Revised: June 1, 2020

Cancels Schedule Dated: June 1, 2019

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City of Henderson, Kentucky Henderson Municipal Power & Light

Renewable Distributed Generation Interconnection Rate Schedule Schedule DG (Discontinued)

Service Area – All areas served by Henderson Municipal Power & Light (HMP&L).

Availability – For retail Customers of Henderson Municipal Power & Light (HMP&L) taking power under generally available tariffs suitable for on-site power requirements.

Applicability – For all kilowatt hours generated by an eligible, customer-owned generating facility delivered back to HMP&L distribution facilities.

(1) The Renewable Distributed Generation (DG) adjustment credit shall provide for semi-annual billing adjustments applicable to metered kilowatt hours generated by on-site generation facilities and delivered back to HMP&L distribution facilities. The renewable distributed generation adjustment credit (DGC) will be calculated according to the following formula:

Renewable DG Adjustment Credit (DGC) = $\{C_{(Y-1)}+M_{(Y-1)}\}/kWh_{(Y-1)}$

Where $C_{(Y-1)}$ is equal to power costs, and $M_{(Y-1)}$ is equal to net Market Interaction. $C_{(Y-1)}$ and $M_{(Y-1)}$ are expenses incurred by HMP&L in the prior calendar year. The $kWh_{(Y-1)}$ is the metered kilowatt hours in the prior calendar year.

(2) Power Costs (C):

Costs associated with purchased power including block purchases, market energy purchases, and energy purchased utilizing bilateral or other agreements.

Approved By: Henderson Utility Commission (March 17, 2020) Effective: For all customer billings Approved By: Henderson Board of Commissioners (April 28, 2020) issued on and after June 1, 2020

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City of Henderson, Kentucky Henderson Municipal Power & Light

Renewable Distributed Generation Interconnection Rate Schedule Schedule DG (continued)

(3) Net Market Interaction (M)

This amount is composed of the net market interaction for the prior year. These costs reflect the MISO Revenue from the sale of excess power, MISO Purchases for the purchase of required power, and MISO fees associated with the revenue and purchases.

(4) The $kWh_{(Y-1)}$ shall be sum of the metered kilowatt hours in the prior year.

Terms and Conditions – Renewable DG adjustment credits have no cash value. Customer's Renewable DG adjustment credits shall be applied to the Customer's standard retail account twice a year (June and December). Renewable DG adjustment credits shall only be applied to the Customer's electrical consumption balance and shall not be applied to fuel adjustment charges, late fees, taxes or other utility charges such as water or gas. If the Renewable DG adjustment credit exceeds the Customer's electrical consumption balance in the month in which it is applied, the remaining Renewable DG adjustment credits shall then be carried as a credit on the Customer's standard retail account and applied to future Customer's electrical consumption charges.

Renewable DG adjustment credits are not transferrable between customers and shall only be transferable between locations if the customer relocates to a residence to which HMP&L provides electrical service and the transfer is approved by HMP&L. If qualification is met and the Renewable DG adjustment credit transfer between locations is approved by HMP&L, the Renewable DG adjustment credit would first be applied to the electrical consumption billing amount subsequent to the final meter read. Any excess Renewable DG adjustment credit will then be transferred to Customer's new electric account and will be applied to future consumption charges only.

Should Customer elect to no longer take service under a HMP&L rate schedule, excess DG adjustment credits shall be applied to the outstanding electric consumption billing amount following the final meter read. If the Renewable DG adjustment credit is greater than the consumption charges due HMP&L, the remaining credit will be forfeited by the Customer and shall revert back to HMP&L.

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