

General Power Service

End-Use Classification GSA

Part 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) customer's monthly energy takings for any month during such period do not exceed 15,000 kWh:

Energy Charge: 5.440¢ per kWh per month

Part 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:

Demand Charge: First 50 kW of metered demand per month, no charge.

Excess over 50 kW of metered demand per month, at \$7.53 per kW

Energy Charge: First 15,000 kWh per month, at 5.440¢ per kWh
Additional kWh per month, at 3.108¢ per kWh

Part 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:

Demand Charge: First 1,000 kW of metered demand per month, at \$7.95 per kW

Excess over 1,000 kW of metered demand per month, at \$9.38 per kW

Energy Charge: 3.108¢ per kWh per month

End-Use Classification GSB

Demand Charge: \$9.67 per kW of metered demand per month

Energy Charge: 2.777¢ per kWh for up to 620 hours use of metered demand per month

2.266¢ per kWh for additional kWh per month

End-Use Classification GSC

Demand Charge: \$9.67 per kW of metered demand per month

Energy Charge: 2.777¢ per kWh for up to 620 hours use of metered demand per month

2.266¢ per kWh for additional kWh per month

End-Use Classification GSD

Demand Charge: \$11.99 per kW of metered demand per month

Energy Charge: 2.226¢ per kWh per month

Manufacturing Service

End-Use Classification MSB

Part 1 If the customer's metered demand for the month is not more than 5,000 kW:

Demand Charge: \$8.23 per kW of metered demand per month

Energy Charge: 2.364¢ per kWh for up to 620 hours use of metered demand per month

1.929¢ per kWh for additional kWh per month

Part 2 If the customer's metered demand for the month is greater than 5,000 kW:

Demand Charge: \$7.77 per kW of metered demand per month

Energy Charge: 2.245¢ per kWh for up to 620 hours use of metered demand per month

1.833¢ per kWh for additional kWh per month

End-Use Classification MSC

Demand Charge: \$7.77 per kW of metered demand per month

Energy Charge: 2.245¢ per kWh for up to 620 hours use of metered demand per month

1.833¢ per kWh for additional kWh per month

End-Use Classification MSD

Demand Charge: \$9.67 per kW of metered demand per month

Energy Charge: 1.800¢ per kWh per month

Outdoor Lighting Service

End-Use Classification LS

Energy Charge: 3.108¢ per kWh per month

TIME-OF-DAY SERVICE

Residential Service

End-Use Classification TRS

Energy Charge: 8.075¢ per kWh for all onpeak kWh per month
2.625¢ per kWh for all offpeak kWh per month

General Power Service

End-Use Classification TGSA

Part 1 If the higher of (1) the higher of the customer's currently effective onpeak or offpeak contract demand or (2) the customer's highest onpeak or offpeak billing demand during the latest 12-month period is not more than 50 kW:

Energy Charge: 9.666¢ per kWh for all onpeak kWh per month
2.551¢ per kWh for all offpeak kWh per month

Part 2 If the higher of (1) the higher of the customer's currently effective onpeak or offpeak contract demand or (2) the customer's highest onpeak or offpeak billing demand during the latest 12-month period is greater than 50 kW but no more than 1,000 kW:

Demand Charge: \$7.48 for each kW of metered onpeak demand per month
\$0.91 per month for each kW, if any, by which metered offpeak demand exceeds metered onpeak demand

Energy Charge: 4.076¢ per kWh for all onpeak kWh per month
2.488¢ per kWh for all offpeak kWh per month

Part 3 If the higher of (1) the higher of the customer's currently effective onpeak or offpeak contract demand or (2) the customer's highest onpeak or offpeak billing demand during the latest 12-month period is greater than 1,000 kW:

Demand Charge: \$8.74 for each kW of metered onpeak demand per month.
\$0.90 per month for each kW, if any, by which metered offpeak demand exceeds metered onpeak demand

Energy Charge: 4.076¢ per kWh for all onpeak kWh per month
2.488¢ per kWh for all offpeak kWh per month

End-Use Classification TGSB

Demand Charge: \$9.67 for each kW of metered onpeak demand per month
\$0.86 per month for each kW, if any, by which metered offpeak demand exceeds metered onpeak demand

Energy Charge: 3.740¢ per kWh for all onpeak kWh per month
2.208¢ per kWh for all offpeak kWh per month

End-Use Classification TGSC

Demand Charge: \$9.67 for each kW of metered onpeak demand per month
\$0.86 per month for each kW, if any, by which metered offpeak demand exceeds metered onpeak demand

Energy Charge: 3.740¢ per kWh for all onpeak kWh per month
2.208¢ per kWh for all offpeak kWh per month

End-Use Classification TGSD

Demand Charge: \$12.09 for each kW of metered onpeak demand per month
\$1.45 per month for each kW, if any, by which metered offpeak demand exceeds metered onpeak demand

Energy Charge: 2.326¢ per kWh for all onpeak kWh per month
2.172¢ per kWh for all offpeak kWh per month

Manufacturing Service

End-Use Classification TMSB

Part 1 If the higher of the customer's onpeak metered demand or offpeak metered demand for the month is not more than 5,000 kW:

Demand Charge: \$8.23 for each kW of metered onpeak demand per month
\$0.73 per month for each kW, if any, by which metered offpeak demand exceeds metered onpeak demand

Energy Charge: 3.184¢ per kWh for all onpeak kWh per month
1.879¢ per kWh for all offpeak kWh per month

Part 2 If the higher of the customer's onpeak metered demand or offpeak metered demand for the month is greater than 5,000 kW:

Demand Charge: \$7.77 for each kW of metered onpeak demand per month
\$0.65 per month for each kW, if any, by which metered offpeak demand exceeds metered onpeak demand

Energy Charge: 3.025¢ per kWh for all onpeak kWh per month
1.785¢ per kWh for all offpeak kWh per month

End-Use Classification TMSC

Demand Charge:	\$7.79 for each kW of metered onpeak demand per month
	\$0.68 per month for each kW, if any, by which metered offpeak demand exceeds metered onpeak demand
Energy Charge:	3.025¢ per kWh for all onpeak kWh per month
	1.785¢ per kWh for all offpeak kWh per month

End-Use Classification TMSD

Demand Charge:	\$10.07 for each kW of metered onpeak demand per month
	\$1.18 per month for each kW, if any, by which metered offpeak demand exceeds metered onpeak demand
Energy Charge:	1.942¢ per kWh for all onpeak kWh per month
	1.813¢ per kWh for all offpeak kWh per month

Adjustments

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

2. Distributor's bill for each month shall be adjusted by subtracting \$1.71 for each customer reported under End-Use Classification RS of the Standard Residential Service Classification and End-Use Classification TRS of the Time-of-Day Residential Service Classification. However, such dollar amount and the base demand and energy charges listed above may be increased or decreased by TVA from time to time to appropriately reflect changes in the value of the hydro generation benefits allocated by TVA to residential customers.

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 thereto for each such customer an amount computed as provided below. When such bill involves a customer reported under a standard classification, the amount added shall be computed by multiplying (except as provided in the next paragraph) 50 percent of the amount by which the customer's billing demand exceeds the metered demand times the appropriate base demand charge, as adjusted, of this rate schedule. When such bill involves a customer reported under a time-of-day classification, the amount added shall be (except as provided in the next paragraph) 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 excess of offpeak billing demand over onpeak 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 excess of metered offpeak demand over metered onpeak demand.

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

4. It is recognized that the base demand and energy charges listed above contain debit and credit components designed, together with the dollar-per-customer credit component set out in

Adjustment No. 2 above, to reflect the value of the hydro generation benefits allocated by TVA to residential customers. The base demand charges, the base energy charges, or the dollar-per-customer component 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 or (b) TVA does not receive more in debits for sales to other consumers than it pays out in credits for sales to residential consumers.

End Use Classifications And Related Conditions

Classifications:

Standard Service Residential Classification

End-Use Classification RS is applicable only for electric service resold 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.

Standard Service General Power Classifications

End-Use Classification GSA is applicable for electric service (where a customer's contract demand is 5,000 kW or less) resold 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. It shall also apply for electric service resold to customers which do not meet the conditions specified for any other End-Use Classification.

End-Use Classification GSB is applicable only for electric service resold to a customer with a currently effective contract demand that is greater than 5,000 kW but not more than 15,000 kW; provided that the other applicable conditions specified below in this section are met.

End-Use Classification GSC is applicable only for electric service resold to a customer with a currently effective contract demand that is greater than 15,000 kW but not more than 25,000 kW; provided that the other applicable conditions specified below in this section are met.

End-Use Classification GSD is applicable only for electric service resold to a customer with a currently effective contract demand that is greater than 25,000 kW; provided that the other applicable conditions specified below in this section are met.

Standard Service Manufacturing Classifications

End-Use Classification MSB is applicable only for electric service resold to a customer where (a) a customer's currently effective contract demand is greater than 5,000 kW but not more than 15,000 kW and (b) the major use of electricity is for activities conducted at the delivery point serving that customer which are classified with a 2-digit Standard Industrial Classification Code between 20 and 39, inclusive; provided that the other applicable conditions specified below in this section are met.

End-Use Classification MSC is applicable only for electric service resold to a customer where (a) a customer's currently effective contract demand is greater than 15,000 kW but not more than 25,000 kW and (b) the major use of electricity is for activities conducted at the delivery point serving that customer which are classified with a 2-digit Standard Industrial Classification Code between 20 and 39, inclusive; provided that the other applicable conditions specified below in this section are met.

End-Use Classification MSD is applicable only for electric service resold to a customer where (a) a customer's currently effective contract demand is greater than 25,000 kW and (b) the major use of electricity is for activities conducted at the delivery point serving that customer which are classified with a 2-digit Standard Industrial Classification Code between 20 and 39, inclusive; provided that the other applicable conditions specified below in this section are met.

Standard Service Outdoor Lighting Classification

End-Use Classification LS is applicable only for electric service resold for street and park lighting systems, traffic signal systems, athletic field lighting installations, and outdoor lighting for individual customers.

Time-Of-Day Service Residential Classification

End-Use Classification TRS is applicable only for electric service resold 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; provided that the other applicable conditions specified below in this section are met.

Time-Of-Day Service General Power Classifications

End-Use Classification TGSA is applicable only for electric service (where the higher of a customer's onpeak or offpeak contract demand is 5,000 kW or less) resold 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 applicable conditions specified below in this section are met.

End-Use Classification TGSB is applicable only for electric service resold to customers where the higher of a customer's currently effective onpeak or offpeak contract demand is greater than 5,000 kW but not more than 15,000 kW; provided that the other applicable conditions specified below in this section are met.

End-Use Classification TGSC is applicable only for electric service resold to customers where the higher of a customer's currently effective onpeak or offpeak contract demand is greater than 15,000 kW but not more than 25,000 kW; provided that the other applicable conditions specified below in this section are met.

End-Use Classification TGSD is applicable only for electric service resold to customers where the higher of a customer's currently effective onpeak or offpeak contract demand is greater than 25,000 kW; provided that the other applicable conditions specified below in this section are met.

Time-Of-Day Service Manufacturing Classifications

End-Use Classification TMSB is applicable only for electric service resold to customers where (a) the higher of a customer's currently effective onpeak or offpeak contract demand is greater than 5,000 kW but not more than 15,000 kW, and (b) the major use of electricity is for activities conducted at the delivery point serving that customer which are classified with a 2-digit Standard Industrial Classification Code between 20 and 39, inclusive; provided that the other applicable conditions specified below in this section are met.

End-Use Classification TMSC is applicable only for electric service resold to customers where (a) the higher of a customer's currently effective onpeak or offpeak contract demand is greater than 15,000 kW but not more than 25,000 kW, and (b) the major use of electricity is for activities conducted at the delivery point serving that customer which are classified with a 2-digit Standard

Industrial Classification Code between 20 and 39, inclusive; provided that the other applicable conditions specified below in this section are met.

End-Use Classification TMSD is applicable only for electric service resold to customers where (a) the higher of a customer's currently effective onpeak or offpeak contract demand is greater than 25,000 kW, and (b) the major use of electricity is for activities conducted at the delivery point serving that customer which are classified with a 2-digit Standard Industrial Classification Code between 20 and 39, inclusive; provided that the other applicable conditions specified below in this section are met.

Manufacturing Classification Certification. Prior to the initial application of the charges provided for in a Manufacturing Classification for power resold to a customer, and from time to time thereafter as may be required by Distributor or TVA, the customer shall certify to both Distributor and TVA that it meets the Classification requirements set forth as condition (b) above for that Manufacturing Classification. 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.

During any period for which a customer does not meet the eligibility requirements set forth in said condition (b), the charges of the applicable General Power Classification will apply for electric service resold to that customer.

Determination of Metered Demand. The provisions in (a) through (c) below shall apply for purposes of determining the end-use wholesale demand charges provided for above.

- (a) For Classification GSA the term "metered demand" shall mean the highest average during any 30-consecutive-minute period of the month of the load metered in kW.
- (b) For any Time-Of-Day Classification the onpeak demand and offpeak demand for any month shall be determined separately for the respective hours of the month designated below as onpeak and offpeak hours. For onpeak hours the term "metered onpeak demand" shall mean the highest average during any 30-consecutive-minute period beginning or ending on a clock hour of the month of the load metered in kW. 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 10 a.m. to 10 p.m. during the calendar months of May through September and from 6 a.m. to 12 noon and from 4 p.m. to 10 p.m. during all other calendar months. For offpeak hours, which shall include all hours that are not onpeak hours, the term "metered offpeak demand" shall mean the highest average during any 30-consecutive-minute period beginning or ending on a clock hour of the month of the load metered in kW.

All times shall be Central Standard Time or Central Daylight Time, whichever is then in effect. The onpeak and offpeak hours under this rate schedule 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.

- (c) For all other classifications, the term "metered demand" shall mean the highest average during any 30-consecutive-minute period beginning or ending on a clock hour of the month of the load metered in kW.

Determination of Onpeak and Offpeak kWh. For any Time-Of-Day Classification, the term "onpeak kWh" shall be the energy amounts taken during the hours of the month designated above as onpeak hours. The term "offpeak kWh" shall be the energy amounts taken during the hours of the month designated above as offpeak hours.

Contract Demand. Except as agreed otherwise by TVA and Distributor, for purposes of applying the base charges provided for above, "contract demand" shall mean the total amount of power made available by Distributor to a customer.

With respect to a customer with an onpeak contract demand different from its offpeak contract demand, the charges provided for in any of the Time-Of-Day Classifications shall apply only for electric service resold to that customer under (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.

Single-Point Delivery. The End-Use Classifications and end-use wholesale demand and energy charges provided for above are based upon the supply of service to a customer 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.

Distribution Loss Charge

There shall be added to Distributor's bill each month a distribution loss charge. Such charge shall be determined by applying a Loss Factor, as determined below, to the sum of all charges for that month applicable under "Demand and Energy Charges" above. The Loss Factor for each month shall be determined by (a) taking the ratio of (i) the sum of all energy takings of Distributor measured at each delivery point to Distributor for the preceding 12 wholesale billing months to (ii) the amount of energy resold by Distributor during its preceding 12 revenue months and (b) subtracting 1 from such ratio.

As soon as practicable after June 30 of each year, an Annual Loss Adjustment will be applied to Distributor's wholesale bill to reflect distribution losses actually incurred during the preceding 12 months. The Annual Loss Adjustment shall be applied by (a) recalculating the distribution loss charges applied under the preceding paragraph by substituting the Loss Factor determined for the July wholesale billing month of that year for each of the 12 monthly Loss Factors so applied under the preceding paragraph and (b) making the appropriate billing adjustment to account for the difference.

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 higher of (1) 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) or (2) the sum of the currently effective contract demands for all customers, whose contract demands are greater than 5,000 kW, served by Distributor with power and energy taken from such point. (For purposes of this calculation for a customer taking power under a time-of-day service classification, the term "contract demand" shall mean the higher of the onpeak or offpeak contract demands.) 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 78¢ 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 33¢ 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.

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.

RIDER TO WHOLESALE POWER RATE--SCHEDULE WSA

Wholesale Power Rate--Schedule WSA, to which this rider is attached, shall be deemed amended in the respects necessary to add the following under "Demand and Energy Charges" and under "Classifications" as a reference to an additional End-Use Classification.

End-Use Classification DPS

The following charge applies only for electric service not in excess of 5,000 kW resold to a municipality or other Governmental Agency for the operation of pumping apparatus, the use of which is occasioned by floods and is extremely intermittent.

Energy Charge: 3.108¢ per kWh per month