

COMMONWEALTH OF KENTUCKY

BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

APPLICATION OF TAYLOR COUNTY RURAL)	
ELECTRIC COOPERATIVE CORPORATION TO)	
PASS-THROUGH AN INCREASE OF ITS)	CASE NO.
WHOLESALE POWER SUPPLIER PURSUANT)	2008-00425
TO KRS 278.455(2))	

ORDER

On October 31, 2008, Taylor County Rural Electric Cooperative Corporation ("Taylor County") submitted an application to pass-through any wholesale rate adjustment granted to East Kentucky Power Cooperative, Inc. ("EKPC") in Case No. 2008-00409.¹ Taylor County submitted its application pursuant to the authority of KRS 278.455(2) and 807 KAR 5:007, Section 2.

In its application, Taylor County described how its proposed pass-through rates were developed:

In accordance with the provisions of KRS 278.455(2), TCRECC hereby states that the effects of the increase in rates from its wholesale supplier, EKPC, are being passed through to its retail tariffs on a proportional basis and that the rate design structure proposed for each retail rate schedule does not change the rate design currently in effect.²

KRS 278.455(2) provides that a distribution cooperative may change its rates to reflect a change in the rate of its wholesale supplier if the effects of an increase or

¹ Case No. 2008-00409, General Adjustment of Electric Rates of East Kentucky Power Cooperative, Inc. (Ky. PSC March 31, 2009)

² Application, Page 1.

decrease are allocated to each class and within each tariff on a proportional basis that will result in no change in the rate design currently in effect. Further, 807 KAR 5:007, Section 2(2), provides that the distribution cooperative shall file an analysis demonstrating that the rate change does not alter the rate design currently in effect and that the revenue change has been allocated to each class and within each tariff on a proportional basis.

The Commission has reviewed the approach proposed by Taylor County to pass-through any increases in the wholesale rates of EKPC and to allocate such increases to its retail rates. Based upon this review, the Commission finds that Taylor County's approach complies with the provisions of KRS 278.455(2) and 807 KAR 5:007, Section 2(2), and, therefore, should be accepted.

The Commission issued an Order in Case No. 2008-00409 on March 31, 2009 authorizing a \$59.5 million annualized increase in EKPC's wholesale rates effective for service rendered on and after April 1, 2009. According to Taylor County, this will increase its wholesale power cost by \$2,515,706 annually.³

IT IS THEREFORE ORDERED that:

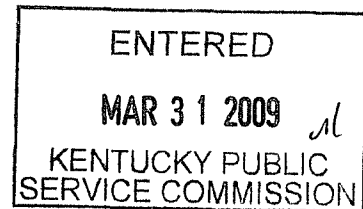
1. The proposed rates submitted with Taylor County's application are rejected.
2. The approach proposed by Taylor County to allocate its portion of the increase in the wholesale rates authorized in Case No. 2008-00409 is accepted.

³ Response to Commission Staff's Supplemental Data Request issued on March 18, 2009.

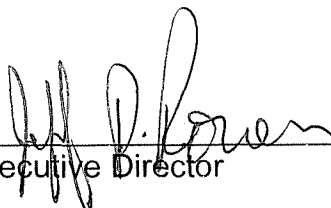
3. The rates set forth in the tariff sheets in the Appendix hereto are approved for service rendered on and after April 1, 2009.

4. Within 20 days from the date of this Order, Taylor County shall file with the Commission its revised tariffs, setting out the rates approved herein and stating that they were approved pursuant to this Order.

By the Commission



ATTEST:



Executive Director

APPENDIX

APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE
COMMISSION IN CASE NO. 2008-00425 DATED MAR 31 2009

FOR ALL TERRITORY SERVED

P.S.C. KY No.

Sheet No. 39

TAYLOR COUNTY RURAL ELECTRIC
COOPERATIVE CORPORATION

Cancelling P.S.C. No.

Sheet No.

CLASSIFICATION OF SERVICE

SCHEDULE A - FARM AND HOME SERVICE

APPLICABILITY

Applicable to residential consumers subject to the established rules and regulations of the Seller. The capacity of individual meters served under this schedule shall not exceed 7.5 H.P. Not applicable to loads having demands greater than 50 KW.

TYPE OF SERVICE

Single phase, 60 cycles, at available secondary voltage.

MONTHLY RATE

Customer Charge \$7.62 per meter per month
All kWh per month \$0.07458 per kWh

FUEL ADJUSTMENT CLAUSE

All rates are applicable to the Fuel Adjustment Clause and may be increased or decreased by an amount per KWH equal to the fuel adjustment amount per KWH as billed by the Wholesale Power Supplier plus an allowance for line losses. The allowance for line losses will not exceed 10% and is based on a twelve-month moving average of such losses. This Fuel Clause is subject to all other applicable provisions as set out in 807 KAR 5:056.

MINIMUM CHARGES

The minimum monthly charge under the above rate shall be \$7.62 net where 10 KVA or less of transformer capacity is required. Each consumer who requires more than 10 KVA of transformer capacity shall pay, in addition to the above minimum \$.86 for each additional KVA or fraction thereof required. Payment of the minimum monthly charge shall entitle the member in all cases to the use of the number of kilowatt-hours corresponding to the minimum charge in accordance with the foregoing rate.

DATE OF ISSUE March 26, 2009

EFFECTIVE April 1, 2009
PO Box 100

ISSUED BY _____
(Name of Officer)

Manager, Campbellsville, KY 42719
(Title) (Address)

FOR ALL TERRITORY SERVED

P.S.C. KY No.

Sheet No. 41

TAYLOR COUNTY RURAL ELECTRIC
COOPERATIVE CORPORATION

Cancelling P.S.C. No.

Sheet No.

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CLASSIFICATION OF SERVICE
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SCHEDULE GP - GENERAL PURPOSE SERVICE
=====

APPLICABILITY

Applicable to small commercial, churches, community centers, industrial, public buildings, and three-phase farm service, including lighting, heating and power, subject to the established rules and regulations of the Seller.

CHARACTER OF SERVICE

Single-phase or three-phase, 60 cycles, at available secondary voltages.

MONTHLY RATE

PART I (For demands less than 50 KVA)

Demand Charge: None

Energy:

Customer Charge \$7.83 per meter per month
All KWH per month \$0.07473 Per KWH

Minimum Monthly Charges:

\$7.83 where 3 KVA or less of transformer capacity is required. Each consumer who requires more than 3 KVA of transformer capacity shall pay, in addition to the above minimum, \$.86 for each additional KVA or fraction thereof required. Where the minimum charge is increased in accordance with the terms of this section, additional energy therefore may be taken in accordance with the terms of the foregoing schedule.

=====
DATE OF ISSUE March 26, 2009

EFFECTIVE April 1, 2009
PO Box 100

ISSUED BY _____
(Name of Officer)

Manager, Campbellsville, KY 42719
(Title)

(Address)

FOR ALL TERRITORY SERVED

P.S.C. KY No.

Sheet No. 42

TAYLOR COUNTY RURAL ELECTRIC
COOPERATIVE CORPORATION

Cancelling P.S.C. No.

Sheet No.

CLASSIFICATION OF SERVICE

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SCHEDULE GP - GENERAL PURPOSE SERVICE (continued)

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PART 2 (for loads requiring 50 KVA and above
installed transformer capacity)

Demand Charge: \$ 5.11 per KW of billing demand
Energy Charges:
Customer Charge \$47.80 per meter per month
All KWH per month \$ 0.05508 Per KWH

DETERMINATION OF BILLING DEMAND

The billing demand shall be the maximum kilowatt demand established by the consumer for any period of fifteen consecutive minutes during the month for which the bill is rendered, as indicated or recorded by a demand meter and adjusted for power factor as provided below.

POWER FACTOR ADJUSTMENT

The consumer agrees to maintain unity power factor as nearly as practicable. The measured demand will be adjusted to correct for consumers with 50 KW or more of measured demand to correct for average power factors lower than 90 per cent. Such adjustments will be made by increasing the measured demand 1 percent for each 1 percent by which the average power factor is less than 90 percent lagging.

FUEL ADJUSTMENT CLAUSE

All rates are applicable to the Fuel Adjustment Clause and may be increased or decreased by an amount per KWH equal to the fuel adjustment amount per KWH as billed by the Wholesale Power Supplier plus an allowance for line losses. The allowance for line losses will not exceed ten percent (10%) and is based on a twelve-month moving average of such losses. This Fuel Clause is subject to all other applicable provisions as set out in 807 KAR 5:056.

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DATE OF ISSUE March 26, 2009

EFFECTIVE April 1, 2009

PO Box 100

ISSUED BY _____
(Name of Officer)

Manager, Campbellsville, KY 42719
(Title) (Address)

PSC Request 1
Page 5 of 14

FOR ALL TERRITORY SERVED

P.S.C. KY No.

Sheet No. 45

TAYLOR COUNTY RURAL ELECTRIC
COOPERATIVE CORPORATION

Cancelling P.S.C. No.

Sheet No.

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CLASSIFICATION OF SERVICE
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SCHEDULE SL - STREET LIGHTING SERVICE
=====

AVAILABILITY

Available to towns and villages for controlled street lighting
From dusk to dawn.

<u>Mercury Vapor</u>	<u>Charge/Fixture</u>
175 watts	\$2.84 plus 70 KWH/Light/Month @ GP-1 Rate
250 watts	\$3.41 plus 100 KWH/Light/Month @ GP-1 Rate
400 watts	\$4.52 plus 160 KWH/Light/Month @ GP-1 Rate

<u>High Pressure Sodium</u>	<u>Charge/Fixture</u>
100 watts	\$3.25 plus 41 KWH/Light/Month @ GP-1 Rate
250 watts	\$5.00 plus 106 KWH/Light/Month @ GP-1 Rate

CONDITIONS OF SERVICE

1. Street-Lighting equipment including lamps, fixtures, controls and the necessary overhead street-lighting circuits, transformers and additional guys and fittings will all be furnished by the Cooperative.
2. Lamp replacements will be furnished and made by the Cooperative.
3. Service will be furnished for future additional lamps in accordance With the above charges.
4. Billing will be on a monthly basis.

=====
DATE OF ISSUE March 26, 2009

EFFECTIVE April 1, 2009

PO Box 100

ISSUED BY _____

Manager, Campbellsville, KY 42719

(Name of Officer)

(Title)

(Address)

Form For Filing Rates Schedules

For All Territory Served

Taylor County Rural Electric

PSC KY No. _____

Cooperative Corporation

SHEET No. 69

Name of Issuing Corporation

Canceling PSC KY NO _____

Revised Sheet No. 69

CLASSIFICATION OF SERVICE

Residential Marketing Rate – Schedule R-1

APPLICABLE

In all territory served.

AVAILABILITY

This special marketing rate is available for specific marketing programs as approved by Taylor County Board of Directors. The electric power furnished under this marketing program shall be separately metered for each point of delivery and is applicable during the below listed off-peak hours. This rate is available to consumers already receiving service under Schedule A, Farm and Home Service Rate. This marketing rate applies only to programs which are expressly approved by the Kentucky Public Service Commission to be offered under the Marketing Rate of East Kentucky Cooperative Wholesale power Rate Schedule A.

Months
May through September

Off-Peak Hours - EST
10:00 P.M. to 10:00 A.M.

October through April

12:00 P.M. to 5:00 P. M.
10:00 P.M. to 7:00 A.M.

TYPE OF SERVICE

Single phase, 60 Hertz, at available secondary voltage.

RATES

The energy rate for this program is:

All kWh

\$0.04475

Date of Issue March 26, 2009 Date Effective April 1, 2009

Issued By _____ Title Manager

Name of Office

Form For Filing Rates Schedules

For All Territory Served

Taylor County Rural Electric
Cooperative Corp.
Name of Issuing Corporation

PSC KY No. _____
SHEET No. 71
Canceling PSC KY No. _____
Revised Sheet No. 71

CLASSIFICATION OF SERVICE

Large Industrial Rate - Schedule C1

Availability

Applicable to contracts with demands of 500 to 4,999 KW with a monthly energy usage equal to or greater than 400 hours per KW of billing demand. These contracts will be two "two-party" contracts with the first one being between the Seller and the Cooperative association and the second one being between the Seller and the ultimate consumer.

Monthly Rate

Consumer Charge	\$1,176.88
Demand Charge	\$5.93 per kW of billing demand
Energy Charge	\$0.04662 per kWh

Billing Demand

The monthly billing demand shall be the greater of (a) or (b) listed below:

- (a) The contract demand
- (b) The ultimate consumer's peak demand during the current month or preceding eleven months. The peak demand shall be the highest average rate at which energy is used during any fifteen-minute interval in the below listed hours for each month and adjusted for power factor as provided herein:

Months

**Hours Applicable for
Demand Billing - EST**

October through April

7:00 a.m. to 12:00 noon
5:00 p.m. to 10:00 p.m.

May through September

10:00 a.m. to 10:00 p.m.

Date of Issue: March 26, 2009
Issued By: _____
(Name of Officer)

Date Effective: April 1, 2009
Title: Manager

Form For Filing Rates Schedules

For All Territory Served

Taylor County Rural Electric
Cooperative Corp.
Name of Issuing Corporation

PSC KY No. _____
SHEET No. 74
Canceling PSC KY No. _____
Revised Sheet No. 74

CLASSIFICATION OF SERVICE

Large Industrial Rate - Schedule C2

Availability

Applicable to contracts with demands of 5,000 to 9,000 KW with a monthly energy usage equal to or greater than 400 hours per KW of billing demand. These contracts will be two "two-party" contracts with the first one being between the Seller and the Cooperative association and the second one being between the Seller and the ultimate consumer

Monthly Rate

Consumer Charge	\$2,750.09	
Demand Charge	\$5.93	per kW of billing demand
Energy Charge	\$.04112	per kWh

Billing Demand

The monthly billing demand shall be the greater of (a) or (b) listed below:

- (a) The contract demand
- (b) The ultimate consumer's peak demand during the current month or preceding eleven months. The peak demand shall be the highest average rate at which energy is used during any fifteen-minute interval in the below listed hours for each month and adjusted for power factor as provided herein:

Months

**Hours Applicable for
Demand Billing - EST**

October through April

7:00 a.m. to 12:00 noon
5:00 p.m. to 10:00 p.m.

May through September

10:00 a.m. to 10:00 p.m.

Date of Issue: March 26, 2009 Date Effective: April 1, 2009
Issued By: _____ Title: Manager
(Name of Officer)

Form For Filing Rates Schedules

For All Territory Served

Taylor County Rural Electric
Cooperative Corp.
Name of Issuing Corporation

PSC KY No. _____
SHEET No. 77
Canceling PSC KY NO. _____
Revised Sheet No. 77

CLASSIFICATION OF SERVICE

Large Industrial Rate - Schedule C3

Availability

Applicable to contracts with demands of 10,000 KW and over with a monthly energy usage equal to or greater than 400 hours per KW of billing demand. These contracts will be two "two-party" contracts with the first one being between the Seller and the Cooperative association and the second one being between the Seller and the ultimate consumer

Monthly Rate

Consumer Charge	\$3,280.73	
Demand Charge	\$5.93	per kW of billing demand
Energy Charge	\$0.04003	per kWh

Billing Demand

The monthly billing demand shall be the greater of (a) or (b) listed below:

- (a) The contract demand
- (b) The ultimate consumer's peak demand during the current month or preceding eleven months. The peak demand shall be the highest average rate at which energy is used during any fifteen-minute interval in the below listed hours for each month and adjusted for power factor as provided herein:

Months

Hours Applicable for Demand Billing - EST

October through April	7:00 a.m. to 12:00 noon 5:00 p.m. to 10:00 p.m.
May through September	10:00 a.m. to 10:00 p.m.

Date of Issue: March 26, 2009 Date Effective: April 1, 2009
 Issued By: _____ Title: Manager
 (Name of Officer)

Form For Filing Rates Schedules

For All Territory Served

PSC KY No. _____

Taylor County Rural Electric
Cooperative Corp. _____

SHEET No. 80

Name of Issuing Corporation

Canceling PSC KY No. _____

Revised Sheet No. 80

CLASSIFICATION OF SERVICE

Large Industrial Rate - Schedule B1

Availability

Applicable to contracts with demands of 500 to 4,999 KW with a monthly energy usage equal to or greater than 400 hours per KW of billing demand.

Monthly Rate

Consumer Charge	\$1,176.88
Demand Charge per kW of Contract Demand	\$5.93
Demand Charge per kW for Billing Demand in Excess of Contract Demand	\$8.60
Energy Charge per kWh	\$0.04662

Billing Demand

The monthly billing demand (kilowatt demand) shall be the contract demand plus any excess demand. Excess demand occurs when the consumer's peak demand during the current month exceeds the contract demand. The load center's peak demand is the highest average rate at which energy is used during any fifteen-minute interval in the below listed hours for each month and adjusted for power factor as provided herein:

<u>Months</u>	<u>Hours Applicable for Demand Billing - EST</u>
October through April	7:00 a.m. to 12:00 noon 5:00 p.m. to 10:00 p.m.
May through September	10:00 a.m. to 10:00 p.m.

Date of Issue: March 26, 2009 Date Effective: April 1, 2009
 Issued By: _____ Title: Manager
 (Name of Officer)

Form For Filing Rates Schedules

For All Territory Served

Taylor County Rural Electric
Cooperative Corp.
Name of Issuing Corporation

PSC KY No. _____
SHEET No. 83
Canceling PSC KY No. _____
Revised Sheet No. 83

CLASSIFICATION OF SERVICE

Large Industrial Rate - Schedule B2

Availability

Applicable to contracts with demands of 5,000 to 9,999 KW with a monthly energy usage equal to or greater than 400 hours per KW of billing demand.

Monthly Rate

Consumer Charge	\$2,750.09
Demand Charge per KW of Contract Demand	\$5.93
Demand Charge per KW for Billing Demand in Excess of Contract Demand	\$8.60
Energy Charge per KWH	\$0.04112

Billing Demand

The monthly billing demand (kilowatt demand) shall be the contract demand plus any excess demand. Excess demand occurs when the consumer's peak demand during the current month exceeds the contract demand. The load center's peak demand is the highest average rate at which energy is used during any fifteen-minute interval in the below listed hours for each month and adjusted for power factor as provided herein:

<u>Months</u>	<u>Hours Applicable for Demand Billing - EST</u>
October through April	7:00 a.m. to 12:00 noon 5:00 p.m. to 10:00 p.m.
May through September	10:00 a.m. to 10:00 p.m.

Date of Issue: March 26, 2009 Date Effective: April 1, 2009
Issued By: _____ Title: Manager
(Name of Officer)

Form For Filing Rates Schedules

For All Territory Served
PSC KY No. _____
SHEET No. 86
Canceling PSC KY No. _____
Revised Sheet No. 86

Taylor County Rural Electric
Cooperative Corp.
Name of Issuing Corporation

CLASSIFICATION OF SERVICE

Large Industrial Rate - Schedule B3

Availability

Applicable to contracts with demands of 10,000 KW and over with a monthly energy usage equal to or greater than 400 hours per KW of billing demand.

Monthly Rate

Consumer Charge	\$3,280.73
Demand Charge per KW of Contract Demand	\$5.93
Demand Charge per KW for Billing Demand in Excess of Contract Demand	\$8.60
Energy Charge per KWH	\$0.04003

Billing Demand

The monthly billing demand (kilowatt demand) shall be the contract demand plus any excess demand. Excess demand occurs when the consumer's peak demand during the current month exceeds the contract demand. The load center's peak demand is the highest average rate at which energy is used during any fifteen-minute interval in the below listed hours for each month and adjusted for power factor as provided herein:

<u>Months</u>	<u>Hours Applicable for Demand Billing - EST</u>
October through April	7:00 a.m. to 12:00 noon 5:00 p.m. to 10:00 p.m.
May through September	10:00 a.m. to 10:00 p.m.

Date of Issue: March 26, 2009 Date Effective: April 1, 2009
Issued By: _____ Title: Manager
(Name of Officer)

Form For Filing Rates Schedules

For All Territory Served

Taylor County Rural Electric
Cooperative, Corp.

PSC KY No. _____

Revised SHEET NO. _____

Name of Issuing Corporation

Canceling PSC KY NO. _____

Sheet NO. _____

CLASSIFICATION OF SERVICE

Interruptible Service

INTERRUPTIBLE SERVICE

APPLICABLE: In all territory served.

STANDARD RIDER: This Interruptible Rate is a rider to Rate Schedule GP Part 2 General Purpose Service.

AVAILABILITY OF SERVICE: This schedule shall be made available to any customer who contracts for an interruptible demand of not less than 250 kW and not more than 20,000 kW, subject to a maximum number of hours of interruption per year and a notice period as listed below.

MONTHLY RATES: A monthly demand credit per kW is based on the following matrix:

<u>NOTICE MINUTES</u>	<u>ANNUAL HOURS OF INTERRUPTION</u>		
	<u>200</u>	<u>300</u>	<u>400</u>
10	\$4.20	\$4.90	\$5.60
60	\$3.50	\$4.20	\$4.90

DETERMINATION OF BILLING DEMAND: The billing demand shall be the maximum kilowatt demand established by the consumer for any period of fifteen consecutive minutes during the month for which the bill is rendered, as indicated or recorded by a demand meter and adjusted for power factor as provided in Rate Schedule GP Part 2.

The interruptible billing demand shall be equal to the amount by which the monthly billing demand exceeds the minimum billing demand as specified in the contract.

CONDITIONS OF SERVICE:

1. The customer will, upon notification by the Cooperative, reduce his load being supplied by the Cooperative to the firm amount capacity level specified by the contract.
2. The Cooperative will endeavor to provide the customer as much advance notice as possible of the interruption of service. However, the customer shall interrupt service within the notice period as contracted.
3. Service will be furnished under the Cooperative's "General Rules and Regulations" or "Terms and Conditions" except as set out herein and/or provisions agreed to by written contract.

DATE OF ISSUE: March 26, 2009 DATE EFFECTIVE April 1, 2009

ISSUE BY: _____ Title: Manager
(Name of Officer)

Form For Filing Rates Schedules

For All Territory Served _____

Taylor County Rural Electric
Cooperative, Corp. _____

PSC KY No. _____

Name of Issuing Corporation

Revised SHEET NO. _____

Canceling PSC KY NO. _____

Sheet NO. _____

CLASSIFICATION OF SERVICE

Interruptible Service

INTERRUPTIBLE SERVICE

APPLICABLE: In all territory served.

STANDARD RIDER: This Interruptible Rate is a rider to Rate Schedule B1 Large Industrial Rate, B2 Large Industrial Rate, B3 Large Industrial Rate, C1 Large Industrial Rate, C2 Large Industrial Rate, and C3 Large Industrial Rate.

AVAILABILITY OF SERVICE: This schedule shall be made available to any customer who contracts for an interruptible demand of not less than 250 kW and not more than 20,000 kW, subject to a maximum number of hours of interruption per year and a notice period as listed below.

MONTHLY RATES: A monthly demand credit per kW is based on the following matrix:

<u>NOTICE MINUTES</u>	<u>ANNUAL HOURS OF INTERRUPTION</u>		
	<u>200</u>	<u>300</u>	<u>400</u>
10	\$4.20	\$4.90	\$5.60
60	\$3.50	\$4.20	\$4.90

DETERMINATION OF BILLING DEMAND: The billing demand shall be the maximum kilowatt demand established by the consumer for any period of fifteen consecutive minutes during the month for which the bill is rendered, as indicated or recorded by a demand meter and adjusted for power factor as provided in the above listed Rate Schedules and recorded during the below listed hour:

<u>Months</u>	<u>Hours Applicable for Demand Billing- E.S.T.</u>
October through April	7:00 a.m. to 12:00 noon 5:00 p.m. to 10:00 p.m.
May through September	10:00 a.m. to 10:00 p.m.

The interruptible billing demand shall be equal to the amount by which the monthly billing demand exceeds the minimum billing demand as specified in the contract.

Date of Issue: March 26, 2009 Date Effective: April 1, 2009

Issued By: _____ Title: Manager
(Name of Officer)

Barry L Myers
Manager
Taylor County R.E.C.C.
100 West Main Street
P. O. Box 100
Campbellsville, KY 42719

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