



# Annual Rate Adjustment Effective 4/1/2019

	<u>4/1/2018 thru 3/31/2019</u>		<u>4/1/2019 thru 3/31/2020</u>	
	<u>All Rate Sch except CC-1-J</u>		<u>All Rate Sch except CC-1-J</u>	
<b>RIOP</b> each \$1mil specific power PIS \$0.001/kW/mo incr capacity rate and 0.02 mills/kWH incr energy rate	Capacity	\$1.943 /kW/Mo	Capacity	\$1.950 /kW/Mo
	Energy	13.17 mills/kWh	Energy	13.31 mills/kWh
	<u>Rate Sch CC-1-J</u>		<u>Rate Sch CC-1-J</u>	
	Capacity	\$2.206 /kW/Mo	Capacity	\$2.213 /kW/Mo
	Energy	13.17 mills/kWh	Energy	13.31 mills/kWh

<b>Orig Mkt Policy</b> each \$1mil specific power PIS \$0.003/kW/mo incr capacity rate and 0.012 mills/kWH incr energy rate	<u>7/1/2019 thru 3/31/2020</u>			
	<u>All Rate Sch except CC-1-J &amp; CEK-1-J</u>			
	Capacity	\$3.259 /kW/Mo		
Addt'l Energy	12.188 mills/kWh			
	<u>Rate Sch CC-1-J</u>		<u>Rate Sch CEK-1-J</u>	
Capacity	\$3.690 /kW/Mo	Capacity	\$1.808 /kW/Mo	
Addt'l Energy	12.188 mills/kWh	Energy	12.188 mills/kWh	

# Rate Forecast for Current PIS Projections

## Current Plant in Service Projection for O&M and Section 212 Funded Work

Rate Forecast Assumes Center Hill and Barkley Rehabilitations are Complete in FY2020 and FY 2025.

Barkley \$28.75m/yr  
2022-2025

Fiscal Year	2018	2019	2020	2021	2022	2023	2024	2025	
Estimated Plant-In-Service	\$ 7,000,000	\$ 23,451,000	\$80,430,000	\$43,489,000	\$50,138,000	\$34,544,000	\$38,750,000	\$38,750,000	
Estimated Rate Impact									
April 1 Capacity Charge (RIOP) \$/kW/month	\$ 1.943	\$ 1.950							
April 1 Energy Charge (RIOP) mills/kWh	13.170	13.310							
April 1 Capacity Charge (Normal Operations) \$/kW/month	\$ 3.238	\$ 3.259	\$ 3.328	\$ 3.568	\$ 3.697	\$ 3.847	\$ 3.952	\$ 4.069	\$ 4.186
April 1 Additional Energy Charge (Normal Operations) mills/kWh	12.104	12.188	12.464	13.424	13.940	14.540	14.960	15.428	15.896

Center Hill  
\$16 mil 2019 proj &  
\$18 mil 2020  
Old Hickory  
Unit 4 Gen \$21.5m

## Inclusion of Old Hickory Rehabilitation Estimated at \$128M

Rate Forecast Assumes \$32M Transferred to Plant in Service in FY 2024-2027.

Old Hickory \$32m/yr  
added to COE proj  
FY 2024-2027

Fiscal Year	2018	2019	2020	2021	2022	2023	2024	2025	
Estimated Plant-In-Service	\$ 7,000,000	\$ 23,451,000	\$80,430,000	\$43,489,000	\$50,138,000	\$34,544,000	\$70,750,000	\$70,750,000	
Estimated Rate Impact									
April 1 Capacity Charge (RIOP) \$/kW/month	\$ 1.943	\$ 1.950							
April 1 Energy Charge (RIOP) mills/kWh	13.170	13.310							
April 1 Capacity Charge (Normal Operations) \$/kW/month	\$ 3.238	\$ 3.259	\$ 3.328	\$ 3.568	\$ 3.697	\$ 3.847	\$ 3.952	\$ 4.165	\$ 4.378
April 1 Additional Energy Charge (Normal Operations) mills/kWh	12.104	12.188	12.464	13.424	13.940	14.540	14.960	15.812	16.664



# Rate Forecast for Accelerated PIS Projections

## Current Plant in Service Projection for O&M and Section 212 Funded Work

Rate Forecast Assumes Center Hill and Barkley Rehabilitations are Complete in FY2020 and FY 2024.

Fiscal Year	2018	2019	2020	2021	2022	2023	2024	2025	
Estimated Plant-In-Service	\$ 7,000,000	\$ 23,451,000	\$80,430,000	\$72,239,000	\$50,138,000	\$34,544,000	\$38,750,000	\$10,000,000	Barkley \$28.75m/yr 2021-2024
Estimated Rate Impact									
April 1 Capacity Charge (RIOP) \$/kW/month	\$ 1.943	\$ 1.950							Center Hill \$16 mil 2019 proj & \$18 mil 2020
April 1 Energy Charge (RIOP) mills/kWh	13.170	13.310							Old Hickory Unit 4 Gen \$21.5m
April 1 Capacity Charge (Normal Operations) \$/kW/month	\$ 3.238	\$ 3.259	\$ 3.328	\$ 3.568	\$ 3.784	\$ 3.934	\$ 4.039	\$ 4.156	\$ 4.186
April 1 Additional Energy Charge (Normal Operations) mills/kWh	12.104	12.188	12.464	13.424	14.288	14.888	15.308	15.776	15.896

## Inclusion of Old Hickory Rehabilitation Estimated at \$128M

Rate Forecast Assumes \$32M Transferred to Plant in Service in FY 2022-2025.

Fiscal Year	2018	2019	2020	2021	2022	2023	2024	2025	
Estimated Plant-In-Service	\$ 7,000,000	\$ 23,451,000	\$80,430,000	\$72,239,000	\$82,138,000	\$66,544,000	\$70,750,000	\$42,000,000	Old Hickory \$32m/yr added to COE proj FY 2022-2025
Estimated Rate Impact									
April 1 Capacity Charge (RIOP) \$/kW/month	\$ 1.943	\$ 1.950							
April 1 Energy Charge (RIOP) mills/kWh	13.170	13.310							
April 1 Capacity Charge (Normal Operations) \$/kW/month	\$ 3.238	\$ 3.259	\$ 3.328	\$ 3.568	\$ 3.784	\$ 4.030	\$ 4.231	\$ 4.444	\$ 4.570
April 1 Additional Energy Charge (Normal Operations) mills/kWh	12.104	12.188	12.464	13.424	14.288	15.272	16.076	16.928	17.432

# Rehabilitations Revenue per MWh Changes

	<b>Cumberland Basin SYS Orig Mkt Policy Rates</b>	<b>Center Hill &amp; Barkley FY2025 Rates</b>	<b>Center Hill, Barkley &amp; Old HickoryFY2025 Rates</b>
<b>Capacity (kW)</b>	950,000	950,000	950,000
<b>Base Energy (MWh)</b>	1,425,000	1,425,000	1,425,000
<b>Additional Energy (MWh)</b>	1,509,000	1,509,000	1,509,000
<b>Capacity Rate</b>	\$ 3.259	\$ 4.186	\$ 4.570
<b>Additional Energy Rate</b>	\$ 12.188	\$ 15.896	\$ 17.432
<b>Capacity Revenue (includes 1500 hours-BaseEnergy)</b>	\$37,152,600	\$47,720,400	\$52,098,000
<b>Additional Energy Revenue</b>	\$18,391,692	\$23,987,064	\$26,304,888
<b>Transmission and Non-Power Revenue</b>	\$11,391,370	\$11,391,370	\$11,391,370
<b>Total Revenue</b>	\$66,935,662	\$83,098,834	\$89,794,258
<b>Less: Transmission and Non-Power Revenue</b>	\$11,391,370	\$11,391,370	\$11,391,370
<b>Revenue at Bus-Bar</b>	\$55,544,292	\$71,707,464	\$78,402,888
<b>Total average energy available – MWh</b>	2,934,000	2,934,000	2,934,000
<b>Revenue per megawatt-hour generated (\$/MWh)</b>	\$18.93	\$24.44	\$26.72
Estimated Market Rate (On-Peak)	\$34		
Estimated Market Rate (Off-Peak)	\$27		

# Rehabilitations Revenue per MWh Changes

	<b>Cumberland System Inside</b>	<b>Cumberland System Outside</b>
<b>Capacity</b>	\$15,838,740	\$21,313,860
<b>Energy</b>	\$18,073,585	\$226,697
	\$33,912,325	\$21,540,557
<b>kW</b>	405,000	545,000
<b>MWh</b>	2,090,400	843,600
<b>trsm</b>		\$9,672,900
	\$33,912,325	\$31,213,457
<b>\$/MWh</b>	\$16.22	\$37.00