

to the proposed rates. Southeastern's marketing arrangements with East Kentucky are discussed in the response to comment 8 above. Southeastern is willing to consider any revisions to the contract between Southeastern and East Kentucky that East Kentucky may propose. Such revisions would have to be evaluated for their impact on other customers of the Cumberland System.

#### *F. Comments Regarding Rate Design*

10. East Kentucky Power Cooperative requests that Southeastern revise its Proposed Wholesale Power Rate Schedule CEK-1-E as follows: [The design includes an energy charge for energy from the Laurel Project and reduces the capacity charge for capacity from the Laurel Project by the anticipated 1500 hours energy per year] (East Kentucky)

*Response:* Southeastern will revise the proposed rate schedule CEK-1-E to provide no energy with the capacity charge. All energy provided under this rate schedule will be billed at the additional energy rate.

#### **Order**

In view of the foregoing and pursuant to the authority vested in me as the Deputy Secretary of Energy, I hereby confirm and approve on an interim basis, effective October 1, 2003, attached Wholesale Power Rate Schedules CBR-1-E, CSI-1-E, CEK-1-E, CM-1-E, CC-1-F, CK-1-E, CTV-1-E, and SJ-1-B.

The Rate Schedules shall remain in effect on an interim basis through September 30, 2008, unless such period is extended or until the FERC confirms and approves them or substitutes Rate Schedules on a final basis.

Dated: September 26, 2003

**Kyle E. McSlarrow,**  
Deputy Secretary.

#### **Wholesale Power Rate Schedule CBR-1-E**

*Availability:* This rate schedule shall be available to Big Rivers Electric

Corporation and includes the City of Henderson, Kentucky, (hereinafter called the Customer).

*Applicability:* This rate schedule shall be applicable to electric capacity and energy available from the Dale Hollow, Center Hill, Wolf Creek, Cheatham, Old Hickory, Barkley, J. Percy Priest and Cordell Hull Projects (all of such projects being hereinafter called collectively the "Cumberland Projects") and sold in wholesale quantities.

*Character of Service:* The electric capacity and energy supplied hereunder will be three-phase alternating current at a nominal frequency of sixty hertz. The power shall be delivered at nominal voltages of 13,800 volts and 161,000 volts to the transmission system of Big Rivers Electric Corporation.

*Points of Delivery:* Capacity and energy delivered to the Customer will be delivered at points of interconnection of the Customer at the Barkley Project Switchyard, at a delivery point in the vicinity of the Paradise steam plant and at such other points of delivery as may hereafter be agreed upon by the Government and TVA.

*Monthly Rate:* The monthly rate for capacity and energy sold under this rate schedule shall be:

*Demand charge:* \$3.373 per kilowatt/month of total contract demand.

*Energy Charge:* None.

*Energy to be Furnished by the Government:* The Government shall make available each contract year to the customer from the Projects through the customer's interconnections with TVA and the customer will schedule and accept an allocation of 1,500 kilowatt-hours of energy delivered at the TVA border for each kilowatt of contract demand. A contract year is defined as the 12 months beginning July 1 and ending at midnight June 30 of the following calendar year. The energy made available for a contract year shall be scheduled monthly such that the maximum amount scheduled in any month shall not exceed 240 hours per

kilowatt of the customer's contract demand and the minimum amount scheduled in any month shall not be less than 60 hours per kilowatt of the customer's contract demand. The customer may request and the Government may approve energy scheduled for a month greater than 240 hours per kilowatt of the customer's contract demand; provided, that the combined schedule of all Southeastern customers outside TVA and served by TVA does not exceed 240 hours per kilowatt of the total contract demands of these customers.

*Billing Month:* The billing month for power sold under this schedule shall end at 2400 hours CDT or CST, whichever is currently effective, on the last day of each calendar month.

*Conditions of Service:* The customer shall at its own expense provide, install, and maintain on its side of each delivery point the equipment necessary to protect and control its own system. In so doing, the installation, adjustment, and setting of all such control and protective equipment at or near the point of delivery shall be coordinated with that which is installed by and at the expense of TVA on its side of the delivery point.

*Service Interruption:* When delivery of capacity is interrupted or reduced due to conditions on the Administrator's system beyond his control, the Administrator will continue to make available the portion of his declaration of energy that can be generated with the capacity available.

For such interruption or reduction due to conditions on the Administrator's system which have not been arranged for and agreed to in advance, the demand charge for capacity made available will be reduced as to the kilowatts of such capacity which have been interrupted or reduced in accordance with the following formula:

$$\left( \frac{\text{Number of kilowatts unavailable for at least 12 hours in any calendar day}}{\text{Number of Days in Billing Month}} \right) \times \left( \frac{\text{Monthly Capacity Charge}}{\text{Number of Days in Billing Month}} \right)$$

#### **Wholesale Power Rate Schedule CSI-1-E**

*Availability:* This rate schedule shall be available to Southern Illinois Power Cooperative (hereinafter the Customer).

*Applicability:* This rate schedule shall be applicable to electric capacity and energy available from the Dale Hollow,

Center Hill, Wolf Creek, Cheatham, Old Hickory, Barkley, J. Percy Priest and Cordell Hull Projects (all of such projects being hereinafter called collectively the "Cumberland Projects") and sold in wholesale quantities.

*Character of Service:* The electric capacity and energy supplied hereunder

will be three-phase alternating current at a nominal frequency of sixty hertz. The power shall be delivered at nominal voltages of 13,800 volts and 161,000 volts to the transmission system of Big Rivers Electric Corporation.

*Points of Delivery:* Capacity and energy delivered to the Customer will be