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Attorneys at Law

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November 1, 2013

Jeffrey R. Derouen
Kentucky Public Service Commission
211 Sower Boulevard
P. O. Box 615
Frankfort, KY 40602-0615

Re: South Kentucky Rural Electric Cooperative Corporation
Revision to its Deposit Tariff R-13

Dear Mr. Derouen:

Enclosed is an original filing of the revised deposit tariff R-13 along with a redline version and copy of the public notice to members with the affidavit of mailing from the publisher. South Kentucky submits these documents in order to move from a fixed amount for deposits from our residential class to a more commonly used two-twelfths (2/12) of the consumer's annual bills per 807 KAR 5:006 Section 8.

The documents filed electronically for this tariff filing are a true representation of the original provided. The documents filed are as follows:

Cover Letter:	Cover Letter for Revised Deposit R_13.pdf
Supporting Documents:	Redline version of Tariff R_13.pdf Copy of Public Notice.pdf Affidavit of Mailing.pdf
New Tariff:	Revised & Signed Deposit R_13.pdf

Please let me know if you have any questions or need further information.

Sincerely,

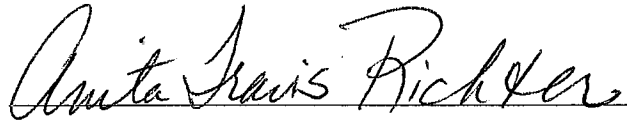
Mark David Goss

Enclosures

M:\Clients\7100 - South Kentucky Rural Electric Coop Corp\1600 - Special Counsel\Correspondence\Lt. to Jeff Derouen - 131101

AFFIDAVIT OF MAILING
OF HEARING NOTICE

Notice is hereby given that the November issue of
KENTUCKY LIVING, bearing the official Public Notice concerning the
tariff filing to adjust amounts required for deposits on accounts for SOUTH
KENTUCKY RECC., was entered as direct mail at Florence, Kentucky, on
October 29, 2013.

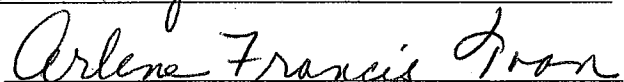


Anita Travis Richter
Managing Editor
Kentucky Living

County of Jefferson
State of Kentucky

Sworn to and subscribed before me, a Notary Public,
this 30th day of October, 2013.

My commission expires January 10, 2016



Notary Public, State of Kentucky

P.O. Box 32170
Louisville, KY 40232

4515 Bishop Lane
Louisville, KY 40218

(502) 451-2430
(800) KY-LIVING
(800) 595-4846
Fax: (502) 459-1611

Free Health Care Coverage: Medicaid & KCHIP

Due to changes through the Affordable Care Act, you and your children may now be able to receive healthcare coverage through Medicaid and KCHIP.

Applying is easy by calling the Legal Aid office toll free at 1-866-277-5733. Assistance is quick, free, and confidential.

Medicaid is a government program that pays for the healthcare costs for people who are unable to pay some or all of their own medical expenses.

Kentucky Children's Health Insurance Plan (KCHIP) is for children younger than age 19 who do not have health insurance and whose family is low-income.

Medicaid and KCHIP are now much easier to get and more people will be covered.

For example, a family of four, with monthly income of \$2,708.25, can qualify for Medicaid. The children, in a family of four with a monthly income of \$3,925, can qualify for KCHIP.

People with healthcare coverage are generally healthier than people without it. With Medicaid and KCHIP, you and your children will have access to better healthcare.

You will be able to obtain:

- checkups and vaccinations
- help with chronic diseases like asthma or diabetes
- lab testing and x-rays
- vision, hearing, and dental care
- prescription drug coverage
- psychiatric services
- hospital care

You will build a relationship with your own doctor rather than being seen by rotating doctors in the emergency room.

This project is funded under a Children's Health Insurance Program Reauthorization Act (CHIPRA) grant through a contract with the U.S. Centers for Medicare and Medicaid Services (CMS).

NOTICE OF TARIFF FILING OF SOUTH KENTUCKY RECC TO ADJUST ITS DEPOSIT TARIFF BEFORE THE PUBLIC SERVICE COMMISSION OF KY

Pursuant to the Kentucky Public Service Commission's ("Commission") regulation 807 KAR 5:011, Section 8., South Kentucky Rural Electric Cooperative Corporation ("SKRECC"), gives notice that a tariff filing has been made with the Commission seeking approval to adjust its amounts required for deposits on accounts. If SKRECC's tariff is accepted, the tariff rates for deposits on Residential accounts, if required, change from a flat rate which could not exceed 2/12 of the average annual bill amount, to 2/12 of the average annual bill per consumer in this class, based upon usage of the consumer at the same or similar premises, which is in accordance with the requirements in 807 KAR 5:006. These new deposit rates will go into effect January 1, 2014, or sooner if approved by the Commission.

RESIDENTIAL

PRESENT RATE:

With electric heat	\$150.00
Without electric heat	\$75.00

These amounts do not exceed 2/12 of the average annual bill of all like consumers served by the Cooperative and is approximately 2/12 of the average annual bill. An exception may be made if 12 months history is available and 2/12 would be less, then the lesser amount may be charged.

PROPOSED RATE:

2/12 of the annual bills and shall be based upon actual usage of the consumer at the same or similar premises for the most recent twelve (12) month period.

The current approximate annual bill for a customer in this class who uses electric heat, based on an average usage of 1,300 kWh per month is \$1,487. Therefore, under the proposed rate the approximate deposit for a customer who is projected to use 1,300 kWh per month would be \$248. This is an increase in the deposit of 65.3%.

The current approximate annual bill for a customer in this class who does not use electric heat, based on an average usage of 780 kWh per month is \$953. Therefore, under the proposed rate the approximate deposit for a customer who is projected to use 780 kWh per month would be \$159. This is an increase in the deposit of 112%.

ALL OTHER ACCOUNTS

PRESENT RATE:

2/12 of the average annual bill. This remains unchanged.

The deposit rates contained in this notice are the deposit rates proposed by SKRECC, but the Commission may order deposit rates to be charged that differ from the proposed deposit rates contained in this notice.

Any corporation, association, or person may within thirty (30) days after the date of mailing this notice of the proposed rate change, submit a written request to intervene to the Kentucky Public Service Commission, 211 Sower Boulevard, P.O. Box 615, Frankfort, Kentucky 40602, establishing the grounds for the request and including the status and interest of the party. Written comments may also be submitted to the Commission at the same address or on the Commission's web site at <http://psc.ky.gov/>.

Copies of SKRECC's tariff filing may be obtained or viewed at no charge from SKRECC's office at 925 N. Main Street, Somerset, KY 42503, or on SKRECC's website at www.SKRECC.com. The tariff filing and all documents filed with the Commission may be viewed and downloaded at the Commission's website at <http://psc.ky.gov/>.

This first day of November, 2013



Allen Anderson
South Kentucky RECC
President & CEO

SOUTH KENTUCKY R.E.C.C.
SOMERSET, KENTUCKY 42501

FOR: ENTIRE TERRITORY SERVED
P.S.C. KY. NO. 7
2nd Revised SHEET NO. R-13
CANCELLING P.S.C. KY. NO. 7
1st Revised SHEET NO. R-13

RULES AND REGULATIONS

- 5.40 DEPOSITS (T)
- (a) Residential – Deposits shall be 2/12 of the annual bills and shall be based upon actual usage of the consumer at the same or similar premises for the most recent twelve (12) month period, if such information is available. If usage information is not available, the deposit will be based on the average bills of similar consumer and premises in the system. For a consumer for which no similar consumer and premises historical usage information exists, an estimate will be calculated based on engineering data, such as requirements for transformer size, particular loads to be served and type and duration of usage. (I)
 - (b) Small Commercial (up to and including 50KVA) – Deposits shall be 2/12 of the annual bills and determined in the same manner as (a) above. (T)
 - (c) Industrial and Large Power (above 50KVA) – Deposits shall be 2/12 of the annual bills and determined in the same manner as (a) above. (T)
 - (d) All Other Accounts – Deposits shall be 2/12 of the annual bills and determined in the same manner as (a) above. However, if the deposit amount so calculated would result in a deposit of less than \$30.00, no deposit will be required. (T)

5.41 EXCEPTION TO REQUIRED DEPOSITS

A deposit may be waived for those classifications in section 5.40 Deposits – (a) Residential, (b) Small Commercial and (d) All Other, under the following conditions:

- (a) If the consumer has a twelve (12) month history, with the Cooperative, of timely payments with no more than two cut-off notices generated within that period.
- (b) If the consumer has an acceptable letter of credit from another electric utility which is no more than 18 months old.

DATE OF ISSUE November 1, 2013

DATE EFFECTIVE January 1, 2014

ISSUED BY /s/ Allen Anderson

TITLE President /CEO

BY AUTHORITY OF ORDER OF THE PUBLIC SERVICE COMMISSION

IN CASE NO. _____ DATED _____

SOUTH KENTUCKY R.E.C.C.
SOMERSET, KENTUCKY 42501

FOR: ENTIRE TERRITORY SERVED
P.S.C. KY. NO. 7
2nd Revised SHEET NO. R-13
CANCELLING P.S.C. KY. NO. 7
1st Revised SHEET NO. R-13

RULES AND REGULATIONS

- 5.40 DEPOSITS (T)
- (a) Residential – Deposits shall be approximately 2/12 of the annual bills and shall be based upon actual usage of the consumer at the same or similar premises for the most recent twelve (12) month period, if such information is available. If usage information is not available, the deposit will be based on the average bills of similar consumer and premises in the system. For a consumer for which no similar consumer and premises historical usage information exists, an estimate will be calculated based on engineering data, such as requirements for transformer size, particular loads to be served and type and duration of usage. (I)
- (b) Small Commercial (up to and including 50KVA) – Deposits shall be approximately 2/12 of the annual bills and determined in the same manner as (a) above. (T)
- (c) Industrial and Large Power (above 50KVA) – Deposits shall be approximately 2/12 of the annual bills and determined in the same manner as (a) above. (T)
- (d) All Other Accounts – Deposits shall be approximately 2/12 of the annual bills and determined in the same manner as (a) above. However, if the deposit amount so calculated would result in a deposit of less than \$30.00, no deposit will be required. (T)

5.41 EXCEPTION TO REQUIRED DEPOSITS

A deposit may be waived for those classifications in section 5.40 Deposits – (a) Residential, (b) Small Commercial and (d) All Other, under the following conditions:

- (a) If the consumer has a twelve (12) month history, with the Cooperative, of timely payments with no more than two cut-off notices generated within that period.
- (b) If the consumer has an acceptable letter of credit from another electric utility which is no more than 18 months old.

DATE OF ISSUE November 1, 2013

DATE EFFECTIVE January 1, 2014

ISSUED BY /s/ Allen Anderson

TITLE President /CEO

BY AUTHORITY OF ORDER OF THE PUBLIC SERVICE COMMISSION

IN CASE NO. _____ DATED _____

SOUTH KENTUCKY R.E.C.C.
SOMERSET, KENTUCKY 42501

FOR: ENTIRE TERRITORY SERVED
P.S.C. KY. NO. 7
~~1st~~ 2nd Revised SHEET NO. R-13
CANCELLING P.S.C. KY. NO. 67
~~ORIGINAL~~ 1st Revised SHEET NO. R-13

RULES AND REGULATIONS

5.40 DEPOSITS

(T)

- (a) ~~Residential – Equal deposits shall be charged for each account connected as~~

~~follows: Consumers with Electric Heat ————— \$150.00
Consumers without Electric Heat ————— \$ 75.00~~

~~These amounts do not exceed 2/12 of the average annual bill of all like consumers served by the Cooperative and is approximately 2/12 of the average annual bill. An exception may be made if 12 months history is available and 2/12 would be less, then the lesser amount may be charged.~~

Residential – Deposits shall be approximately 2/12 of the annual bills and shall be based upon actual usage of the consumer at the same or similar premises for the most recent twelve (12) month period, if such information is available. If usage information is not available, the deposit will be based on the average bills of similar consumer and premises in the system. For a consumer for which no similar consumer and premises historical usage information exists, an estimate will be calculated based on engineering data, such as requirements for transformer size, particular loads to be served and type and duration of usage. (T)

- (b) ~~Small Commercial (up to and including 50KVA) – Deposits shall be approximately 2/12 of the annual bills and shall be based upon actual usage of the Consumer at the same or similar premises for the most recent twelve (12) month period, if such information is available. If usage is not available the deposit will be based on the average bills of similar consumer and the premises in the Cooperative. For a consumer which no similar consumer or history exists, an estimate will be calculated based on engineering data, such as requirements for transformer size, particular loads to be served and type and duration of usage.~~

Small Commercial (up to and including 50KVA) – Deposits shall be approximately 2/12 of the annual bills and determined in the same manner as (a) above. (T)

- (c) Industrial and Large Power (above 50KVA) – Deposits shall be approximately 2/12 of the annual bills and determined in the same manner as ~~(b)~~(a) above. (T)

- (d) All Other Accounts – Deposits shall be approximately 2/12 of the annual bills and determined in the same manner as ~~(b)~~(a) above. However, if the deposit amount so calculated would result in a deposit of less than \$30.00, no deposit will be required. (T)

5.41 EXCEPTION TO REQUIRED DEPOSITS

A deposit may be waived for those classifications in section 5.40 Deposits – (a) Residential, (b) Small Commercial and (d) All Other, under the following conditions:

- (a) If the consumer has a twelve (12) month history, with the Cooperative, of timely payments with no more than two cut-off notices generated within that period.
- (b) If the consumer has an acceptable letter of credit from another electric utility which is no more than 18 months old.

DATE OF ISSUE: ~~March 11, 1994~~ November 1, 2013

DATE EFFECTIVE: ~~August 31, 1994~~ **January 1, 2014**

ISSUED BY _____

TITLE President /CEO

BY AUTHORITY OF ORDER OF THE PUBLIC SERVICE COMMISSION IN

CASE NO. _____ DATED _____