



TOU MSB ELECTRIC RATE SCHEDULE

All Rates Subject to TVA Total Monthly Fuel Cost

AVAILABILITY

This rate shall apply to the firm electric power requirements where (a) a customer's currently effective on-peak or off-peak contract demand, whichever is higher, is greater than 5,000 kW but not more than 15,000 kW, and (b) the major use of electricity is for activities conducted at the delivery point serving that customers which are classified with a 2-digit Standard Industrial Classification Code between 20 and 39, inclusive, provided that the other conditions of this section are met.

Service under these rate schedules is subject to any certification requirements as TVA may require.

Any customer served under a prior version of these rate schedules shall be subject to service under "Large Data Service Rates— Schedule DC" if the major use of electricity is for activities conducted at the delivery point serving that customer which are (1) classified with 2022 North American Industry Classification System (NAICS) subsector codes 518 or 519 (but excluding 519210), (2) classified with 2022 NAICS codes 522320 or 541214, or (3) used, in TVA's sole judgment, for the operation of computational equipment.

Service during any period for which a customer does not meet the eligibility requirements set forth in condition (b) above will be made available by BTES under, and billed in accordance with, the applicable General Power schedule.

Unless otherwise provided for in a written agreement between TVA and BTES, for customers served under this rate schedule, the customer's "meter-reading time" shall be 0000 hours CST or CDT, whichever is currently effective, on the first day of the calendar month following the month for which a bill under this rate schedule is being calculated. Further, in accordance with TVA furnished or approved guidelines or specifications, TVA shall have unrestricted remote access to the metering data at all times, as well as unrestricted physical access to the metering facilities for the purpose of confirming remotely-accessed data during such periods as are specified by TVA.

For a customer requesting that its on-peak contract demand be different from its off-peak contract demand, this rate schedule shall be available only for (1) a new contract, (2) a replacement or renewal contract following expiration of the existing contract, or (3) a replacement or renewal contract or an amended existing contract in which the customer is increasing its demand requirements above the existing contract demand level, but under this item (3) neither the new on-peak nor the new off-peak contract demand shall be lower than the customer's existing contract demand.

CHARACTER OF SERVICE

Alternating current, single- or three-phase, 60 hertz. Power shall be delivered at a transmission voltage of 161 kV or, if such transmission voltage is not available, at the highest voltage available in the vicinity, unless at the customer's request a lower standard voltage is agreed upon.

BASE CHARGES

Delivery Charge: \$1,500 per delivery point per month.

Administrative Charge: \$350 per delivery point per month

Demand Charge:

Summer Period:

On-Peak Demand: \$11.27 per kW per month of the customer's on-peak billing demand, plus

Maximum Demand: \$1.71 per kW per month of maximum billing demand, plus

Excess Demand: \$11.27 per kW per month of the amount, if any, by which (1) the customer's on-peak billing demand exceeds its on-peak contract demand or (2) the customer's off-peak billing demand exceeds its off-peak contract demand, whichever is higher.

Winter Period:

On-Peak Demand: \$10.19 per kW per month of the customer's on-peak billing demand, plus

Maximum Demand: \$1.71 per kW per month of maximum billing demand, plus

Excess Demand: \$10.19 per kW per month of the amount, if any, by which (1) the customer's on-peak billing demand exceeds its on-peak contract demand or (2) the customer's off-peak billing demand exceeds its off-peak contract demand, whichever is higher

Transition Period:

On-Peak Demand: \$10.19 per kW per month of the customer's on-peak billing demand, plus

Maximum Demand: \$1.71 per kW per month of maximum billing demand, plus

Excess Demand: \$10.19 per kW per month of the amount, if any, by which (1) the customer's on-peak billing demand exceeds its on-peak contract demand or (2) the customer's off-peak billing demand exceeds its off-peak contract demand, whichever is higher

Non-Fuel Energy Charge:

Summer Period

On-Peak \$0.06195 per kWh per month for all on-peak kWh, plus

Off-Peak

Block 1 \$0.03595 per kWh per month for the first 200 hours use of metered on-peak demand multiplied by the ratio of off-peak energy to total energy, plus

Block 2 \$0.00331 per kWh per month for the next 200 hours use of metered on-peak demand multiplied by the ratio of off-peak energy to total energy, plus

Block 3 \$0.00122 per kWh per month for the hours use of metered on-peak demand in excess of 400 hours multiplied by the ratio of off-peak energy to total energy

Winter Period

On-Peak \$0.04984 per kWh per month for all on-peak kWh, plus

Off-Peak

Block 1 \$0.03841 per kWh per month for the first 200 hours use of metered on-peak demand multiplied by the ratio of off-peak energy to total energy, plus

Block 2 \$0.00331 per kWh per month for the next 200 hours use of metered on-peak demand multiplied by the ratio of off-peak energy to total energy, plus

Block 3 \$0.00122 per kWh per month for the hours use of metered on-peak demand in excess of 400 hours multiplied by the ratio of off-peak energy to total energy

Transition Period

On-Peak \$0.03936 per kWh per month for all on-peak kWh, plus

Off-Peak

Block 1 \$0.03936 per kWh per month for the first 200 hours use of metered on-peak demand multiplied by the ratio of off-peak energy to total energy, plus

Block 2 \$ \$0.00331 per kWh per month for the next 200 hours use of metered on-peak demand multiplied by the ratio of off-peak energy to total energy, plus

Block 3 \$0.00122 per kWh per month for the hours use of metered on-peak demand in excess of 400 hours multiplied by the ratio of off-peak energy to total energy

For the Summer Period, Winter Period, and Transition Period, the off-peak Block 1 nonfuel energy rate shall be applied to the portion, if any, of the minimum off-peak energy takings amount that is greater than the metered energy.

ADJUSTMENT

The base demand and energy charges shall be increased or decreased in accordance with the current Adjustment Addendum published by TVA. (In addition, such charges shall be increased or decreased to

correspond to increases or decreases determined by TVA in the value of the hydro generation benefit allocated to residential customers.)

FACILITIES RENTAL CHARGE

There shall be no facilities rental charge under this rate schedule for delivery at bulk transmission voltage levels of 161 kV or higher. For delivery at less than 161 kV, there shall be added to the customer's bill a facilities rental charge. This charge shall be \$0.36 per kW per month except for delivery at voltages below 46 kV, in which case the charge shall be \$0.93 per kW per month for the first 10,000 kW and \$0.73 per kW per month for the excess over 10,000 kW. Such charge shall be applied to the higher of (1) the highest billing demand established during the latest 12-consecutive-month period or (2) the customer's current effective contract demand and shall be in addition to all other charges under this rate schedule including minimum bill charges. Such amounts per kW may be increased or decreased by TVA, effective with the effective date of any Adjustment Addendum published by TVA, to reflect changes in the costs of providing for delivery at voltage levels below 161 kV.

REACTIVE DEMAND CHARGES

If the reactive demand (in kVAR) is lagging during the 30-consecutive-minute period beginning or ending on a clock hour of the month in which the customer's highest metered demand occurs, there shall be added to the customer's bill a reactive charge of \$1.46 per kVAR of the amount, if any, by which the reactive demand exceeds 33 percent of such metered demand. If the reactive demand (in kVAR) is leading during the 30-consecutive-minute period of the month in which the customer's lowest metered demand (excluding any metered demands which are less than 25 percent of the highest metered demand) occurs, there shall be added to the customer's bill a reactive charge of \$1.14 per kVAR of the amount of reactive demand. Such charges shall be in addition to all other charges under this rate schedule, including minimum bill charges, and such amounts per kVAR may be increased or decreased by TVA, effective with the effective date of any Adjustment Addendum published by TVA, to reflect changes in the costs of providing reactive power.

DETERMINATION OF SEASONAL PERIODS

Summer Period shall mean the June, July, August, and September billing months. Winter Period shall mean the December, January, February, and March billing months. Transition Period shall mean the April, May, October, and November billing months.

DETERMINATION OF ON-PEAK AND OFF-PEAK HOURS

Except for Saturdays and Sundays and the weekdays that are observed as Federal holidays for New Year's Day, Memorial Day, Independence Day, Labor Day, Thanksgiving Day, and Christmas Day, and provided further that on-peak hours shall not include hours that fall on November 1 of each year when November 1 falls on any day other than Monday, on-peak hours for each day shall for purposes of this rate schedule be from 1 p.m. to 7 p.m. during the months of April, May, June, July, August, September, and October and from 4 a.m. to 10 a.m. during the months of January, February, March, November, and December. For all other hours of each day and all hours of such excepted days shall be off-peak hours. Such times shall be Central Standard Time or Central Daylight Time, whichever is then in effect. Said on-peak and off-peak hours are subject to change by TVA. In the event TVA determines that such changed on-peak and off-peak hours are appropriate, it shall so notify BTES at least 12 months prior to the effective date of such changed hours.

**DETERMINATION OF ON-PEAK AND OFF-PEAK DEMANDS,
MAXIMUM METERED DEMAND, AND ENERGY AMOUNTS**

The on-peak and off-peak kWh for any month shall be the energy amounts taken during the respective hours of the month designated under this rate schedule as on-peak and off-peak hours; provided, however, that notwithstanding the metered energy amount, the off-peak energy for any month shall in no case be less than the product of (1) the off-peak billing demand as calculated in the last paragraph below and (2) 110 hours (reflecting a 15 percent load factor applied to the average number of hours in a month).

BTES shall meter the on-peak and off-peak demands in kW of all customers taking service under this rate schedule. The on-peak metered demand and off-peak metered demand for any month shall be determined separately for the respective hours of the month designated under this rate schedule as on-peak and off-peak hours and, in each case, shall be the highest average during any 30-consecutive-minute period beginning or ending on a clock hour.

Except as provided below, (1) the on-peak billing demand shall be the highest on-peak metered demand in the month, (2) the off-peak billing demand shall be the highest off-peak metered demand in the month, and (3) the maximum billing demand shall be the higher of the on-peak billing demand or off-peak billing demand in the month.

The on-peak billing demand shall in no case be less than the sum of (1) 30 percent of the first 5,000 kW and (2) 40 percent of any kW in excess of 5,000 kW of the higher of the currently effective on-peak contract demand or the highest on-peak billing demand established during the preceding 12 months.

The off-peak billing demand shall in no case be less than the sum of (1) 30 percent of the first 5,000 kW and (2) 40 percent of any kW in excess of 5,000 kW of the higher of the currently effective off-peak contract demand or the highest off-peak billing demand established during the preceding 12 months.

MINIMUM BILL

The monthly bill under this rate schedule, excluding any facilities rental charges and any reactive charges, shall not be less than the sum of (1) the base customer charge and administrative charge, (2) the portion of the base demand charge, as adjusted, applicable to on-peak billing demand applied to the customer's on-peak billing demand, (3) the portion of the base demand charge, as adjusted, applicable to maximum billing demand applied to the to the customer's maximum billing demand, (4) the base on-peak energy charge, as adjusted, applied to the customer's on-peak energy takings, and (5) the base off-peak energy charge, as adjusted, applied to the higher of customer's actual off-peak energy takings or the minimum off-peak energy takings amount provided for in the first paragraph of the section of this rate schedule entitled "Determination of On-peak and Off-peak Demands, Maximum Metered Demand, and Energy Amounts". Notwithstanding the foregoing, amounts calculated under any fuel cost adjustment that is included in the Adjustment Addendum shall not be applied to any billed off-peak energy that exceeds the metered off-peak energy.

Excess demand charges are excluded from this calculation.

BTES may require minimum bills higher than those stated above, including, without limitation, charges to cover any additional metering and related costs.

CONTRACT REQUIREMENT

BTES shall require contracts for all service provided under this rate schedule. The contract shall be for an initial term of at least five years and any renewals or extensions of the initial contract shall be for a term of at least one year; after 10 years of service, any such contract for the renewal or extension of service may provide for termination upon not less than four months' notice. The customer shall contract for its maximum requirements, which shall not exceed the amount of power capable of being used by customer, and BTES shall not be obligated to supply in greater amount at any time than the customer's current effective contract demand. If the customer uses any power other than that supplied by BTES under this rate schedule, the contract may include other special provisions. The rate schedule in any power contract shall be subject to adjustment, modification, change, or replacement from time to time as provided under the power contract between BTES and TVA.

The contract demand amounts and applicable rate schedule specified in the contract may be adjusted by TVA as provided under this paragraph. For customers served under MSB, MSC, or MSD rates, beginning October 1, 2027, and occurring each October 1 thereafter, TVA will calculate the customer's highest on-peak and off-peak billing demand, established in the preceding 36 months. In the event that the customer's on-peak and/or off-peak billing demand is below 75% of the on-peak or off-peak contract demand, which is higher, TVA will provide at least 60 days' written notice of an adjustment to the on-peak and/or off-peak contract demands. Said adjustment to the on-peak and/or off-peak contract demands would be established by dividing the customer's highest on-peak or off-peak billing demand from the preceding 36 months by 0.75. BTES will promptly notify the customer, in writing, of the adjusted contract demand amounts and the TVA-specified effective date. In the event the adjustment of the contract demand warrants the customer being served under a different rate schedule, the applicable rate schedule will be attached to said notice. Within 30 days of the date of the notice from TVA, BTES may submit to TVA a request for a one-year exemption due to force majeure or other events outside of the customer's control that are impacting the on-peak or off-peak billing demand. TVA will approve such request so long as (1) the customer has previously met or exceeded 75% of its on-peak or off-peak contract demand, whichever is higher, and (2) customer demonstrates, to TVA's satisfaction, customer's plan for meeting or exceeding 75% of its contract demand.

The requirement set forth in preceding paragraph shall not apply to customers that have been supplied with service through a single point of delivery for less than ten years. The requirement set forth in the preceding paragraph also shall not apply to federal customers whose primary use of power supports activities essential to national defense. For purposes of this provision, a customer's use of power shall be considered in support of national defense when the predominant use of electricity directly enables activities, operations, or facilities determined by TVA to be directly tied to national defense needs.

PAYMENT

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

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 IS SUBJECT TO THE RULES AND REGULATIONS OF BTES**