

AR PROJECT COMMITTEE RESOLUTION

WHEREAS, the Kentucky Municipal Energy Agency (“KYMEA”) has established an All Requirements Power Supply Project (the “AR Project”); and

WHEREAS, certain KYMEA Members are participating in the AR Project (the “AR Members”) and have entered into All Requirements Power Sales Contracts with KYMEA (the “AR Contracts”) for the purpose of setting forth the terms and conditions relating to the proposed sale of electric power and energy requirements by KYMEA to the AR Members; and

WHEREAS pursuant to the AR Contracts, the All Requirements Project Committee (the “AR Project Committee”) consisting of all AR Members is tasked with the responsibility of developing and designing the all requirements power supply rates in accordance with generally accepted ratemaking principles and procedures to provide revenues to meet the anticipated revenue requirements of KYMEA (the “Revenue Requirements”) to furnish electric power and energy to the AR Members; and

WHEREAS, pursuant to the AR Contracts, the KYMEA Board of Directors shall establish and maintain rates under the AR Contracts that will provide revenues which are sufficient, but only sufficient, to meet the anticipated Revenue Requirements of KYMEA in providing electric power and energy to its AR Members; and

WHEREAS, the KYMEA Board of Directors shall not unreasonably withhold its approval and establishment of all requirements rates developed by the AR Project Committee;

NOW THEREFORE BE IT RESOLVED:

Section 1. AR Project Committee Rate Schedule. The AR Project Committee has designed and developed a rate schedule, budget proposal and the methodology for all requirements rates which is attached hereto as Exhibit A (the “AR Rate Schedule”) to generate revenues to pay the costs and expenses associated with the provision of electric power and energy requirements under the AR Contracts. The AR Project Committee hereby approves and submits the AR Rate Schedule to the KYMEA Board of Directors for approval.

Section 2. Effective Date. The AR Project Committee recommends that the AR Rate Schedule be effective July 1, 2020 and remain in effect until amended and revised.

Adopted and approved on April 23, 2020