Paducah Power System

MARKET-BASED INTERRUPTIBLE RATE SCHEDULE IM-1

AVAILABILITY

This schedule shall apply any customer having an interruptible load of at least 1,000 kW, representing at least 95% of the customer's total load. Except for periods of interruptions covered by this tariff, the customer's load factor must average at least 95%.

CHARACTER OF SERVICE

Alternating current, single or three phase, 60 hertz. Power shall be delivered at a service voltage available in the vicinity or agreed to by Paducah Power System.

MONTHLY CHARGES

Power Cost: Scheduled Usage on an hourly basis will be billed at the Market

Prices for each hour, adjusted for a contract Loss Factor.

Transmission Cost: Metered Usage on a monthly basis will be billed at an annual

Transmission Rate.

Distribution Cost: Metered Usage on an hourly basis or 80% of the Contract

Demand, whichever is greater, will be billed for each hour at an

annual Distribution Rate.

[Optional] Facilities Charge: Monthly charge for any facilities constructed by PPS for the

customer and not reimbursed by the customer equal to 1% of the

capitalized cost of the applicable facilities per month.

Power Cost Adjustment: The Power Cost Adjustment (PCA) Clause does not apply to

service under this IM-1 rate schedule.

DETERMINATION OF CONTRACT DEMAND

The maximum metered demand for any month shall be the highest average load for any clock hour of the month. The Contract Demand will initially be established in the customer's Service Agreement and may reflect request by customer to reserve additional distribution capacity. The Contract Demand may be adjusted at the beginning of each new Contract Year but shall not to be less than the maximum metered demand established during the preceding 12 months.

MINIMUM CHARGE

The monthly bill under this rate schedule shall not be less than the sum of the Distribution Cost and any Facilities Charge.

PAYMENT

Bills under this rate schedule will be rendered monthly. Any amount of bill unpaid after due date specified on bill may be subject to additional charges under the standard policy of Paducah Power System.

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CONTRACT YEAR

The Contract Year shall be from July 1 through June 30, or any applicable portion thereof.

DEPOSIT

The customer will establish a cash deposit at Paducah Power System or a surety bond payable to Paducah Power System equal to no less than the sum of the three highest monthly bills in the preceding four calendar quarters. This amount of this requirement will be recalculated quarterly and any adjustment will be rectified within 30 days of notice.

SINGLE-POINT DELIVERY

The charges under this rate schedule are based upon the supply of service 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 and billed.

SERVICE AGREEMENT

The Customer and Paducah Power System will execute a confidential Service Agreement that will define the value and/or determination of the following terms:

Scheduled Usage Metered Usage Contract Demand Market Prices Transmission Rate Distribution Rate

Facilities Charge Loss Factor

Agreement by Paducah Power System of the above terms shall indicate a review and approval by the governing Board, which shall be provided upon satisfactory assessment of the above terms to be in compliance with the following criteria: (a) the Customer's load will not cause Paducah Power System to exceed available capacity or otherwise harm system reliability, (b) the service will be priced above marginal cost so as to avoid subsidization by other customers, and (c) any Customer-specific fixed costs will be recovered from the Customer.

TERMS AND CONDITIONS

Service is subject to the Rules and Regulations of Paducah Power System.

RATE CODE: IN

APPROVED BY: Electric Plant Board of the City of Paducah

d/b/a Paducah Power System

EFFECTIVE DATE: August 9, 2021