



Your Touchstone Energy® Cooperative 

BUSINESS PRACTICES

PL-GEN-1

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| Approval - Supervisor | N/A | |
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| Approval - Vice President | David Crockett | 12/15/08 |

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| Related Standards | Requirements | Documents | Comments |
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| Document Approval Checklist | |
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| 1. Post on OASIS | |
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ATTACHMENT A: Form of Service Agreement for Firm Point-To-Point Transmission Service

ATTACHMENT B: Form of Service Agreement for Non-Firm Point-To-Point Transmission Service

Alternative Procedure when OASIS is not available

When the OATI OASIS node is not available or accessible, transmission customers may contact the Big Rivers Control Center by telephone at (270) 827-9553 for information on transmission availability, which would be posted on the OASIS.

Reservations may be requested by FAX at (270) 827-0183. The time the FAX is received will be considered the queued time.

When the OASIS is available, transmission customers must use it.

Customer Responsibilities: Customers experiencing problems accessing the OASIS system may make reservations by phone after faxing a signed declaration form which states that they are experiencing problems beyond their control and will post a pre-confirmed reservation as soon as possible.

Terms of Transmission Service

In order to be valid, a transmission service request (TSR) must include a valid point-of-receipt, point-of-delivery, source, and sink. Additional details follow.

Hourly

Hourly service is available on a Non-Firm basis only and must be reserved in whole hour increments. ATC's for Non-Firm Hourly service are posted for seven days (168 hours) in the future. Request for Hourly Non-Firm service may be made no earlier than noon the day before service is to commence and will be accepted on OASIS no later than one hour before service is to commence. Request for Hourly Non-Firm service may be submitted after noon of the last business day (Monday through Friday, non-holiday) before service is to commence but will not be considered as received until noon of the calendar day before service is to commence. Request for Hourly Non-Firm service prior to noon of the last business day before service is to commence will be denied.

Request for Hourly Non-Firm service after one hour before service is to begin may be made up to 20 minutes before the hour service is to commence by contacting Big Rivers Control Center by telephone at (270) 827-9553. Telephone reservations made after 20 minutes prior to the start of the service will be accommodated if possible. Customers must submit a preconfirmed request on OASIS within one hour after such a telephone reservation.

Daily

Daily service is available on a Firm and Non-Firm basis and must be reserved in calendar day increments. ATC's for Daily service are posted for 30 days in the future beginning with present day.

Request for Daily Firm service must be made no later than 10:00 Central Prevailing Time (CPT) of the day before service is to commence.

Daily Firm reservations can be preempted by requests for longer duration Firm service up to one day before commencement of service. Requests for Daily Firm service beyond the posted 30 day window will be denied.

Request for Daily Non-Firm service may be submitted no earlier than 2 days prior to commencement of service and no later than 14:00 CPT of the day prior to commencement of service. Request for Daily Non-Firm service may be submitted on the last business day (Monday through Friday, non-holiday) before service is to commence but will not be considered as received until 2 calendar days before service is to commence. Request for Daily Non-Firm service prior to the last business day or 2 calendar days before service is to commence will be denied.

Weekly

Weekly service is available on a Firm and Non-Firm basis and must be reserved in calendar week increments (Monday through Sunday).

Request for Weekly Firm service must be made no later than 10:00 CPT of the day before service is to commence and no earlier than 30 days prior to the commencement service. Weekly Firm service reservations can be preempted by request for longer duration Firm service up to one week before commencement of service.

Request for Weekly Non-Firm service must be made no earlier than 14 days prior to commencement of service and no later than 14:00 CPT of the day prior to commencement of service.

Monthly

Monthly service is available on a Firm and Non-Firm basis and must be reserved in calendar month increments. ATC's for monthly service are posted for the current month and the 12 months following. Monthly service will only be accepted for the posted period. Requests for service beyond the posted period will be refused.

Request for Monthly Firm service must be made no later than 10:00 CPT of the day before service is to commence. Monthly Firm reservations can be preempted by request for longer duration Firm service up to one month before commencement of service.

Request for Monthly Non-Firm service may be submitted no earlier than 60 days prior to commencement of service and no later than 14:00 CPT of the day prior to commencement of service. One month is the longest term for non-firm service; however, customers can submit request for sequential service periods within the time frame listed above.

Long-Term Firm Transmission Service

Long Term Firm point-to-point transmission service is available for periods of one year or longer and is available on a first-come, first serve basis.

For Firm Point-to-Point Transmission Service, the application must be submitted at least sixty (60) days in advance of the calendar month in which the service is to commence. Big Rivers will consider requests for Firm Transmission Service on shorter notice when feasible.

A customer that has an existing confirmed Long Term Reservation (one year or greater) has the right to renew the same Contract Path from POR to POD for the same MW amount for the same time period up to 60 days prior to the end of the existing reservation. If the Customer does not renew prior to 60 days before the end of the existing confirmed reservation, then all renewal rights are forfeited.

Reassignment of Non-Confirmed Transmission Capacity

ATC for requests of daily service not confirmed within two hours, weekly service not confirmed within 6 hours, and monthly service not confirmed within 2 days after they have been accepted, may be reassigned to later requests, thereby voiding the transmission service request for the non-confirmed transaction. An attempt to contact the party in violation will be made and the procedures listed under Alternative Procedure when OASIS is not available will apply for confirmation acceptance.

Schedules

Schedules for Firm Reservations must be received by 10:00 AM CPT of the previous day. If no schedule is received by 10:00 AM CPT of the previous day, the reserved capacity will be posted as available non-firm capacity.

Scheduling Changes

Schedule changes for all types and duration of service will be accepted by telephone at (270) 827-9553 up to 20 minutes before the hour of the change. Changes of schedule less than 20 minutes before the hour will be accommodated if possible.

Pricing

If a price is not submitted with the request for Non-Firm service, it is assumed that the price is that posted for the service on OASIS. Customers may submit a price that is higher or lower than the price posted but Big Rivers may deny the request.

Ancillary Services

Schedule 1 (Scheduling, System Control and Dispatch Service) is a required ancillary service. All OASIS transmission requests must also include a request for this service. The charge for this ancillary service is included in the posted transmission service rate.

Schedule 2 (Reactive and Voltage Support) is a required ancillary service. All OASIS Phase 1A transmission requests must also include a request for this service. A charge for this service is not included in the posted transmission service rate. An additional charge (at the posted tariff rate) for this service will be assessed based on the amount of transmission reserved.

All other ancillary service types must be requested separately as needed.

Losses (Beginning February 1, 2009)

Transmission Customer must make separate arrangements to supply the average transmission losses of 0.78% of the transmission reservation at the point-of-receipt. Losses are rounded to the nearest whole MW. No losses are required for reservations below 65 MW. Losses are applied as follows:

0 MW to 64 MW.....0 MW Losses

65 MW to 192 MW.....1 MW losses

193 MW to 320 MW.....2 MW Losses

321 MW to 448 MW.....3 MW Losses

Deposit Requirements for Firm Service Request

See the tariff or contact Big Rivers Electric Corporation for information regarding deposits for firm transmission service.

Billing Basis

Billing will be based on the reservation amount at the point of receipt of OASIS or telephone request.

CAPACITY BENEFIT MARGIN (CBM) AND TRANSMISSION RELIABILITY MARGIN (TRM)

CBM and TRM details are included in a separate document.

Actual CBM Usages:

None to-date

Procedure for Modification of Firm Point-to-Point Service on a Firm Basis

1. The modified firm request will be treated as a new request for firm transmission service.
2. The new request must contain the OASIS number of the original confirmed reservation.
3. The new request must be submitted on a firm basis with a request type of REDIRECT.
4. The new request may be for all or a portion of the original requested capacity and/or term of service.
5. The new request must match an existing type of firm point-to-point service. For example, an existing yearly request can be modified on a daily, weekly, monthly, or yearly basis.

6. Transmission of type REDIRECT cannot be modified (cannot redirect already redirected transmission).
7. If a long-term firm reservation is modified for one year or longer and the customer's modified request extends until the end of the term of service of the original reservation, the new modified request must include a comment in the OASIS comment field informing Big Rivers whether the right of first refusal is to be held on the original path or the modified path. Failure to specify the rollover path will result in the right of first refusal being retained on the original path.
8. Standard timing requirements for new transmission requests apply to redirect requests. Requests submitted after the established deadlines will be handled on a best effort basis.

7-F Transmission Designation

An E-tag that meets the following can be approved with a 7-F transmission priority:

1. The E-tag must indicate firm transmission for the entire path (up-to the Big Rivers border).
2. The source generation must be a designated network resource (as defined in the Big Rivers tariff) or a qualifying power purchase. A qualifying purchase must be: a) under an executed contract; b) a firm power purchase; c) a purchase agreement that allows for interruption only for reliability reasons – not economic; d) under a contract that does not allow the seller to compensate the buyer instead of delivering power; e) under an executed contract that commits the customer to pay for the purchase.
3. The E-tag should indicate firm generation (this firm generation must meet the requirements described in item 2).
4. Procedures will be developed regarding item 2 compliance verification. At this time, any questions relating to compliance with item 2 should be addressed by phone or email directly with BRPS or LEM.

REGIONAL OPERATING PRACTICES

INTERCHANGE SCHEDULING AND TAGGING REQUIREMENTS

GENERAL:

THESE PRACTICES ARE NOT TO CONFLICT WITH ANY NERC POLICIES OR SERC DOCUMENTS. REVISION OF THESE PRACTICES WILL BE MADE TO CONFORM TO ANY CHANGES TO NERC POLICIES OR SERC DOCUMENTS.

INADVERTANT INTERCHANGE RESULTING FROM A FAILURE TO FOLLOW THESE OPERATING PRACTICES WILL BE THE RESPONSIBILITY OF THE COMPANY WHICH FAILED TO COMPLY.

ALL OF THE FOLLOWING REQUIREMENTS WILL BE POSTED AS BUSINESS PRACTICES ON EACH CONTROL AREA OASIS WEB SITE.

1. PREARRANGED TRANSACTIONS WILL BE CONFIRMED BETWEEN CONTROL AREAS

a.) Each Control Area will attempt to confirm day ahead schedules before 2200 EST (Eastern Standard Time) for schedules that start between midnight and 0200 EST. Confirmation must be made at least 4 hours prior to the start of all other day ahead schedules. Each Control Area is responsible for coordinating these day ahead confirmations with their adjacent Control Areas. Sink Control Areas will also confirm day ahead schedules with the source Control Areas. Any Control Area that is unable to confirm schedules when requested by a neighboring Control Area is responsible for reinitiating the schedule confirmation, within the prescribed guidelines.

b.) All new hourly transactions and revisions to existing transactions will be confirmed between Control Areas at least 15 minutes prior to the scheduled change. Each Control Area must confirm total scheduled deliveries and total scheduled receipts with each adjacent Control Area for each hour, and verify all new changes to individual schedules. Each Sink Control Area must also confirm total scheduled receipts with the Source Control Areas.

c.) Disagreements on individual transactions or total scheduled delivery and total receipt confirmations will be addressed immediately. To resolve disagreements each Control Area will attempt to reconfirm the disputed schedule(s) with their adjacent Control Areas and the transmission customer prior to the start of the transaction. Transactions will not be scheduled if re-confirmation fails to resolve the discrepancy. The Control Area that identifies the schedule discrepancy will contact the PSE that filled out the NERC ID Tag. The PSE will be informed that the schedule will not be started until the full path is confirmed. This will apply equally to disagreements on new schedules or revisions to existing schedules. Disagreement on any individual transaction or schedule will not preclude accepting other new transactions or revisions.

2. ALL CONTROL AREAS MUST REQUIRE NERC ENERGY ID TAGS

a.) NERC Energy ID Tags must conform to the prescribed NERC standards in Policy 3.

b.) NERC Energy ID Tags must conform to the prescribed NERC standards in Policy 3 for tag information for transactions scheduled to start within 4 hours. The sink Control Area is responsible for confirming the schedule with the source Control Area. Both the sink Control Area and source Control Area will confirm schedules with their adjacent Control Areas along the transmission path. The adjacent Control Areas will continue the confirmation process with the other intermediary Control Areas along the transmission path. The sink Control Area will make available, to any Control Area along the path, the tag information received from the PSE that initiated the tag.

c.) All Control Areas will maintain NERC Energy ID Tag information for all expired or completed transactions for a period of twelve months. Any storage media is acceptable for stored NERC Tag information: in the Control Area EMS, with paper files, or on other electronic/magnetic media.

d.) Control Areas will be prepared to share the NERC Energy ID Tags for all active or prearranged transactions in real-time.

e.) Each Control Area is responsible for insuring that all tags for transactions that sink in its Control Area are provided to the Security Coordinator for entry into the iIDC. The procedure for uploading tags to the iIDC will be determined by each Control Area and its Security Coordinator.

3. SCHEDULING REQUIREMENT STANDARDS WITH ADJACENT CONTROL AREAS

a.) All Control Areas will require a minimum of 20 minutes notice prior to the start of new transaction or a revision to an existing transaction. If Source, Sink, and, as applicable, any Intermediary Control Areas all agree, the 20 minute minimum notice may be waived on an individual transaction basis.

b.) The 20 minute notification does not apply to transactions resulting from: 1) the use of the Automatic Reserve Sharing (ARS) system; 2) the replacement of a loss of a resource by a Load Serving Entity (LSE). Any changes to transactions, which are required to preserve the security of the interconnection, are also exempt from the 20 minute notification requirement.

c.) New transactions or revisions to existing transactions may be scheduled to begin at any time during the hour, with the proper notice, as listed in 3a.) above.

d.) All transaction changes will be block integrated and ramped over the first 10 minutes of the schedule. The ramp rate may be a multiple of 10 minutes, provided it is coordinated prior to the start of the schedule with the sink, source, and any intermediary Control Areas along the transmission path

4. TLR PROCEDURES

a.) The Reliability Coordinator responsible for the flowgate will determine a target time for the curtailment. Actual curtailment time will be agreed to by the Sink and Source Control Areas, and the actual time will be communicated to the Security Coordinator.

b.) Reliability Coordinators will make their best effort to provide a minimum of 30 minutes notice for transaction curtailments for overload contingency events.

c.) Curtailments for actual transmission overload alerts and stability contingencies will be met as soon as possible.

d.) The sink Control Area is responsible for notifying the source (generating) Control Area and PSE which submitted the transaction tag of any TLR curtailments, including the Tag ID and effective time of the curtailment in the notice. Both sink and source Control Areas will start the notification of any intermediate Control Areas along the transmission path by notifying their adjacent Control areas as soon as possible with at least the Tag ID and effective time of curtailment.

e.) During TLR2 alerts, new Hourly Non-Firm Transmission Service requests, on the effected path, will be granted for no more than the MW of expiring transactions, and only on a first request basis. The hourly non-firm transactions on the effected path can also be displaced by longer duration prearranged transmission reservations.

f.) During TLR3 alerts or above, existing Non-Firm Hourly Transmission Reservations will not be renewed nor new requests accepted, if their response factor in the iIDC on the effected path is 5% or greater.

g.) Transaction revisions for transactions with existing Firm Transmission Reservations will be permitted by displacement of Non-Firm transactions until all possible Non-Firm transactions have been displaced, as long as there is no effect on TLR2 or above alerts.

h.) Transactions, which have been curtailed under TLR procedures must have a revised or new NERC Energy ID Tag to resume after the TLR has ended. The PSE which issued the original NERC Tag is responsible for issuing the revised or new tag.

5. ENERGY EMERGENCY ALERTS

a.) During a Control Area NERC Energy Emergency Alert, the Generation Deficient Control Area is responsible for native load requirements through conventional and emergency power purchases and Control Area emergency procedures. Automatic Reserve Sharing emergency assistance will be granted among MISO reserve sharing members.

b.) The Generation Deficient Control Area will request that its Reliability Coordinator post the Control Area's Energy Emergency Alerts (NERC Appendix 9B), as soon as possible, in the Security Coordinator Information System. This information must be communicated to Control Areas and other Security Coordinators only.

6. DAILY TOTAL MWH CHECKOUT

a.) Control Area Total MWH checkouts will be performed between midnight and 0500 EST. Individual schedules will be confirmed and the NERC Energy ID Tag must be available to identify each schedule. Individual Control Areas can arrange optional times of checking out daily MWH totals, as convenient to their staffing structures. All Control Area MWH checkouts will be pursued until a final agreement is reached, but no later than 1200 EST on the following day.

b.) Control Area MWH totals, verified by the system operator as final totals, will not be adjusted, except under the following conditions: Proper documented evidence of the transmission reservations and source to sink NERC ID Tag scheduling requirements must be provided to all Control Areas along the schedule path and all Control Areas must agree to the adjustment.

The following service agreements can be printed and submitted to Glen Thweatt, Manager Engineering and Operations. The agreements should be mailed to the address indicated within the service agreement.

ATTACHMENT A

Form of Service Agreement For

Firm Point-To-Point Transmission Service

1.0 This Service Agreement, dated as of _____, is entered into, by and between _____ (Big Rivers), and _____ ("Transmission Customer").

2.0 The Transmission Customer has been determined by Big Rivers to have a Completed Application for Firm Point-To-Point Transmission Service under the Tariff.

3.0 The Transmission Customer has provided to Big Rivers an Application deposit in the amount of \$_____, in accordance with the provisions of Section 17.3 of the Tariff.

4.0 Service under this agreement shall commence on the later of (1) the requested service commencement date_____, or (2) the date on which construction of any Direct Assignment Facilities and/or Network Upgrades are completed, or (3) such other date as it is permitted to become effective by the Commission. Service under this agreement shall terminate on such date as mutually agreed upon by the parties _____.

5.0 Big Rivers agrees to provide and the Transmission Customer agrees to take and pay for Firm Point-To-Point Transmission Service in accordance with the provisions of Part II of the Tariff and this Service Agreement.

6.0 Any notice or request made to or by either Party regarding this Service Agreement shall be made to the representative of the other Party as indicated below.

Transmission Provider:

Big Rivers Electric Corporation

201 Third Street, P.O. Box 24

Henderson, Kentucky 42420

Telephone No. (270) 827-2561

Transmission Customer:

7.0 The Tariff is incorporated herein and made a part hereof.

IN WITNESS WHEREOF, the Parties have caused this Service Agreement to be executed by their respective authorized officials.

Transmission Provider:

By: _____
Name Title Date

Transmission Customer:

By: _____
Name Title Date

Specifications For Long-Term Firm Point-To-Point

Transmission Service

1.0 Term of Transaction: _____

Start Date: _____

Termination Date: _____

2.0 Description of capacity and energy to be transmitted by Big Rivers including the electric Control Area in which the transaction originates.

3.0 Point(s) of Receipt: _____

Delivering Party: _____

4.0 Point(s) of Delivery: _____

Receiving Party: _____

5.0 Maximum amount of capacity and energy to be transmitted (Reserved Capacity): _____

6.0 Designation of party(ies) subject to reciprocal service obligation: _____

7.0 Name(s) of any Intervening Systems providing transmission service: _____

8.0 Service under this Agreement may be subject to some combination of the charges detailed below. (The appropriate charges for individual transactions will be determined in accordance with the terms and conditions of the Tariff.)

8.1 Transmission

Charge: _____

8.2 System Impact and/or Facilities Study

Charge(s): _____

8.3 Direct Assignment Facilities

Charge: _____

8.4 Ancillary Services Charges:

ATTACHMENT B

Form of Service Agreement for Non-Firm Point-To-Point Transmission Service

1.0 This Service Agreement, dated as of _____, is entered into, by and between _____ (Big Rivers), and _____ (Transmission Customer).

2.0 The Transmission Customer has been determined by Big Rivers to be a Transmission Customer under Part II of the Tariff and has filed a Completed Application for Non-Firm Point-To-Point Transmission Service in accordance with Section 17.2 of the Tariff.

3.0 Service under this Agreement shall be provided by Big Rivers upon request by an authorized representative of the Transmission Customer.

4.0 The Transmission Customer agrees to supply information Big Rivers deems reasonably necessary in accordance with Good Utility Practice in order for it to provide the requested service.

5.0 Big Rivers agrees to provide and the Transmission Customer agrees to take and pay for Non-Firm Point-To-Point Transmission Service in accordance with the provisions of Part II of the Tariff and this Service Agreement.

6.0 Any notice or request made to or by either Party regarding this Service Agreement shall be made to the representative of the other Party as indicated below.

Transmission Provider:

Big Rivers Electric Corporation

201 Third Street, P.O. Box 24

Henderson, Kentucky 42420

Telephone No. (270) 827-2561

Transmission Customer:

7.0 The Tariff is incorporated herein and made a part hereof.

IN WITNESS WHEREOF, the Parties have caused this Service Agreement to be executed by their respective authorized officials.

Transmission Provider:

By: _____

| Name | Title | Date |
|------|-------|------|
|------|-------|------|

Transmission Customer:

By: _____

| Name | Title | Date |
|------|-------|------|
|------|-------|------|