

# TENNESSEE VALLEY AUTHORITY SCHEDULE OF RATES AND CHARGES

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## 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).