

FOR All Territory Served

PSC KY NO. 9

1<sup>st</sup> Revised SHEET NO. 317 (D)

Shelby Energy Cooperative, Inc.  
(NAME OF UTILITY)

CANCELLING PSC KY NO. 9

Original SHEET NO. 317 (D)

**Cogeneration and Small Power Production**  
**Power Purchase Rate Schedule Over**  
**100 kW from Dispatchable Generation Sources**

**Availability**

Available only to qualified cogeneration or small power production facilities with a design capacity of over 100 kW which have executed a contract with EKPC and Shelby Energy Cooperative, Inc. for the purchase of electric power by EKPC. Qualified cogeneration or small power production facilities must be able to be dispatched by EKPC. Non-dispatchable qualified cogeneration or small power production facilities are covered under a separate tariff. Pursuant to Federal Energy Regulatory Commission ("FERC") regulations 18 C.F.R. §§ 292.303(a), 292.309, and 292.310, EKPC is no longer obligated to purchase electric energy and/or capacity from qualifying cogeneration or small power production facilities with a net capacity of over 20MW.

**Rates**

The rates set forth below shall be used as the basis for negotiating a final purchase rate with qualifying facilities pursuant to Section 7 of 807 KAR 5:054.

1. Capacity - \$5.62 per kW per year is applicable if cogenerator or small power producer is dispatched by EKPC. R
2. Energy – A base payment per kWh is listed below for a time-differentiated basis or a non-time differentiated basis for the specified years. These rates include a market administration fee of \$0.00017 per kWh to cover EKPC's market participation costs. R
  - a. Time Differentiated Rates:

Year	Winter		Summer	
	On-Peak	Off-Peak	On-Peak	Off-Peak
2018	\$0.03549	\$0.02832	\$0.03694	\$0.02264
2019	\$0.03451	\$0.02731	\$0.03473	\$0.02116
2020	\$0.03406	\$0.02700	\$0.03416	\$0.02092
2021	\$0.03350	\$0.02646	\$0.03360	\$0.02102
2022	\$0.03304	\$0.02613	\$0.03328	\$0.02077

DATE OF ISSUE April 26, 2018  
MONTH / DATE / YEAR

DATE EFFECTIVE June 1, 2018  
MONTH / DATE / YEAR

ISSUED BY *Debra J. Martin*  
SIGNATURE OF OFFICER

TITLE President & CEO

**KENTUCKY  
PUBLIC SERVICE COMMISSION**

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**Gwen R. Pinson**  
Executive Director

*Gwen R. Pinson*

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EFFECTIVE  
**6/1/2018**  
PURSUANT TO 807 KAR 5:011 SECTION 9 (1)

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PSC KY NO. 9

1<sup>st</sup> Revised SHEET NO. 317.1 (D)

Shelby Energy Cooperative, Inc.  
(NAME OF UTILITY)

CANCELLING PSC KY NO. 9

Original SHEET NO. 317.1 (D)

**Over 100 kW from Dispatchable Generation Sources (continued)**

b. Non-Time Differentiated Rates:

Year	2018	2019	2020	2021	2022*
Rate	\$0.03067	\$0.02932	\$0.02894	\$0.02852	\$0.02818*

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The on-peak and off-peak energy rates are applicable during the hours listed below for each season:

	<b>On-Peak</b>	<b>Off-Peak</b>
<b>Winter (October - April)</b>	7:00 a.m. - 12:00 noon 5:00 p.m. - 10:00 p.m.	12:00 noon - 5:00 p.m. 10:00 p.m. - 7:00 a.m.
<b>Summer (May - September)</b>	10:00 a.m. - 10:00 p.m.	10:00 p.m. - 10:00 a.m.

**Terms and Conditions**

1. Pursuant to FERC regulations 18 C.F.R. §§ 292.303(a), 292.309, and 292.310, EKPC is no longer obligated to purchase electric energy and/or capacity from qualifying cogeneration or small power production facilities with a net capacity of over 20 MW.
2. All power from a Qualifying Facility ("QF") will be sold only to EKPC.
3. Seller must provide good quality electric power within a reasonable range of voltage, frequency, flicker, harmonic currents, and power factor.
4. QF shall provide reasonable protection for EKPC and Shelby Energy Cooperative, Inc.
5. QF shall design, construct, install, own, operate, and maintain the QF in accordance with all applicable codes, laws, regulations, and generally accepted utility practices.
6. QF shall reimburse EKPC and Shelby Energy Cooperative, Inc. for all costs incurred as a result of interconnecting with the QF, including operation, maintenance, administration, and billing.
7. QF shall obtain insurance in the following minimum amounts for each occurrence:

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PSC KY NO. 9

1<sup>st</sup> Revised SHEET NO. 317.2 (D)

CANCELLING PSC KY NO. 9

Original SHEET NO. 317.2 (D)

Shelby Energy Cooperative, Inc.  
(NAME OF UTILITY)

**Over 100 kW from Dispatchable Generation Sources (continued)**

- a. Public Liability for Bodily Injury - \$1,000,000.00
  - b. Property Damage - \$500,000.00
8. Initial contract term shall be for a minimum of five years.
  9. QFs proposing to supply as available (non-firm) electric power shall not be entitled to a capacity payment.
  10. Qualifying cogeneration and small power production facilities must meet the definition set forth in 807 KAR 5:054 to be eligible for this tariff.
  11. The QF is responsible for the cost of all facilities on QF's site to meet and maintain eligibility as a PJM Interconnection, LLC ("PJM") capacity resource and the QF is subject to all non-performance costs levied by PJM or successor, the Kentucky Public Service Commission, or other applicable entity related to non-performance of the QF's facility.
  12. In negotiating a final purchase rate, consideration shall be given to the factors affecting purchase rates as set forth in 807 KAR 5:054, Section 7(5)(a).
  13. Updated rates will be filed with the Public Service Commission of Kentucky by March 31 of each year.

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