

## *Team Cumberland*

*May 1, 2020*

### **Cumberland System Rate Adjustments**

#### **Annual True-up Effective April 1, 2020, through September 30, 2020:**

**For Big Rivers Electric Corporation, the Cities of Barbourville, Bardstown, Bardwell, Benham, Corbin, Falmouth, Frankfort, Henderson, Madisonville, Nicholasville, Owensboro, Paris, Providence, Princeton and Paducah, Southern Illinois Power Cooperative, Cooperative Energy, Mississippi Delta Energy Agency, Municipal Energy Agency of Mississippi, and TVA for 154 TVPPA Members:**

Capacity and Base Energy:	\$3.289	per kilowatt per month
Additional Energy:	12.308	mills per kilowatt-hour

#### **For Town of Waynesville, French Broad EMC and Haywood EMC:**

Capacity and Base Energy:	\$3.720	per kilowatt per month
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#### **For East Kentucky Power Cooperative:**

Capacity:	\$1.838	per kilowatt per month
Energy:	12.308	mills per kilowatt-hour

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### Cumberland System Rate Adjustments

#### **Proposed Rate Adjustment Effective October 1, 2020, through September 30, 2025:**

On March 30, 2020, notice of proposed rate adjustment was published in the *Federal Register* (85 FR 17574). A public information and comment forum will be held May 12, 2020, at 3:00 p.m. ET.

Webinar URL: <https://usdeptofenergysepa.globalmeet.com/SEPA>. Call in information: +1 (800) 216-0770, Access Code: 509632.

Written comments may be submitted by Email: [Comments@sepa.doe.gov](mailto:Comments@sepa.doe.gov) by June 29, 2020.

**For Big Rivers Electric Corporation, the Cities of Barbourville, Bardstown, Bardwell, Benham, Corbin, Falmouth, Frankfort, Henderson, Madisonville, Nicholasville, Owensboro, Paris, Providence, Princeton and Paducah, Southern Illinois Power Cooperative, Cooperative Energy, Mississippi Delta Energy Agency, Municipal Energy Agency of Mississippi, and TVA for 154 TVPPA Members:**

Capacity and Base Energy:	\$3.430	per kilowatt per month
Additional Energy:	12.835	mills per kilowatt-hour

**For Town of Waynesville, French Broad EMC and Haywood EMC:**

Capacity and Base Energy:	\$3.904	per kilowatt per month
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**For East Kentucky Power Cooperative:**

Capacity:	\$1.826	per kilowatt per month
Energy:	12.835	mills per kilowatt-hour

## **Cumberland System Rate Adjustments**

### **Proposed Annual True-up Effective October 1, 2020, through September 30, 2025:**

The proposed rate schedules would continue adjustments annually on April 1 of each year, based on transfers of specific power investment to plant-in-service for the preceding Fiscal Year, to the base demand charge and base additional energy charge. The annual adjustment will be, for each increase of \$1,000,000 to specific power plant-in-service, an increase of \$0.003 per kilowatt per month added to the base capacity rate and an increase of 0.013 mills per kilowatt-hour added to the base additional energy rate.

## Inclusion of Old Hickory Rehabilitation Estimated at \$142.884M (HRAR Alt 2)

Rate Forecast Assumes \$35.721M Transferred to Plant in Service in FY 2025-2028.

	Actual FY 2019 and Estimated Specific Plant-In-Service FY 2020-2025						
	2019	2020	2021	2022	2023	2024	2025
	\$ 9,729,555	\$ 42,930,000	\$71,485,000	\$50,138,000	\$34,544,000	\$38,750,000	\$74,471,000
	Estimated Rate Impact annual April 1 true-up						
		Apr-Sep2020					
Cap Charge \$/kW/mo	\$ 3.259	\$ 3.289	\$ 3.559	\$ 3.772	\$ 3.922	\$ 4.027	\$ 4.144
Add'l Eng Charge mills/kWh	12.188	12.308	13.394	14.317	14.967	15.422	15.929
		Oct2020-Mar2021					Apr 2026
		\$3.43					\$ 4.366
		12.835					16.891
Center Hill \$18m 2020 proj & \$16m 2021 proj							
Old Hickory Unit 4 Gen \$21.5m included 2021 proj							
Barkley Rehab \$28.75m/yr 2022-2025							
Old Hickory \$35.721m/yr added to FY 2025-2028 COE proj for \$142,884,000 Alt 2 HRAR							

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May 1, 2020

		Cumberland System Inside Customers	Cumberland System Outside Customers	Total
<b>Apr-Sep2020</b>				
\$3.289	Capacity	\$15,984,540	\$21,510,060	\$37,494,600
12.308	Addtl Energy	\$18,207,692	\$228,929	\$18,436,621
		\$34,192,232	\$21,738,989	\$55,931,221
	kW	405,000	545,000	950,000
	MWh	2,086,838	833,154	2,919,992
	trsm*		\$9,080,100	\$9,080,100
		\$34,192,232	\$30,819,089	\$65,011,321
	\$/MWh	\$16.38	\$36.99	\$22.26

\*Transmission is based on TVA monthly rate as of Nov 2019 , subject to annual adjustment Oct 2020

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<u>Proposed</u>		Cumberland System Inside Customers	Cumberland System Outside Customers	Total
<u>Oct2020-Mar2021</u>				
\$3.430	Capacity	\$16,669,800	\$22,432,200	\$39,102,000
12.835	Addtl Energy	\$18,987,303	\$238,731	\$19,226,034
		\$35,657,103	\$22,670,931	\$58,328,034
	kW	405,000	545,000	950,000
	MWh	2,086,838	833,154	2,919,992
	trsm*		\$9,080,100	\$9,080,100
		\$35,657,103	\$31,751,031	\$67,408,134
	\$/MWh	\$17.09	\$38.11	\$23.09

\*Transmission is based on TVA monthly rate as of Nov 2019 , subject to annual adjustment Oct 2020

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May 1, 2020

<u>Proposed</u>		Cumberland System Inside Customers	Cumberland System Outside Customers	Total
<u>Apr2026-Mar2027</u>				
\$4.366	Capacity	\$21,218,760	\$28,553,640	\$49,772,400
16.891	Addtl Energy	\$24,987,498	\$314,173	\$25,301,671
		\$46,206,258	\$28,867,813	\$75,074,071
	kW	405,000	545,000	950,000
	MWh	2,086,838	833,154	2,919,992
	trsm*		\$9,080,100	\$9,080,100
		\$46,206,258	\$37,947,913	\$84,154,171
	\$/MWh	\$22.14	\$45.55	\$28.82

\*Transmission is based on TVA monthly rate as of Nov 2019 , subject to annual adjustment Oct 2020