above. The certification form to be used shall be (i) furnished or approved by TVA, (ii) provided by Distributor to the customer, and (iii) signed and promptly returned by the customer to Distributor. Further, such customer shall promptly certify any change in the status of any of the information contained in the certification form to Distributor.

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 Distributor under, and billed in accordance with, the applicable General Power schedule.

Unless otherwise provided for in a written agreement between TVA and the distributor 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 Manufacturing Service Rate--Schedule MSB rate schedule 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; The Manufacturing Service Rate--Schedule MSC rate schedule 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; and the Manufacturing Service Rate--Schedule MSD rate schedule shall apply to customers with an onpeak or offpeak contract demand, whichever is higher, greater than 25,000 kW.

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.

Base Charges

The base charges for Schedule MSB, Schedule MSC, and Schedule MSD are set forth under the Base Charges Attachment to this Large Manufacturing Service Rate Schedules document. Any references to the Base Charges section of Schedule MSB, Schedule MSC, and Schedule MSD will be deemed to include the Base Charges Attachment.

Adjustment

The base demand and energy charges shall be increased or decreased in accordance with the current Adjustment Addendum published by TVA.

Facilities Rental Charge

There shall be no facilities rental charge under these rate schedules for delivery at bulk transmission voltage levels of 161 kV or higher. For delivery at less than 161 kV, there shall be added to the customer's bill a facilities rental charge. This charge shall be 36¢ per kW per month except for delivery at voltages below 46 kV, in which case the charge shall be 93¢ per kW per month for the first 10,000 kW and 73¢ 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 customer's currently effective onpeak or offpeak contract demand, whichever is higher, and shall be in addition to all other charges under these rate schedules, including minimum bill charges.

Reactive Demand Charges

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 these rate schedules, including minimum bill charges.

Determination of Seasonal Periods

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

Determination of 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 these rate schedules be from 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. For all other hours of each day 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 TVA. In the event TVA determines that such changed onpeak and offpeak hours are appropriate, it shall so notify Distributor at least 12 months prior to the effective date of such changed hours.

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 these rate schedules 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 paragraph below and (2) 110 hours (reflecting a 15 percent load factor applied to the average number of hours in a month).

Distributor shall meter the onpeak and offpeak demands in kW of all customers taking service under these rate schedules. The onpeak metered demand and offpeak metered demand for any month shall be determined separately for the respective hours of the month designated under these rate schedules 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.

Except as provided below, (1) the onpeak billing demand shall be the highest onpeak metered demand in the month, (2) the offpeak billing demand shall be the highest offpeak metered demand in the month, and (3) the maximum billing demand shall be the higher of the onpeak billing demand or 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 these rate schedules, 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, applicable to onpeak billing demand applied to the customer's onpeak billing demand, (3) the portion of the base demand charge, as adjusted, 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 these rate schedules entitled "Determination of Onpeak and Offpeak Demands, Maximum Metered Demand, and Energy Amounts." Notwithstanding the foregoing, amounts calculated under any fuel cost adjustment that is included in the Adjustment Addendum shall not be applied to any billed offpeak energy that exceeds the metered offpeak energy.

Excess demand charges are excluded from this calculation.

Distributor may require minimum bills higher than those stated above, including, without limitation, charges to cover any additional metering and related costs.

Contract Requirement

Distributor shall require contracts for all service provided under these rate schedules. The contract for Schedule MSB and Schedule MSC customers 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 Schedule MSD customers 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 Distributor 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 Distributor 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 Distributor and TVA.

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 Distributor's standard policy.

Single-Point Delivery

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

Service is subject to Rules and Regulations of Distributor.

Base Charges Attachment

	Schedule MSB	Schedule MSC	Schedule MSD	
Customer Charge	\$1,500	\$1,500	\$1,500	per delivery point per month
Administrative Charge	\$350	\$350	\$350	per delivery point per month

Demand Charges:

		Schedule MSB (\$/kW)	Schedule MSC (\$/kW)	Schedule MSD (\$/kW)	
Summer Period	Onpeak Demand	10.00	10.00	10.00	per month of onpeak billing demand
	Maximum Demand	1.11	1.11	1.10	per month of maximum billing demand
	Excess Demand	10.00	10.00	10.00	per month of the amount, if any, by which (1) the customer's onpeak billing demand exceeds its onpeak contract demand or (2) the customer's offpeak billing demand exceeds its offpeak contract demand, whichever is higher.
Winter Period	Onpeak Demand	9.05	9.05	9.05	per month of onpeak billing demand
	Maximum Demand	1.11	1.11	1.10	per month of maximum billing demand
	Excess Demand	9.05	9.05	9.05	per month of the amount, if any, by which (1) the customer's onpeak billing demand exceeds its onpeak contract demand or (2) the customer's offpeak billing demand exceeds its offpeak contract demand, whichever is higher.
Transition Period	Onpeak Demand	9.05	9.05	9.05	per month of onpeak billing demand
	Maximum Demand	1.11	1.11	1.10	per month of maximum billing demand
	Excess Demand	9.05	9.05	9.05	per month of the amount, if any, by which (1) the customer's onpeak billing demand exceeds its onpeak contract demand or (2) the customer's offpeak billing demand exceeds its offpeak contract demand, whichever is higher.

Energy Charges:

		Schedule MSB (¢/kWh)	Schedule MSC (¢/kWh)	Schedule MSD (¢/kWh)	
Summer Period	Onpeak hours	5.535	5.426	5.204	per month for all metered onpeak kWh
	Offpeak hours Block 1	3.094	2.984	2.762	per month for the first 200 hours use of metered onpeak demand multiplied by the ratio of offpeak energy to total energy
	Offpeak hours Block 2	0.194	0.332	0.167	per month for the next 200 hours use of metered onpeak demand multiplied by the ratio of offpeak energy to total energy
	Offpeak Hours Block 3	-0.055	0.332	0.109	per month for the hours use of metered onpeak demand in excess of 400 hours multiplied by the ratio of offpeak energy to total energy
	Minimum offpeak energy	3.094	2.984	2.762	per month shall be applied to the portion, if any, of the minimum offpeak energy takings amount that is greater than the metered energy.
Winter Period	Onpeak hours	4.422	4.312	4.089	per month for all metered onpeak kWh
	Offpeak hours Block 1	3.312	3.201	2.979	per month for the first 200 hours use of metered onpeak demand multiplied by the ratio of offpeak energy to total energy
	Offpeak hours Block 2	0.194	0.332	0.167	per month for the next 200 hours use of metered onpeak demand multiplied by the ratio of offpeak energy to total energy
	Offpeak Hours Block 3	-0.055	0.332	0.109	per month for the hours use of metered onpeak demand in excess of 400 hours multiplied by the ratio of offpeak energy to total energy
	Minimum offpeak energy	3.312	3.201	2.979	per month shall be applied to the portion, if any, of the minimum offpeak energy takings amount that is greater than the metered energy.
Transition Period	Onpeak hours	3.397	3.287	3.064	per month for all metered onpeak kWh
	Offpeak hours Block 1	3.397	3.287	3.064	per month for the first 200 hours use of metered onpeak demand multiplied by the ratio of offpeak energy to total energy
	Offpeak hours Block 2	0.194	0.332	0.167	per month for the next 200 hours use of metered onpeak demand multiplied by the ratio of offpeak energy to total energy
	Offpeak Hours Block 3	-0.055	0.332	0.109	per month for the hours use of metered onpeak demand in excess of 400 hours multiplied by the ratio of offpeak energy to total energy
	Minimum offpeak energy	3.397	3.287	3.064	per month shall be applied to the portion, if any, of the minimum offpeak energy takings amount that is greater than the metered energy.

**FLORENCE ELECTRICITY
DEPARTMENT**

OUTDOOR LIGHTING RATE--SCHEDULE LS
(October 2018)

Availability

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

Service under this schedule is for a term of not less than 1 year.

Payment

Bills under this rate schedule will be rendered monthly. Any amount of bill unpaid after the due date specified on the bill may be subject to additional charges under Distributor's standard policy.

Base Charges

Customer Charge:

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

Energy Charge:

Summer Period 4.541¢ per kWh per month

Winter Period 4.199¢ per kWh per month

Transition Period 3.996¢ per kWh per month

Adjustment

The base energy charges will be increased or decreased in accordance with the current Adjustment Addendum published by TVA.

Determination of Seasonal Periods

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

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

Facility Charge

The annual facility charge will be 12% of the installed cost to Distributor's electric system of the facilities devoted to street and park lighting service specified in this Part A. Distributor must recompute such installed cost annually (or more frequently if substantial changes in the facilities are made). One-twelfth of the annual facility charge will be billed to the customer each month. If any part of the facilities has not been provided at the electric system's expense; or if the installed cost of any portion thereof is reflected on the books of another municipality, agency, or department, then the annual facility charge will be adjusted to reflect accurately the remaining cost to be borne by the electric system.

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

Distributor's electric system may provide, own, and maintain traffic signal systems and athletic field lighting installations for the customer's benefit when so authorized by policy duly adopted by Distributor's governing board. In such cases, Distributor may require reimbursement from the customer for a portion of the initial installed cost of any such system or installation, and will require customer to pay a facility charge sufficient to cover all of Distributor's costs (except reimbursed costs, and including appropriate overheads) of providing, owning, and maintaining such system or installation. For athletic field lighting installations, such facility charge will in no case be less than 12% per year of such costs, and will be in addition to the annual facility charge necessary to provide service to such system or installation as provided for in the preceding paragraph.

Lamp Replacement

Traffic signal systems and athletic field lighting installations will be billed and will pay for replacement of lamps and related glassware as provided for in paragraph 1 below.

Street and park lighting customers will be billed and will pay for replacement of lamps and related glassware as provided in paragraph 2 below.

1. Distributor will bill the customer monthly for such replacements during each month at Distributor's cost of materials, including appropriate storeroom expense.
2. Distributor will bill the customer monthly for one-twelfth of the amount by which Distributor's cost of materials, including appropriate storeroom expense, exceeds the product of 3 mills multiplied by the number of kilowatthours used for street and park lighting during the fiscal year immediately preceding the fiscal year in which such month occurs.

Metering

For any billing month or part of such month in which the energy is not metered, or for which a meter reading is found to be in error, or a meter is found to have failed, then, for billing purposes, the energy for that billing month or part of such month will be computed from the rated capacity of the lamps (including ballast), plus 5% of such capacity (to reflect secondary circuit losses), multiplied by the number of hours of use.

Revenue and Cost Review

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

PART B--CHARGES FOR OUTDOOR LIGHTING FOR INDIVIDUAL CUSTOMERS AND SPECIAL OUTDOOR LIGHTING

Facility Charge

Distributor will make available to individual customers certain outdoor lighting fixtures. These fixtures will be provided, owned, and maintained by Distributor. A facility charge, covering Distributor's cost plus margin, will be calculated for each individual fixture. If the costs of providing and maintaining individual fixtures change, Distributor must use the formula set forth below to revise the facility charge for that fixture. If Distributor's facility charge calculations, using the formula set forth below, yield a positive revenue impact, then Distributor must notify TVA of the impact on Distributor's revenue. For a period of six years, Distributor will maintain on file the facility charge calculations or spreadsheets for audit purposes, and any other historical information as may be reasonably required by TVA for verification.

$$FC_i = \frac{ICR_i + RAC_i + M_i}{12}$$

i = individual fixture

FC = monthly facility charge

ICR = installed cost recovery of fixture

RAC = recurring annual cost of providing and maintaining fixture

M = Distributor's margin (not to exceed 23%)

Additional Facilities and Installations

The calculated facility charge in this Part B is limited to service from a photoelectrically-controlled standard lighting fixture installed on a pole already in place. If the customer wants to have the fixture installed at a location other than on a pole already in place, Distributor may apply an additional monthly charge.

Distributor's electric system may provide, own, and maintain special outdoor lighting installations for the customer's benefit when so authorized by policy duly adopted by Distributor's governing board. In such cases Distributor may require reimbursement from the customer for a portion of the initial installed cost of any such installation.

Lamp Replacements

Replacements of lamps and related glassware will be made in accordance with Distributor's replacement policies, without additional charge to the customer.

Service is subject to Rules and Regulations of Distributor.

**FLORENCE ELECTRICITY
DEPARTMENT**

**TIME-OF-USE RESIDENTIAL RATE--SCHEDULE TRS
(October 2018)**

Availability

This rate shall be made available only to electric service to a single-family dwelling (including its appurtenances if served through the same meter), where the major use of electricity is for domestic purposes such as lighting, household appliances, and the personal comfort and convenience of those residing therein. Service under this rate schedule is for a term of not less than one year.

Character of Service

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

Base Charges

Customer Charge: \$18.96 per month

Energy Charge:

Summer Period 9.544¢ per kWh per month for all onpeak kWh, plus
 6.994¢ per kWh per month for all offpeak kWh

Winter Period 8.390¢ per kWh per month for all onpeak kWh, plus
 7.231¢ per kWh per month for all offpeak kWh

Transition Period 7.260¢ per kWh per month for all kWh

Adjustment

The base customer charges and energy charges shall be increased or decreased in accordance with the current Adjustment Addendum published by TVA.

Determination of Seasonal Periods

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

Determination of Onpeak and Offpeak Hours

Except for Saturdays and Sundays and the weekdays that are observed as Federal holidays for New Year's Day, Memorial Day, Independence Day, Labor Day, Thanksgiving Day, and Christmas Day, onpeak hours for each day shall for purposes of this rate schedule be from 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 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. In the event of such change, Distributor shall promptly notify customer.

Determination of Onpeak and Offpeak 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.

Minimum Monthly Bill

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

Payment

Bills under this rate schedule 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 Distributor's standard policy.

Single-Point Delivery

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

Service is subject to Rules and Regulations of Distributor.

**FLORENCE ELECTRICITY
DEPARTMENT**

**TIME-OF-USE GENERAL POWER RATE--SCHEDULE TGSA
(October 2018)**

Availability

This rate shall be available for the firm power requirements (where a customer's contract demand is 5,000 kW or less) 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.

Character of Service

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

Base Charges

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

Customer Charge: \$25.00 per delivery point per month for single-phase service
 \$50.00 per delivery point per month for three-phase service

Energy Charge:

Summer Period 9.822¢ per kWh per month for all onpeak kWh, plus
 7.272¢ per kWh per month for all offpeak kWh
Winter Period 8.675¢ per kWh per month for all onpeak kWh, plus
 7.515¢ per kWh per month for all offpeak kWh

Transition Period 7.547¢ per kWh per month for all kWh

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

Customer Charge: \$135.00 per delivery point per month

Demand Charge:

Summer Period First 50 kW of billing demand per month, no demand charge
 Excess over 50 kW of billing demand per month, at \$14.36 per kW

Winter Period First 50 kW of billing demand per month, no demand charge
 Excess over 50 kW of billing demand per month, at \$13.39 per kW

Transition Period First 50 kW of billing demand per month, no demand charge
 Excess over 50 kW of billing demand per month, at \$13.39 per kW

Energy Charge:

Summer Period 10.394¢ per kWh per month for all onpeak kWh, plus
7.843¢ per kWh per month for all offpeak kWh
Winter Period 9.246¢ per kWh per month for all onpeak kWh, plus
8.087¢ per kWh per month for all offpeak kWh
Transition Period 8.118¢ per kWh per month for all kWh

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

Customer Charge: \$350.00 per delivery point per month

Demand Charge:

Summer Period First 1,000 kW of billing demand per month, at \$13.07 per kW
Excess over 1,000 kW of billing demand per month, at \$13.07 per kW,
plus an additional
\$13.07 per kW per month for each kW, if any, of the amount by which the
customer's billing demand exceeds the higher of 2,500 kW or its contract
demand
Winter Period First 1,000 kW of billing demand per month, at \$12.11 per kW
Excess over 1,000 kW of billing demand per month, at \$12.11 per kW,
plus an additional
\$12.11 per kW per month for each kW, if any, of the amount by which the
customer's billing demand exceeds the higher of 2,500 kW or its contract
demand
Transition Period First 1,000 kW of billing demand per month, at \$12.11 per kW
Excess over 1,000 kW of billing demand per month, at \$12.11 per kW,
plus an additional
\$12.11 per kW per month for each kW, if any, of the amount by which the
customer's billing demand exceeds the higher of 2,500 kW or its contract
demand

Energy Charge:

Summer Period 6.260¢ per kWh per month for all onpeak kWh, plus
3.711¢ per kWh per month for all offpeak kWh
Winter Period 5.132¢ per kWh per month for all onpeak kWh, plus
3.971¢ per kWh per month for all offpeak kWh
Transition Period 4.081¢ per kWh per month for all kWh

Adjustment

The base demand and energy charges shall be increased or decreased in accordance with the current Adjustment Addendum published by TVA.

Determination of Seasonal Periods

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

Determination of Onpeak and Offpeak Hours

Except for Saturdays and Sundays and the weekdays that are observed as Federal holidays for New Year's Day, Memorial Day, Independence Day, Labor Day, Thanksgiving Day, and Christmas Day, onpeak hours for each day shall for purposes of this rate schedule be from 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 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. In the event of such change, Distributor shall promptly notify customer.

Determination of Onpeak and Offpeak 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.

Determination of Demand

Distributor shall meter the demands in kW of all customers having loads in excess of 50 kW. The metered demand for any month shall be the highest average during any 30-consecutive-minute period of the month of the load metered in kW. The measured demand for any month shall be the higher of the highest average during any 30-consecutive-minute period of the month of (a) the load metered in kW or (b) 85 percent of the load in kVA plus an additional 10 percent for that part of the load over 5,000 kVA, and such measured demand shall be used as the billing demand, except that the billing demand for any month shall in no case be less than 30 percent of the higher of the currently effective contract demand or the highest billing demand established during the preceding 12 months.

Minimum Bill

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

Distributor may require minimum bills higher than those stated above.

Seasonal Service

Customers who contract for service on a seasonal basis shall be limited to 2,500 kW and shall pay the above charges, as adjusted, plus an additional seasonal use charge equal to:

(a) If the customer's billing demand and its contract demand, if any, are each 50 kW or less:

1.00¢ per kWh for the first 15,000 kWh of the customer's energy takings for the month.

(b) If the customer's billing demand or its contract demand exceeds 50 kW:

1.00¢ per kWh per month of the lesser of (1) the amount computed by multiplying 300 hours by the customer's billing demand or (2) the customer's energy takings for the month.

Consistent with Distributor's standard policy, the customer may arrange for seasonal testing of equipment during offpeak hours.

For such customers, the exception language under the Determination of Demand section and the minimum bill provided for above shall not apply. Distributor may require additional charges to provide recovery of costs for customer-specific distribution facilities.

Contract Requirement

Distributor shall require contracts for service provided under this rate schedule and such contracts shall be for an initial term of at least 1 year. The customer shall contract for its maximum requirements, which shall not exceed the amount of power capable of being used by customer, and Distributor shall not be obligated to supply power in greater amount at any time than the customer's currently effective contract demand. If the customer uses any power other than that supplied by Distributor 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 provided under the power contract between Distributor and TVA.

After having received service for at least 1 year under this rate schedule, the customer, subject to appropriate amendments in its power contract with Distributor, 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.

Payment

Bills under this rate schedule 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 Distributor's standard policy.

Single-Point Delivery

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

Service is subject to Rules and Regulations of Distributor.

**FLORENCE ELECTRICITY
DEPARTMENT**

**GENERAL POWER RATE--SCHEDULE TDGSA
(October 2018)**

Availability

This rate shall apply to the firm power requirements (where the higher of a customer's 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 the distributor 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.

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.

Base Charges

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

Administrative Charge: \$350 per delivery point per month

Demand Charges:

Summer Period

Onpeak Demand \$10.69 per kW of onpeak billing demand per month, plus

Maximum Demand \$4.02 per kW per month of maximum billing demand, plus

Excess Demand \$10.69 per kW per month of the amount, if any, by which (1) the customer's onpeak billing demand exceeds its onpeak contract demand or (2) the customer's offpeak billing demand exceeds its offpeak contract demand, whichever is higher.

Winter Period

Onpeak Demand \$9.75 per kW of onpeak billing demand per month, plus

Maximum Demand \$4.02 per kW per month of maximum billing demand, plus

Excess Demand \$9.75 per kW per month of the amount, if any, by which (1) the customer's onpeak billing demand exceeds its onpeak contract demand or (2) the customer's offpeak billing demand exceeds its offpeak contract demand, whichever is higher.

Transition Period

Onpeak Demand \$9.75 per kW of onpeak billing demand per month, plus

Maximum Demand \$4.02 per kW per month of maximum billing demand, plus

Excess Demand \$9.75 per kW per month of the amount, if any, by which (1) the customer's onpeak billing demand exceeds its onpeak contract demand or (2) the customer's offpeak billing demand exceeds its offpeak contract demand, whichever is higher.

Energy Charge:

Summer Period

Onpeak 7.753¢ per kWh per month for all metered onpeak kWh, plus

Offpeak

Block 1 4.482¢ per kWh per month for the first 200 hours use of metered onpeak demand multiplied by the ratio of offpeak energy to total energy, plus

Block 2 0.333¢ per kWh per month for the next 200 hours use of metered onpeak demand multiplied by the ratio of offpeak energy to total energy, plus

Block 3 0.037¢ per kWh per month for the hours use of metered onpeak demand in excess of 400 hours multiplied by the ratio of offpeak energy to total energy

Winter Period

Onpeak 6.259¢ per kWh per month for all metered onpeak kWh, plus

Offpeak

Block 1 4.771¢ per kWh per month for the first 200 hours use of metered onpeak demand multiplied by the ratio of offpeak energy to total energy, plus

Block 2 0.333¢ per kWh per month for the next 200 hours use of metered onpeak demand multiplied by the ratio of offpeak energy to total energy, plus

Block 3	0.037¢ per kWh per month for the hours use of metered onpeak demand in excess of 400 hours multiplied by the ratio of offpeak energy to total energy
Transition Period	
Onpeak	4.887¢ per kWh per month for all metered onpeak kWh, plus
Offpeak	
Block 1	4.887¢ per kWh per month for the first 200 hours use of metered onpeak demand multiplied by the ratio of offpeak energy to total energy, plus
Block 2	0.333¢ per kWh per month for the next 200 hours use of metered onpeak demand multiplied by the ratio of offpeak energy to total energy, plus
Block 3	0.037¢ per kWh per month for the hours use of metered onpeak demand in excess of 400 hours multiplied by the ratio of offpeak energy to total energy

For the Summer Period, Winter Period, and Transition Period, the offpeak Block 1 energy rate shall be applied to the portion, if any, of the minimum offpeak energy takings amount that is greater than the metered energy.

Adjustment

The base demand and energy charges shall be increased or decreased in accordance with the current Adjustment Addendum published by TVA.

Facilities Rental Charge

There shall be no facilities rental charge under this rate schedule for delivery at bulk transmission voltage levels of 161 kV or higher. For delivery at less than 161 kV, there shall be added to the customer's bill a facilities rental charge. This charge shall be 36¢ per kW per month except for delivery at voltages below 46 kV, in which case the charge shall be 93¢ per kW per month for the first 10,000 kW and 73¢ 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 customer's currently effective onpeak or offpeak contract demand, whichever is higher, and shall be in addition to all other charges under this rate schedule, including minimum bill charges.

Reactive Demand Charges

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.

Determination of Seasonal Periods

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

Determination of Onpeak and Offpeak Hours

Except for Saturdays, Sundays, November 1, and the weekdays that are observed as Federal holidays for New Year's Day, Memorial Day, Independence Day, Labor Day, Thanksgiving Day, and Christmas Day, Onpeak hours for each day shall for purposes of this rate schedule be from 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. For all other hours of each day 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 TVA. In the event TVA determines that such changed onpeak and offpeak hours are appropriate, it shall so notify Distributor at least 12 months prior to the effective date of such changed hours.

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 paragraph below and (2) 110 hours (reflecting a 15 percent load factor applied to the average number of hours in a month).

Distributor 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.

Except as provided below, (1) the onpeak billing demand shall be the highest onpeak metered demand in the month, (2) the offpeak billing demand shall be the highest offpeak metered demand in the month, and (3) the maximum billing demand shall be the higher of the onpeak billing demand or 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, applicable to onpeak billing demand applied to the customer's onpeak billing demand, (3) the portion of the base demand charge, as adjusted, applicable to maximum billing demand applied to the 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, amounts calculated under any fuel cost adjustment that is included in the Adjustment Addendum shall not be applied to any billed offpeak energy that exceeds the metered offpeak energy.

Excess demand charges are excluded from this calculation.

Distributor may require minimum bills higher than those stated above, including, without limitation, charges to cover any additional metering and related costs.

Contract Requirement

Customers whose demand requirements exceed 1,000 kW shall be required to execute contracts and such contracts shall be for an initial term of at least 1 year. The customer shall contract for its maximum requirements, which shall not exceed the amount of power capable of being used by customer, and Distributor 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 Distributor 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 provided under the power contract between Distributor and TVA.

After having received service for at least 1 year under this rate schedule, the customer, subject to appropriate amendments in its power contract with Distributor, 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.

Payment

Bills under this rate schedule 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 Distributor's standard policy.

Single-Point Delivery

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

Service is subject to Rules and Regulations of Distributor.

**FLORENCE ELECTRICITY
DEPARTMENT**

**MANUFACTURING SERVICE RATE--SCHEDULE TDMSA
(October 2018)**

Availability

This rate 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 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, or 541214.

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

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 Distributor under, and billed in accordance with, the applicable General Power schedule.

Unless otherwise provided for in a written agreement between TVA and the distributor 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.

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.

Base Charges

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

Administrative Charge: \$350 per delivery point per month

Demand Charges:

Summer Period

Onpeak Demand	\$10.00 per kW of onpeak billing demand per month, plus
Maximum Demand	\$2.39 per kW per month of maximum billing demand, plus
Excess Demand	\$10.00 per kW per month of the amount, if any, by which (1) the customer's onpeak billing demand exceeds its onpeak contract demand or (2) the customer's offpeak billing demand exceeds its offpeak contract demand, whichever is higher.

Winter Period

Onpeak Demand	\$9.05 per kW of onpeak billing demand per month, plus
Maximum Demand	\$2.39 per kW per month of maximum billing demand, plus
Excess Demand	\$9.05 per kW per month of the amount, if any, by which (1) the customer's onpeak billing demand exceeds its onpeak contract demand or (2) the customer's offpeak billing demand exceeds its offpeak contract demand, whichever is higher.

Transition Period

Onpeak Demand	\$9.05 per kW of onpeak billing demand per month, plus
Maximum Demand	\$2.39 per kW per month of maximum billing demand, plus
Excess Demand	\$9.05 per kW per month of the amount, if any, by which (1) the customer's onpeak billing demand exceeds its onpeak contract demand or (2) the customer's offpeak billing demand exceeds its offpeak contract demand, whichever is higher.

Energy Charge:

Summer Period

Onpeak	5.314¢ per kWh per month for all metered onpeak kWh, plus
Offpeak	
Block 1	2.873¢ per kWh per month for the first 200 hours use of metered onpeak demand multiplied by the ratio of offpeak energy to total energy, plus
Block 2	0.194¢ per kWh per month for the next 200 hours use of metered onpeak demand multiplied by the ratio of offpeak energy to total energy, plus
Block 3	-0.055¢ per kWh per month for the hours use of metered onpeak demand in excess of 400 hours multiplied by the ratio of offpeak energy to total energy

Winter Period

Onpeak	4.199¢ per kWh per month for all metered onpeak kWh, plus
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Offpeak	
Block 1	3.090¢ per kWh per month for the first 200 hours use of metered onpeak demand multiplied by the ratio of offpeak energy to total energy, plus
Block 2	0.194¢ per kWh per month for the next 200 hours use of metered onpeak demand multiplied by the ratio of offpeak energy to total energy, plus
Block 3	-0.055¢ per kWh per month for the hours use of metered onpeak demand in excess of 400 hours multiplied by the ratio of offpeak energy to total energy
Transition Period	
Onpeak	3.177¢ per kWh per month for all metered onpeak kWh, plus
Offpeak	
Block 1	3.177¢ per kWh per month for the first 200 hours use of metered onpeak demand multiplied by the ratio of offpeak energy to total energy, plus
Block 2	0.194¢ per kWh per month for the next 200 hours use of metered onpeak demand multiplied by the ratio of offpeak energy to total energy, plus
Block 3	-0.055¢ per kWh per month for the hours use of metered onpeak demand in excess of 400 hours multiplied by the ratio of offpeak energy to total energy

For the Summer Period, Winter Period, and Transition Period, the offpeak Block 1 energy rate shall be applied to the portion, if any, of the minimum offpeak energy takings amount that is greater than the metered energy.

Adjustment

The base demand and energy charges shall be increased or decreased in accordance with the current Adjustment Addendum published by TVA.

Facilities Rental Charge

There shall be no facilities rental charge under this rate schedule for delivery at bulk transmission voltage levels of 161 kV or higher. For delivery at less than 161 kV, there shall be added to the customer's bill a facilities rental charge. This charge shall be 36¢ per kW per month except for delivery at voltages below 46 kV, in which case the charge shall be 93¢ per kW per month for the first 10,000 kW and 73¢ 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 customer's currently effective onpeak or offpeak contract demand, whichever is higher, and shall be in addition to all other charges under this rate schedule, including minimum bill charges.

Reactive Demand Charges

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.

Determination of Seasonal Periods

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

Determination of Onpeak and Offpeak Hours

Except for Saturdays, Sundays, November 1, and the weekdays that are observed as Federal holidays for New Year's Day, Memorial Day, Independence Day, Labor Day, Thanksgiving Day, and Christmas Day, Onpeak hours for each day shall for purposes of this rate schedule be from 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. For all other hours of each day 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 TVA. In the event TVA determines that such changed onpeak and offpeak hours are appropriate, it shall so notify Distributor at least 12 months prior to the effective date of such changed hours.

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 paragraph below and (2) 110 hours (reflecting a 15 percent load factor applied to the average number of hours in a month).

Distributor 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.

Except as provided below, (1) the onpeak billing demand shall be the highest onpeak metered demand in the month, (2) the offpeak billing demand shall be the highest offpeak metered demand in the month, and (3) the maximum billing demand shall be the higher of the onpeak billing demand or 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, applicable to onpeak billing demand applied to the customer's onpeak billing demand, (3) the portion of the base demand charge, as adjusted, applicable to maximum billing demand applied to the 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, amounts calculated under any fuel cost adjustment that is included in the Adjustment Addendum shall not be applied to any billed offpeak energy that exceeds the metered offpeak energy.

Excess demand charges are excluded from this calculation.

Distributor may require minimum bills higher than those stated above, including, without limitation, charges to cover any additional metering and related costs.

Contract Requirement

Customers whose demand requirements exceed 1,000 kW shall be required to execute contracts and such contracts shall be for an initial term of at least 1 year. The customer shall contract for its maximum requirements, which shall not exceed the amount of power capable of being used by customer, and Distributor 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 Distributor 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 provided under the power contract between Distributor and TVA.

After having received service for at least 1 year under this rate schedule, the customer, subject to appropriate amendments in its power contract with Distributor, 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.

Payment

Bills under this rate schedule 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 Distributor's standard policy.

Single-Point Delivery

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

Service is subject to Rules and Regulations of Distributor.