



OHIO VALLEY ELECTRIC CORPORATION
3932 U. S. Route 23
P. O. Box 468
Piketon, Ohio 45661
740-289-7200

Transmission Rates

SCHEDULE 1

Scheduling, System Control and Dispatch Service

This service is required to schedule the movement of power through, out of, within, or into a Control Area. This service can be provided only by the operator of the Control Area in which the transmission facilities used for transmission service are located. Scheduling, System Control and Dispatch Service is to be provided directly by the Transmission Provider (if the transmission Provider is the Control Area operator) or indirectly by the Transmission Provider making arrangements with the Control Area operator that performs this service for the Transmission Provider's Transmission System. The Transmission Customer must purchase this service from the Transmission Provider or the Control Area operator. The charge for Scheduling, System Control and Dispatch Service shall be \$.00021 per kilowatt-hour of energy scheduled.

SCHEDULE 2

Reactive Supply and Voltage Control from Generation or Other Sources Service

In order to maintain transmission voltages on the Transmission Provider's transmission facilities within acceptable limits, generation facilities and non-generation resources capable of providing this service that are under the control of the control area operator are operated to produce (or absorb) reactive power. Thus, Reactive Supply and Voltage Control from Generation or Other Sources Service must be provided for each transaction on the Transmission Provider's transmission facilities. The amount of Reactive Supply and Voltage Control from Generation or Other Sources Service that must be supplied with respect to the Transmission Customer's transaction will be determined based on the reactive power support necessary to maintain transmission voltages within limits that are generally accepted in the region and consistently adhered to by the Transmission Provider.

Reactive Supply and Voltage Control from Generation or Other Sources Service is to be provided directly by the Transmission Provider (if the Transmission Provider is the Control Area operator) or indirectly by the Transmission Provider making arrangements with the Control Area operator that performs this service for the Transmission Provider's Transmission System. The Transmission Customer must purchase this service from the Transmission Provider or the Control Area operator. The charge for Reactive Supply and Voltage Control from Generation Sources Service shall be \$.00019 per kilowatt-hour of energy scheduled. To the extent a Control Area operator, other than the Transmission Provider, performs this service for the Transmission Provider, charges to the Transmission Customer are to reflect only a pass through of the costs charged to the Transmission Provider by the Control Area operator.

SCHEDULE 7

Long-Term Firm and Short-Term Firm Point-To-Point

Transmission Service

The Transmission Customer shall compensate the Transmission Provider each month for Reserved Capacity at the sum of the applicable charges set forth below:

- 1) **Yearly delivery:** a demand charge of \$.44/KW of Reserved Capacity per month.
- 2) **Monthly delivery:** \$.44/KW of Reserved Capacity per month.
- 3) **Weekly delivery:** \$.10/KW of Reserved Capacity per week.
- 4) **Daily delivery:** \$.02/KW of Reserved Capacity per day. The total demand charge in any week, pursuant to a reservation for Daily delivery, shall not exceed the rate specified in section (3) above times the highest amount in kilowatts of Reserved Capacity in any day during such week.
- 5) **Discounts:** Except with respect to transmission provided pursuant to the Inter-Company Power Agreement among OVEC and the Sponsors of OVEC, dated July 10, 1953, as amended from time to time, the Power Agreement between OVEC and IKEC, dated July 10, 1953, and the First Supplemental Transmission Agreement among OVEC and the sponsors of OVEC, dated July 10, 1953, as amended from time to time, with respect to which a waiver has been sought, three principal requirements apply to discounts for transmission service as follows
 - (1) any offer of a discount made by the Transmission Provider must be announced to all Eligible Customers solely by posting on the OASIS,
 - (2) Any customer-initiated requests for discounts (including requests for use by one's wholesale merchant or an Affiliate's use) must occur solely by posting on the OASIS, and
 - (3) Once a discount is negotiated, details must be immediately posted on the OASIS. For any discount agreed upon for service on a path, from point(s) of receipt to point(s) of delivery, the

Transmission Provider must offer the same discounted transmission service rate for the same time period to all Eligible Customers on all unconstrained transmission paths that go to the same point(s) of delivery on the Transmission System.

6) **Charge for Exceeding Reserved Capacity:** In the event that a Transmission Customer (including Third-Party Sales by the Transmission Provider) exceeds its firm reserved capacity at any Point of Receipt or Point of Delivery, the Transmission Customer shall pay the Transmission Provider an amount equal to 150% of OVEC's monthly transmission demand charge multiplied by the amount of energy delivered in excess of the Transmission Customer's reserved capacity.

7) **Resales:** The rates and rules governing charges and discounts stated above shall not apply to resales of transmission service, compensation for which shall be governed by section 23.1 of the Tariff.

SCHEDULE 8

Non-Firm Point-To-Point Transmission Service

The Transmission Customer shall compensate the Transmission Provider for Non-Firm Point-To-Point Transmission Service up to the sum of the applicable charges set forth below:

- 1) **Monthly delivery:** \$.44/KW of Reserved Capacity per month.
- 2) **Weekly delivery:** \$.10/KW of Reserved Capacity per week.
- 3) **Daily delivery:** \$.02/KW of Reserved Capacity per day. The total demand charge in any week, pursuant to a reservation for Daily delivery, shall not exceed the rate specified in section (2) above times the highest amount in kilowatts of Reserved Capacity in any day during such week.
- 4) **Hourly delivery:** The basic charge shall be that agreed upon by the Parties at the time this service is reserved and in no event shall exceed \$1.26/MWH. The total demand charge in any day, pursuant to a reservation for Hourly delivery, shall not exceed the rate specified in section (3) above times the highest amount in kilowatts of Reserved Capacity in any hour during such day. In addition, the total demand charge in any week, pursuant to a reservation for Hourly or Daily delivery, shall not exceed the rate specified in section (2) above times the highest amount in kilowatts of Reserved Capacity in any hour during such week.
- 5) **Discounts:** Except with respect to transmission provided pursuant to the Inter- Company Power Agreement among OVEC and the Sponsors of OVEC, dated July 10, 1953, as amended from time to time, the Power Agreement between OVEC and IKEC, dated July 10, 1953, and the First Supplemental Transmission Agreement among OVEC and the sponsors of OVEC, dated July 10, 1953, as amended from time to time, with respect to which a waiver has been sought, three principal requirements apply to discounts for transmission service as follows
 - (1) Any offer of a discount made by the Transmission Provider must be announced to all eligible

Customers solely by posting on the OASIS,

(2) Any customer-initiated requests for discounts (including requests for use by one's wholesale merchant or an Affiliate's use) must occur solely by posting on the OASIS, and

(3) Once a discount is negotiated, details must be immediately posted on the OASIS. For any discount agreed upon for service on a path, from point(s) of receipt to point(s) of delivery, the Transmission Provider must offer the same discounted transmission service rate for the same time period to all Eligible Customers on all unconstrained transmission paths that go to the same point(s) of delivery on the Transmission System.

6) **Charge for Exceeding Reserved Capacity:** In the event that a Transmission Customer (including Third-Party Sales by the Transmission Provider) exceeds its non-firm capacity reservation; the Transmission Customer shall pay the Transmission Provider an amount equal to 150% of OVEC's monthly transmission demand charge multiplied by the amount of energy delivered in excess of Transmission Customer's reserved capacity.

7) **Resales:** The rates and rules governing charges and discounts stated above shall not apply to resales of transmission service, compensation for which shall be governed by section 23.1 of the Tariff.