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FEB 15 2008

PUBLIC SERVICE
COMMISSION

COMMONWEALTH OF KENTUCKY

BEFORE THE PUBLIC SERVICE COMMISSION OF KENTUCKY

In the Matter of:)	
)	
The Application of Meade County)	
Rural Electric Cooperative)	CASE NO. 2007-00470
Corporation for Approval of Retail)	
Tariff Riders, Revised Tariffs and)	
New Tariff and for Approval of)	
Amendment of Wholesale Agreement)	

APPLICATION

DORSEY, KING, GRAY, NORMENT & HOPGOOD
 318 Second Street
 Henderson, Kentucky 42420
 (270) 826-3965 Telephone
 (270) 826-6672 Telefax
 Attorneys for Meade County Rural
 Electric Cooperative Corporation

By



 FRANK N. KING, JR.

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PUBLIC SERVICE
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In the Matter of:)
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The Application of Meade County)
Rural Electric Cooperative) CASE NO. 2007-00470
Corporation for Approval of Retail)
Tariff Riders, Revised Tariffs and)
New Tariff and for Approval of)
Amendment of Wholesale Agreement)

APPLICATION

The application of Meade County Rural Electric Cooperative Corporation (“Meade County”) respectfully shows:

Introduction

Meade County is a distribution cooperative and is a member of BIG RIVERS ELECTRIC CORPORATION (“Big Rivers”). Big Rivers is seeking approval of five (5) wholesale tariff riders in pending Cases Nos. 2007-00455 and 2007-00460. Big Rivers also is seeking approval to enter into an amended wholesale power agreement with Meade County.

The purpose of the instant application is to obtain approvals as follows:

- Approval of five (5) corresponding retail tariff riders that will flow through to retail customers any credit or charge resulting from Big Rivers' said wholesale tariff riders, and of a sixth retail tariff rider that will be used to confirm that the net effect of the five (5) corresponding riders is zero for a projected period of time expected to be approximately five (5) years;
- Approval to revise two (2) tariffs and issue a new tariff to accommodate the flow through; and
- Approval of amendment to the wholesale agreement with Big Rivers.

The approvals sought herein are authorized pursuant to KRS 278.180, KRS 278.190, 807 KAR 5:011, 807 KAR 5:056 and all other applicable law. Notice of intent to file this application with respect to approvals of the new and revised tariffs was given to the Commission consistent with 807 KAR 5:011, Section 8(2).

* * * * *

(a) Meade County is a nonprofit electric cooperative organized under KRS Chapter 279 and is engaged in the business of distributing retail electric power to member customers in the Kentucky counties of Breckinridge, Grayson, Hancock, Hardin, Meade and Ohio.

(b) The post office address of Meade County is Post Office Box 489, Brandenburg, KY 40108. The street address of Meade County is 1351 Hwy. 79, Brandenburg, KY 40108.

(c) A copy of the Articles of Incorporation of Meade County is filed in Case No. 90-134.

(d) Meade County requests the Commission to approve five (5) retail tariff riders that will flow through to retail customers any credit or charge resulting from the Big Rivers' wholesale tariff riders mentioned above. Meade County further requests the Commission to approve a sixth retail tariff rider that may be used to confirm that the net effect of the aforementioned five (5) retail tariff riders is zero as long as funds referred to as Economic Reserve funds are available, which is expected to be for approximately five (5) years. These six (6) retail tariff riders are attached as exhibits as follows:

<u>Rider</u>	<u>Exhibit</u>
Fuel Adjustment Clause (FAC)	1
Environmental Surcharge (ES)	2
Unwind Surcredit (US)	3
Rebate Adjustment	4
Member Rate Stability Mechanism (MRSM)	5
Unwind Rider – Composite Factor (URCF)	6

(e) Meade County further requests the Commission to approve the revision of two (2) existing tariff schedules and the issuance of a new tariff schedule in order to accommodate the desired flow through. These proposed revised tariffs, along with current tariffs and a comparison of said tariffs, and new tariff are attached as exhibits as follows:

<u>Tariff</u>	<u>Exhibit</u>
Schedule 8 – Small Power Production or Cogeneration (100 KW and Under) (Customer Sells Power to Meade County)	7A, 7B, 7C

Schedule 9 – Small Power and Cogeneration
(Over 100 KW) (Customer Sells Power to Big Rivers)

8A, 8B, 8C

Schedule 10 – Small Power and Cogeneration
(Over 100 KW) (Customer Buys Power from Meade County)

9

(f) Meade County requests that, as long as the net effect of the five (5) Big Rivers tariff riders is zero, the Commission authorize Meade County to show the retail tariff riders on customers' bills in any one of the three (3) following ways: (i) Each of the corresponding five (5) retail tariff riders without the sixth Composite Factor (URCF) rider; (ii) the Composite Factor (URCF) rider without the corresponding five (5) retail tariff riders, or (iii) each of the corresponding five (5) retail tariff riders and the sixth Composite Factor (URCF) rider setting the five (5) to zero. The Commission's requested authorization will, in effect, allow Meade County to exercise discretion in choosing the option to insure the intended zero net effect of the five (5) corresponding retail tariff riders until their net effect is no longer zero and to simplify as much as reasonably possible the form and the content of the customers' bills. At that time the Composite Factor (URCF) rider will be obsolete and the five (5) corresponding retail tariff riders will be required to appear on customers' statements.

(g) Meade County submits that the approvals sought herein, combined with existing rates, will result in rates that are fair, just and reasonable and Meade County requests the Commission to make this determination.

(h) In support of this application Meade County offers the prepared testimony of rate analyst Jack D. Gaines which is attached as "Exhibit 10." This testimony supports the six (6) retail tariff riders and revised tariffs and a new tariff for

Small Power Production and Qualifying Facilities that will be needed to pass through the effects of the five (5) wholesale tariff riders and the changes to the wholesale tariffs for Small Power Production and Qualifying Facilities that Big Rivers is proposing in Case No. 2007-00455 and Case No. 2007-00460. Mr. Gaines also concludes that these riders, revised tariffs and new tariff combined with Meade County's existing rates, will result in rates that are fair, just and reasonable.

(i) Meade County has given notice to its customers by publishing in a prominent manner in newspapers of general circulation in its service area a public notice, a copy of which is attached as "Exhibit 11." This public notice is being published in this manner for three (3) consecutive weeks and proof of publication will be provided to the Commission when available.

(j) In paragraph 50 of the Application in Case No. 2007-00455 reference is made to an amended wholesale agreement between Meade County and Big Rivers, a copy of which is included in Exhibit 27 of said Application and incorporated herein by reference. Meade County requests the Commission to approve said amended wholesale agreement.

(k) Attached as "Exhibit 12" is the prepared testimony of Burns Mercer, Meade County's President and CEO, in support of this filing and the approvals sought herein.

(l) Meade County will need to make non-substantive changes to some of its existing tariff schedules that are not mentioned herein, depending on the terms of the

Commission's final order in this case. Meade County will submit request for approval of such changes at the convenience of the Commission, and as directed.

WHEREFORE, Meade County requests as follows:

(1) That the Commission make the determination that the proposed retail tariff riders, revised tariffs and new tariff, in combination with the existing rates, will result in rates that are fair, just and reasonable;

(2) That the Commission approve the above mentioned six (6) retail tariff riders, two revised tariffs and new tariff;

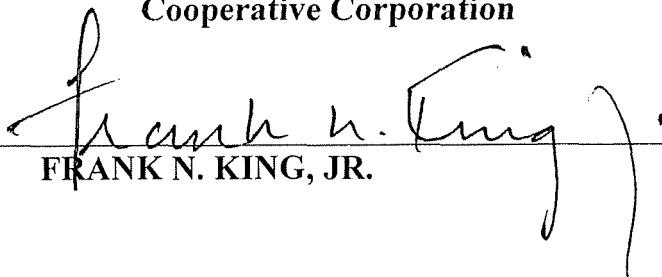
(3) That the Commission authorize Meade County to show the retail tariff riders on its customers' bills in any one of the three (3) ways set forth above in paragraph (f);

(4) That the Commission approve the amendment to wholesale agreement;
and

(5) That Meade County be afforded all proper relief.

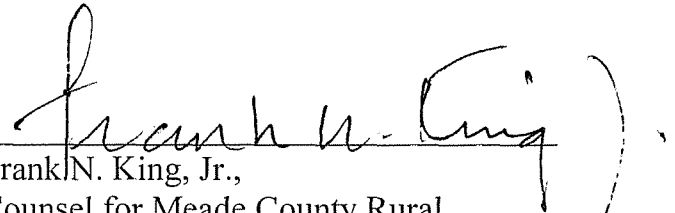
DORSEY, KING, GRAY, NORMENT & HOPGOOD
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Henderson, Kentucky 42420
(270) 826-3965 Telephone
(270) 826-6672 Telefax
Attorneys for Meade County Rural Electric
Cooperative Corporation

By


FRANK N. KING, JR.

CERTIFICATE OF SERVICE

I hereby certify that the foregoing was served on the persons named in the attached service list by mailing true and correct copies of same this the 14th day of February, 2008.


Frank N. King, Jr.,
Counsel for Meade County Rural
Electric Cooperative Corporation

Case No 2007-00470
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Hon. James M. Miller
Hon. Tyson Kamuf
Sullivan, Mountjoy, Stainback & Miller
Post Office Box 727
Owensboro, KY 42402
Attorneys for Big Rivers Electric
Corporation

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Attorney for E.ON U.S., LLC,
West Kentucky Energy Corp. and
LG&E Energy Marketing, Inc.

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Corporation and Century Aluminum of
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Power & Light

Hon. Dennis Howard
Assistant Attorney General
Office of the Attorney General
Utility & Rate Intervention Division
1024 Capital Center Drive-Suite 200
Frankfort, KY 40601-8204

**MEADE COUNTY RURAL ELECTRIC
COOPERATIVE CORPORATION**

FOR Entire territory served

Community, Town or City

P.S.C. No. 37

Original (Original) Sheet No. 69

(Revised)

Canceling P.S.C. No. _____

(Original) Sheet No. _____

(Revised)

Schedule 18	CLASSIFICATION OF SERVICE	RATE PER UNIT
Fuel Adjustment Clause		
APPLICABILITY		
This Fuel Adjustment Clause ("FAC") is a rider to all rate schedules of Meade County RECC ("Meade" or "Corporation").		
FUEL ADJUSTMENT RATE		
<u>SECTION 1</u>		
<u>BILLINGS TO CUSTOMERS SERVED FROM NON-DEDICATED DELIVERY POINTS</u>		
Billings computed pursuant to rate schedules to which this section is applicable shall be adjusted based on the following formula where all references to costs and revenues will exclude amounts associated with customers served from Dedicated Delivery Points.		
The fuel adjustment rate applicable to kWh sold in the current month under each rate to which this section applies shall be based upon the following formula:		
$F = \frac{W_FAC - O + U}{P(m) \times L} - F(b)$		
Where;		
F = the fuel adjustment rate per kWh for the current month		
W_FAC = the fuel adjustment amount charged by the Corporation's wholesale power supplier on power bill for the second month preceding the month in which F is applied.		
P(m) = the kWh purchased in the second month preceding the month in which F is applied.		
L = One minus the percent system energy losses equal to the rolling twelve month average not to exceed ten percent (10%).		
O = any over recovery amount from the second preceding month.		
U = any under recovery amount from the second preceding month.		
F(b) = Base fuel adjustment factor of \$.00000 per kWh.		

DATE OF ISSUE	February 11, 2008		
	Month	Day	Year
DATE EFFECTIVE	Per order of Commission		
	Month	Day	Year
ISSUED BY	President / CEO P. O. Box 489, Brandenburg, KY 40108		
	Name of Officer	Title	Address
ISSUED BY AUTHORITY OF P.S.C.			

ORDER NO. 2007-00470

**MEADE COUNTY RURAL ELECTRIC
COOPERATIVE CORPORATION**

FOR Entire territory served

 Community, Town or City
 P.S.C. No. 37
Original (Original) Sheet No. 70
 (Revised)

 Canceling P.S.C. No. _____
 (Original) Sheet No. _____
 (Revised)

Schedule 18 - continued	
CLASSIFICATION OF SERVICE	
Fuel Adjustment Clause	RATE PER UNIT
<u>SECTION 2</u>	
<u>BILLINGS TO CUSTOMERS SERVED FROM DEDICATED DELIVERY POINTS</u> <u>(NO LINE LOSSES TO MEADE)</u>	
<p>Billings computed pursuant to rate schedules or special contracts to which this section is applicable shall be increased or decreased during the month equal to the amount charged or credited to Meade by the wholesale power supplier for the customer's dedicated delivery point.</p>	
RATE APPLICATION	
<p>Section 1 of this rider shall apply to Schedule 1, Schedule 2, Schedule 3, Schedule 3A, Schedule 4, Schedule 5, Schedule 6, and Schedule 12. Section 2 of this rider shall apply to rate schedules for service to customers when the wholesale rate paid by the Corporation for the load provided to the customer is either the Big Rivers Large Industrial Tariff or the Big Rivers Large Industrial Expansion Tariff.</p>	

DATE OF ISSUE February 11, 2008

DATE EFFECTIVE	Per order of Commission
ISSUED BY	President / CEO P. O. Box 489, Brandenburg, KY 40108
ISSUED BY AUTHORITY OF P.S.C.	

ORDER NO. 2007-00470

**MEADE COUNTY RURAL ELECTRIC
COOPERATIVE CORPORATION**

FOR Entire territory served

 Community, Town or City
 P.S.C. No. 37
 Original (Original) Sheet No. 71
 (Revised)

 Canceling P.S.C. No. _____
 (Original) Sheet No. _____
 (Revised)

Schedule 19	CLASSIFICATION OF SERVICE	RATE PER UNIT
Environmental Surcharge		
APPLICABILITY		
This Environmental Surcharge ("ES") rider is applicable to all rate schedules of Meade County RECC ("Meade" or "Corporation").		
ENVIRONMENTAL SURCHARGE RATE		
<u>SECTION I</u>		
<u>BILLINGS TO CUSTOMERS SERVED FROM NON-DEDICATED DELIVERY POINTS</u>		
The environmental surcharge adjustment rate applicable to kWh sold in the current month under each rate to which this section applies shall be based upon the following formula:		
$\text{MESF} = \frac{(\text{W_MESF}) + \text{O} - \text{U}}{\text{P}(m) \times \text{L}} - \text{BESF}$		
Where;		
MESF = the environmental surcharge adjustment rate per kWh for the current month		
W_MESF = the environmental surcharge amount charged by the Corporation's wholesale power supplier on the power bill for the second month preceding the month in which the MESF is applied.		
P(m) = the kWh purchased in the second month preceding the month in which the MESF is applied.		
L = One minus the percent system energy losses equal to the rolling twelve month average not to exceed ten percent (10%).		
O = any over recovery amount from the second preceding month.		
U = any under recovery amount from the second preceding month.		
BESF = Base Environmental Surcharge Factor of \$.00000 per kWh		

DATE OF ISSUE February 11, 2008

DATE EFFECTIVE	Month	Day	Year
	Per order of Commission		
ISSUED BY	Month	Day	Year
	Name of Officer	Title	Address
ISSUED BY AUTHORITY OF P.S.C.			President / CEO P. O. Box 489, Brandenburg, KY 40108

**MEADE COUNTY RURAL ELECTRIC
COOPERATIVE CORPORATION**

FOR Entire territory served

 Community, Town or City
 P.S.C. No. 37
Original (Original) Sheet No. 72
 (Revised)
 _____ Canceling P.S.C. No. _____
 (Original) Sheet No. _____
 (Revised)

Schedule 19 - continued	CLASSIFICATION OF SERVICE	
Environmental Surcharge		RATE PER UNIT
<u>SECTION 2</u>		
<u>BILLINGS TO CUSTOMERS SERVED FROM DEDICATED DELIVERY POINTS</u> <u>(NO LINE LOSSES TO MEADE)</u>		
<p>Billings computed pursuant to rate schedules or special contracts to which this section is applicable shall be increased or decreased during the month equal to the amount charged or credited to Meade by the wholesale power supplier for the customer's dedicated delivery point.</p> <p>RATE APPLICATION</p> <p>Section 1 of this rider shall apply to Schedule 1, Schedule 2, Schedule 3, Schedule 3A, Schedule 4, Schedule 5, Schedule 6 and Schedule 12. Section 2 of this rider shall apply to rate schedules for service to customers when the wholesale rate paid by the Corporation for the load provided to the customer is either the Big Rivers Large Industrial Tariff or the Big Rivers Large Industrial Expansion Tariff.</p>		

DATE OF ISSUE February 11, 2008

 Month Day Year
 DATE EFFECTIVE Per order of Commission

 Month Day Year
 ISSUED BY _____ President / CEO P. O. Box 489, Brandenburg, KY 40108

 Name of Officer Title Address
 ISSUED BY AUTHORITY OF P.S.C.

ORDER NO. 2007-00470

**MEADE COUNTY RURAL ELECTRIC
COOPERATIVE CORPORATION**

FOR Entire territory served
Community, Town or City
P.S.C. No. 37
Original (Original) Sheet No. 73
(Revised)
Canceling P.S.C. No. _____
(Original) Sheet No. _____
(Revised)

Schedule 20	CLASSIFICATION OF SERVICE	RATE PER UNIT
Unwind Surcredit Adjustment Clause		
APPLICABILITY		
This Unwind Surcredit Adjustment Clause ("US") is a rider to all rate schedules of Meade County RECC ("Meade" or "Corporation").		
UNWIND SURCREDIT ADJUSTMENT RATE		
<u>SECTION 1</u>		
<u>BILLINGS TO CUSTOMERS SERVED FROM NON-DEDICATED DELIVERY POINTS</u>		
Billings computed pursuant to rate schedules to which this section is applicable shall be adjusted based on the following formula where all references to costs and revenues will exclude amounts associated with customers served from Dedicated Delivery Points.		
The unwind surcredit adjustment rate applicable to kWh sold in the current month under each rate to which this section applies shall be based upon the following formula:		
$US = \frac{W_{US} - O + U}{P(m) \times L}$		
Where;		
US = the unwind surcredit adjustment rate per kWh for the current month.		
W_US = the Unwind Surcredit amount charged by the Corporation's wholesale power supplier on the power bill for the second month preceding the month in which the US is applied.		
P(m) = the kWh purchased in the second month preceding the month in which the US is applied.		
L = One minus the percent system energy losses equal to the rolling twelve month average not to exceed ten percent (10%).		
O = any over recovery amount from the second preceding month.		
U = any under recovery amount from the second preceding month.		

DATE OF ISSUE February 11, 2008

DATE EFFECTIVE Per order of Commission

ISSUED BY President / CEO P. O. Box 489, Brandenburg, KY 40108

ISSUED BY AUTHORITY OF P.S.C. _____

**MEADE COUNTY RURAL ELECTRIC
COOPERATIVE CORPORATION**

FOR Entire territory served

 Community, Town or City
 P.S.C. No. 37
Original (Original) Sheet No. 74
 (Revised)

 Canceling P.S.C. No. _____
 (Original) Sheet No. _____
 (Revised)

Schedule 20 - continued	CLASSIFICATION OF SERVICE	RATE PER UNIT
Unwind Surcredit Adjustment Clause		
<u>SECTION 2</u>		
<u>BILLINGS TO CUSTOMERS SERVED FROM DEDICATED DELIVERY POINTS</u> <u>(NO LINE LOSSES TO MEADE)</u>		
<p>Billings computed pursuant to rate schedules or special contracts to which this section is applicable shall be increased or decreased during the month equal to the amount credited to Meade by the wholesale power supplier for the customer's dedicated delivery point.</p>		
RATE APPLICATION		
<p>Section 1 of this rider shall apply to Schedule 1, Schedule 2, Schedule 3, Schedule 3A, Schedule 4, Schedule 5, Schedule 6 and Schedule 12. Section 2 of this rider shall apply to rate schedules for service to customers when the wholesale rate paid by the Corporation for the load provided to the customer is either the Big Rivers Large Industrial Tariff or the Big Rivers Large Industrial Expansion Tariff.</p>		

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 Name of Officer Title Address
 ISSUED BY AUTHORITY OF P.S.C. President / CEO P. O. Box 489, Brandenburg, KY 40108

ORDER NO. 2007-00470

**MEADE COUNTY RURAL ELECTRIC
COOPERATIVE CORPORATION**

FOR Entire territory served

 Community, Town or City
 P.S.C. No. 37
Original (Original) Sheet No. 75
 (Revised)
 _____ Canceling P.S.C. No. _____
 (Original) Sheet No. _____
 (Revised)

Schedule 21	CLASSIFICATION OF SERVICE	RATE PER UNIT
Rebate Adjustment		
APPLICABILITY		
<p>This Rebate Adjustment is applicable to all rate schedules of Meade County RECC ("Meade" or "Corporation") for the purpose of passing through any Rebate Adjustment amounts received by the Corporation from its wholesale power supplier, Big Rivers Electric Corporation ("BREC").</p> <p><u>SECTION 1</u></p> <p><u>BILLINGS TO CUSTOMERS SERVED FROM NON-DEDICATED DELIVERY POINTS</u></p> <p>Billings computed pursuant to rate schedules to which this section is applicable shall be adjusted based on the following formula where all references to costs and revenues will exclude amounts associated with customers served from Dedicated Delivery Points.</p> <p>The wholesale Rebate Adjustment applicable to this section will be recorded in a payables account and returned in twelve equal installments without interest to the customers in accordance with the formula shown below. The Rebate Adjustment for this section will remain applicable for a twelve month period plus any additional months necessary to complete the over or under refunds or collections. The Corporation will synchronize application of the Rebate Adjustment per this Section with the application by BREC of the wholesale Rebate Adjustment for purposes of the BREC Member Rate Stability Mechanism.</p> <p>Billings computed pursuant to rate schedules to which this Rider is applicable shall be decreased during each refund month by the following Rebate Adjustment factor applied to each kilowatt-hour sold:</p> $RF = \frac{R - O + U}{P(m) \times L}$ <p>Where:</p> <p>RF = the Rebate rate per kWh for the current month. R = one-twelfth of the portion of the most recent Rebate Adjustment Amount received from the Corporation's wholesale power supplier for all non-dedicated delivery points. P(m) = the kWh purchased in the second month preceding the month in which RF is applied. L = One minus the percent system energy losses equal to the rolling twelve month average not to exceed ten percent (10%). O = any over recovery amount from the second preceding month. U = any under recovery amount from the second preceding month.</p>		

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ISSUED BY	President / CEO P. O. Box 489, Brandenburg, KY 40108
ISSUED BY AUTHORITY OF P.S.C.	

ORDER NO. 2007-00470

EXHIBIT

**MEADE COUNTY RURAL ELECTRIC
COOPERATIVE CORPORATION**

FOR Entire territory served

 Community, Town or City
 P.S.C. No. 37
Original (Original) Sheet No. 76
 (Revised)

 Cancelling P.S.C. No. _____
 (Original) Sheet No. _____
 (Revised)

Schedule 21 –continued	CLASSIFICATION OF SERVICE	RATE PER UNIT
Rebate Adjustment		
<u>SECTION 2</u>		
<u>BILLINGS TO CUSTOMERS SERVED FROM DEDICATED DELIVERY POINTS (NO LINE LOSSES TO MEADE)</u>		
<p>Billings computed pursuant to rate schedules or special contracts to which this section is applicable shall be decreased during the month following the receipt of the Rebate Adjustment Amount by the amount credited to Meade by the wholesale power supplier for the customer's dedicated delivery point.</p>		
RATE APPLICATION		
<p>Section 1 of this rider shall apply to Schedule 1, Schedule 2, Schedule 3, Schedule 3A, Schedule 4, Schedule 5, Schedule 6 and Schedule 12. Section 2 of this rider shall apply to rate schedules for service to customers when the wholesale rate paid by the Corporation for the load provided to the customer is either the Big Rivers Large Industrial Tariff or the Big Rivers Large Industrial Expansion Tariff.</p>		

DATE OF ISSUE February 11, 2008

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	Month	Day	Year
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ISSUED BY _____
 Name of Officer Title Address
 President / CEO P. O. Box 489, Brandenburg, KY 40108

ISSUED BY AUTHORITY OF P.S.C.

ORDER NO. 2007-00470

**MEADE COUNTY RURAL ELECTRIC
COOPERATIVE CORPORATION**

FOR Entire territory served

 Community, Town or City
 P.S.C. No. 37
Original (Original) Sheet No. 77
 (Revised)

 Canceling P.S.C. No. _____
 (Original) Sheet No. _____
 (Revised)

Schedule 22	CLASSIFICATION OF SERVICE	RATE PER UNIT
Member Rate Stability Mechanism		
APPLICABILITY		
This Member Rate Stability Mechanism is a rider applicable to all rate schedules of Meade County RECC ("Meade" or "Corporation").		
<u>SECTION 1</u>		
<u>BILLINGS TO CUSTOMERS SERVED FROM NON-DEDICATED DELIVERY POINTS</u>		
Billings computed pursuant to rate schedules to which this section is applicable shall be adjusted based on the following formula where all references to costs and revenues will exclude amounts associated with customers served from Dedicated Delivery Points.		
Billings computed pursuant to rate schedules to which this section is applicable shall be decreased during each month by the following factor applied to each kilowatt-hour sold:		
$\text{MRSM}(m) = \frac{W_MRSM - O + U}{P(m) \times L}$		
Where:		
MRSM(m) = the member rate stability mechanism rate per kWh for the current month.		
W_MRSM = the Member Rate Stability Mechanism amount credited by the Corporation's wholesale power supplier for all non-dedicated delivery points on the power bill for the second month preceding the month in which the MRSM(m) is applied.		
P(m) = the kWh purchased in the second month preceding the month in which MRSM(m) is applied.		
L = One minus the percent system energy losses equal to the rolling twelve month average not to exceed ten percent (10%).		
O = any over recovery amount from the second preceding month.		
U = any under recovery amount from the second preceding month.		

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	Name of Officer	Title	Address
ISSUED BY AUTHORITY OF P.S.C.		President / CEO	P. O. Box 489, Brandenburg, KY 40108

ORDER NO. 2007-00470

EXHIBIT

**MEADE COUNTY RURAL ELECTRIC
COOPERATIVE CORPORATION**

FOR Entire territory served

 Community, Town or City
 P.S.C. No. 37
Original (Original) Sheet No. 78
 (Revised)

 Canceling P.S.C. No. _____
 (Original) Sheet No. _____
 (Revised)

Schedule 22 –continued	CLASSIFICATION OF SERVICE	RATE PER UNIT
Member Rate Stability Mechanism		
<u>SECTION 2</u>		
<u>BILLINGS TO CUSTOMERS SERVED FROM DEDICATED DELIVERY POINTS (NO LINE LOSSES TO MEADE)</u>		
<p>Billings computed pursuant to rate schedules or special contracts to which this section is applicable shall be decreased during the month equal to the amount credited to Meade by the wholesale power supplier for the customer's dedicated delivery point.</p>		
RATE APPLICATION		
<p>Section 1 of this rider shall apply to Schedule 1, Schedule 2, Schedule 3, Schedule 3A, Schedule 4, Schedule 5, Schedule 6 and Schedule 12. Section 2 of this rider shall apply to rate schedules for service to customers when the wholesale rate paid by the Corporation for the load provided to the customer is either the Big Rivers Large Industrial Tariff or the Big Rivers Large Industrial Expansion Tariff.</p>		

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ORDER NO. 2007-00470

**MEADE COUNTY RURAL ELECTRIC
COOPERATIVE CORPORATION**

FOR Entire territory served

 Community, Town or City
 P.S.C. No. 37
Original (Original) Sheet No. 79
 (Revised)

 Canceling P.S.C. No. _____
 (Original) Sheet No. _____
 (Revised)

Schedule 23	CLASSIFICATION OF SERVICE	RATE PER UNIT
Unwind Rider – Composite Factor		
APPLICABILITY		
<p>This Unwind Rider – Composite Factor (“URCF”) is applicable to all rate schedules of Meade County RECC (“Meade” or “Corporation”) <u>for billings to customers served from non-dedicated delivery points</u> upon approval of the Commission. The URCF is not applicable to sales pursuant to the Smelter Agreements and to rate schedules for service to customers when the wholesale rate paid by the Corporation for the load provided to the customer is either the Big Rivers Large Industrial Tariff or the Big Rivers Large Industrial Expansion Tariff.</p> <p>The URCF is a composite of the FAC, the US, the ES, the MRSM, and the Rebate. It will apply in lieu of the five specified individual riders so long as the net effect of the corresponding wholesale riders charged and credited by Meade’s wholesale power supplier for sales subject to this Rider is zero.</p>		
UNWIND RIDER RATE		
<p>Billings computed pursuant to rate schedules to which the URCF is applicable shall be adjusted based on the following formula where all references to costs and revenues will exclude amounts associated with customers served from Dedicated Delivery Points.</p> <p>URCF = \$.00 per kWh if on the preceding month’s wholesale power bill a) the sum of the FAC, US, ES, and MRSM; less b) one-twelfth of any Rebate used to adjust the wholesale MRSM is zero.</p>		
RATE APPLICATION		
<p>This rider shall apply to Schedule 1, Schedule 2, Schedule 3, Schedule 3A, Schedule 4, Schedule 5, Schedule 6 and Schedule 12.</p>		

DATE OF ISSUE February 11, 2008

 Month Day Year
 DATE EFFECTIVE Per order of Commission

 Month Day Year
 ISSUED BY _____
 Name of Officer Title Address
 President / CEO P. O. Box 489, Brandenburg, KY 40108
 ISSUED BY AUTHORITY OF P.S.C.

ORDER NO. 2007-00470

**MEADE COUNTY RURAL ELECTRIC
COOPERATIVE CORPORATION**

FOR Entire territory served
 _____ Community, Town or City
 P.S.C. No. 37
 (Original) Sheet No. 32
 (Revised)
 _____ Cancelling P.S.C. No. 28
 (Original) Sheet No. 32
 (Revised)

Schedule 8	CLASSIFICATION OF SERVICE	RATE PER UNIT
Small Power Production and Co-Generation 100 KW or Less		
<u>Availability of Service:</u> Available only to qualifying small power production or co-generation facilities, 100 KW or below, which have executed an "Agreement for Purchase of Electric Energy" with the Corporation.		
<u>Rate:</u> Base payment of \$0.0204 per KWH.		

DATE OF ISSUE February 11, 2008

 Month Day Year

DATE EFFECTIVE Per order of Commission

 Month Day Year

ISSUED BY _____ Pres. /CEO P. O. Box 489, Brandenburg, KY 40108
 Name of Officer Title Address

ISSUED BY AUTHORITY OF P.S.C.

MEADE COUNTY RURAL ELECTRIC COOPERATIVE CORPORATION

FOR Entire territory served
Community, Town or City _____
P.S.C. No. 28
____ (Original) Sheet No. 32
(Revised)

Cancelling P.S.C. No. 20
____ (Original) Sheet No. _____
(Revised)

Schedule 8	CLASSIFICATION OF SERVICE	RATE PER UNIT
	Small Power Production and Co-Generation 100 KW or Less	
<p><u>Applicable:</u> Entire territory served.</p> <p><u>Availability of Service:</u> Available only to qualifying small power production or co-generation facilities, 100 KW or below, which have executed an "Agreement for Purchase of Electric Energy" with the Corporation.</p> <p><u>Rate:</u> Base payment of \$.01694 per KWH plus current fuel adjustment.</p>		
		<p>PUBLIC SERVICE COMMISSION OF KENTUCKY EFFECTIVE</p> <p>OCT 24 1995</p> <p>PURSUANT TO 807 KAR 5.011, SECTION 9(1)</p>

DATE OF ISSUE December 1, 1988 BY: Jordan C. Neal
Month Day Year FOR THE PUBLIC SERVICE COMMISSION

DATE EFFECTIVE January 1, 1989
Month Day Year

ISSUED BY Barbara E. Neal Manager P. O. Box 367, Brandenburg, KY 40108
Name of Officer Title Address

ISSUED BY AUTHORITY OF P.S.C.

EXHIBIT
7B
Current

MEADE COUNTY RURAL ELECTRIC COOPERATIVE CORPORATION

FOR ~~Entire territory served~~
Community, Town or City _____
P.S.C. No. 28
(Original) Sheet No. 32
(Revised) _____

Cancelling P.S.C. No. 20
(Original) Sheet No. _____
(Revised) _____

Schedule 8	CLASSIFICATION OF SERVICE	RATE PER UNIT
	Small Power Production and Co-Generation 100 KW or Less	
<u>Applicable:</u> Entire territory served.		B
<u>Availability of Service:</u> Available only to qualifying small power production or co-generation facilities, 100 KW or below, which have executed an "Agreement for Purchase of Electric Energy" with the Corporation.		
<u>Rate:</u> Base payment of \$.01694 per KWH plus current fuel adjustment. 0204		IT

PUBLIC SERVICE COMMISSION
OF KENTUCKY
EFFECTIVE

OCT 24 1995

PURSUANT TO 807 KAR 5:011,
SECTION 9(1)

DATE OF ISSUE December 1, 1988
Month Day

BY Jordan C. Neal
FOR THE PUBLIC SERVICE COMMISSION

DATE EFFECTIVE January 1, 1989
Month Day

ISSUED BY Bruno E. New Manager
Name of Officer Title

P. O. Box 367, Brandenburg, KY
Address

EXHIBIT
7C
Comparison

**MEADE COUNTY RURAL ELECTRIC
COOPERATIVE CORPORATION**

FOR Entire territory served

 Community, Town or City
 P.S.C. No. 37
 (Original) Sheet No. 33
 (Revised)

 Canceling P.S.C. No. 28
 (Original) Sheet No. 33
 (Revised)

Schedule 9	CLASSIFICATION OF SERVICE	
BIG RIVERS COGENERATION AND SMALL POWER PRODUCTION PURCHASE TARIFF – OVER 100 KW:	RATE PER UNIT	
<p>a. <u>Availability:</u></p> <p>Available to any customer of a Member Cooperative who qualifies as a cogenerator or small power producer pursuant to Regulation 807 KAR 5:054 of the Kentucky Public Service Commission.</p>		
<p>b. <u>Applicability of Service:</u></p> <p>Applicable to any small power production or cogeneration "qualifying facility" with capacity over 100 kW as defined by the Kentucky Public Service Commission Regulations 807 KAR 5:054, and which contracts to sell energy or capacity or both to Big Rivers.</p>		
<p>c. <u>Terms and Conditions:</u></p> <ol style="list-style-type: none"> (1) The cogeneration or small power production facility must have a total design capacity over 100 kW. (2) All power from a QF purchased under this tariff will be sold to Big Rivers. (3) The QF must provide good quality electric power within a reasonable range of voltage, frequency, flicker, harmonic currents, and power factor (4) QF shall provide reasonable protection for Big Rivers and the Member Cooperative's system. (5) QF shall design, construct, install, own, operate, and maintain the Qualifying Facility in accordance with all applicable codes, laws, regulations, and generally accepted utility practices. 		

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ISSUED BY Pres. / CEO P. O. Box 489, Brandenburg, KY 40108

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ISSUED BY AUTHORITY OF P.S.C.

**MEADE COUNTY RURAL ELECTRIC
COOPERATIVE CORPORATION**

Community, Town or City

P.S.C. No. 37

Original (Original) Sheet No. 34
(Revised)

Canceling P.S.C. No. _____

(Original) Sheet No. _____
(Revised)

Schedule 9 - continued	CLASSIFICATION OF SERVICE	RATE PER UNIT
BIG RIVERS COGENERATION AND SMALL POWER PRODUCTION PURCHASE TARIFF - OVER 100 KW:		
<p>(6) QF shall reimburse Big Rivers and the Member Cooperative for all costs incurred as a result of interconnecting with the QF, including operation, maintenance, administration, and billing. QF shall enter into a written contract with Big Rivers. All conditions applying to QF service shall be specified in the contract executed by the parties and are subject to the jurisdiction of the Kentucky Public Service Commission and to Big Rivers' terms and conditions regarding a QF then in effect. For contracts which cover the purchase of energy only, the term shall be one year and shall be self-renewing from year-to-year thereafter unless cancelled by either party with not less than one year's written notice. For contracts which cover the purchase of capacity and energy, the term shall be not less than 5 years and self-renewing from year-to-year thereafter unless cancelled by either party with not less than one year's written notice.</p> <p>d. <u>Definitions:</u></p> <p>(1) Big Rivers - "Big Rivers" shall mean Big Rivers Electric Corporation.</p> <p>(2) Member Cooperatives - As of the effective date of this tariff, "Member Cooperatives" means collectively, Kenergy Corp., Jackson Purchase Energy Corporation and Meade County Rural Electric Cooperative Corporation.</p> <p>(3) QF - "QF" means a cogeneration or small power production facility meeting the criteria for Qualifying Facility of Section 4 of 807 KAR 5:054.</p> <p>(4) Inter Utility Market - "Inter Utility Market" means any supplier of wholesale electric service to Big Rivers other than SEPA and the City of Henderson's Station Two.</p>		

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ISSUED BY Pres. / CEO P. O. Box 489, Brandenburg, KY 40108

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ORDER NO. 2007-00470

**MEADE COUNTY RURAL ELECTRIC
COOPERATIVE CORPORATION**

FOR Entire territory served
Community, Town or City
P.S.C. No. 37
Original (Original) Sheet No. 35
(Revised)
Canceling P.S.C. No. _____
(Original) Sheet No. _____
(Revised)

Schedule 9 - continued	CLASSIFICATION OF SERVICE	
BIG RIVERS COGENERATION AND SMALL POWER PRODUCTION PURCHASE TARIFF – OVER 100 KW:		RATE PER UNIT
e. <u>Rates for Purchases from QFs:</u>		
(1)	<u>Capacity Purchase Rates:</u>	
<p>As long as Big Rivers has surplus generation from its owned coal fired generation and power available from SEPA and the City of Henderson's Station Two, the Capacity Purchase Rate (CPR) will be zero. At such time Big Rivers has no surplus generation from its owned coal fired generation and power available from SEPA and the City of Henderson's Station Two, the hourly avoided capacity cost (ACC) in \$ per megawatt hour, which is payable to a QF for delivery of capacity, shall be equal to the effective purchase price for power available to Big Rivers from the Inter-Utility Market (which includes both energy and capacity charges) less Big Rivers' actual variable fuel expense (EPR). The total amount of the avoided capacity cost payment to be made to a QF in an hour is equal to [ACC x CAP], where CAP, the capacity delivered by the QF, is determined on the basis of the system demand and Big Rivers' need for capacity in that hour to adequately serve the load.</p>		
<u>Determination of CAP:</u>		
<p>For the determination of CAP Big Rivers will determine at the time a QF signs a contract to deliver capacity the capacity proposed to be provided by the QF and will cause the QF to enter into a contract stating the CAP limits. Big Rivers will pay for CAP at the above stated rate only when Big Rivers' owned and previously arranged for capacity is not sufficient to meet its system demand.</p>		

DATE OF ISSUE February 11, 2008

DATE EFFECTIVE Per order of Commission

ISSUED BY _____ Pres. / CEO P. O. Box 489, Brandenburg, KY 40108

ISSUED BY AUTHORITY OF P.S.C. _____

ORDER NO. 2007-00470

**MEADE COUNTY RURAL ELECTRIC
COOPERATIVE CORPORATION**

FOR Entire territory served
Community, Town or City
P.S.C. No. 37
Original (Original) Sheet No. 36
(Revised)

Canceling P.S.C. No. _____
(Original) Sheet No. _____
(Revised)

Schedule 9 - continued	CLASSIFICATION OF SERVICE	
BIG RIVERS COGENERATION AND SMALL POWER PRODUCTION PURCHASE TARIFF – OVER 100 KW:		RATE PER UNIT
<p>(2) <u>Firm Energy Purchase Rates:</u></p> <p>The Energy Purchase Rates (EPR) in \$ per megawatt hour, which is payable to a QF for delivery of energy, shall be equal to Big Rivers' actual variable fuel expenses for Big Rivers' owned coal fired production facilities, divided by the associated megawatt-hours of generation, as determined for the previous month. The total amount of the avoided energy cost payment to be made to a QF in an hour is equal to [EPR x EQF] where EQF is the amount of megawatt-hours delivered by a QF in that hour and which are determined by suitable metering.</p> <p>f. <u>Payment:</u></p> <p>Big Rivers shall pay each bill for electric power rendered to it in accordance with the terms of the contract, within 30 days of the date the bill is rendered.</p> <p>g. <u>System Emergencies:</u></p> <p>During system emergencies, Big Rivers may discontinue purchases or the QF may be required to provide energy or capacity in accordance with 807 KAR 5:054 – Section 6.</p> <p>h. <u>Interconnections:</u></p> <p>Big Rivers requires a three party interconnection agreement between the QF Member, Big Rivers, and the Member Cooperative prior to service under this tariff. Big Rivers shall make interconnections with the Member Cooperative, the QF Member, or both as required and the QF Member will pay for the interconnection costs in accordance with 807 KAR 5:054 –</p>		

DATE OF ISSUE February 11, 2008

DATE EFFECTIVE Per order of Commission

ISSUED BY _____ Pres. / CEO P. O. Box 489, Brandenburg, KY 40108

ISSUED BY AUTHORITY OF P.S.C. _____

ORDER NO. 2007-00470

**MEADE COUNTY RURAL ELECTRIC
COOPERATIVE CORPORATION**

FOR Entire territory served
Community, Town or City
 P.S.C. No. 37
Original (Original) Sheet No. 37
 (Revised)
 Canceling
 _____ (Original) Sheet No. _____
 (Revised)

Schedule 9 - continued	CLASSIFICATION OF SERVICE	
BIG RIVERS COGENERATION AND SMALL POWER PRODUCTION PURCHASE TARIFF – OVER 100 KW:		RATE PER UNIT
Section 6 and the interconnection agreement.		
i. <u>Loss Compensation:</u> Power and energy purchased by Big Rivers pursuant to this rate schedule which must be transmitted to Big Rivers' transmission system across or through utilities owned by a Member Cooperative shall be subject to an adjustment to reflect losses between the QF and the point of delivery to the Big Rivers transmission system.		

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DATE EFFECTIVE Per order of Commission

ISSUED BY _____ Pres. / CEO P. O. Box 489, Brandenburg, KY 40108

ISSUED BY AUTHORITY OF P.S.C.

ORDER NO. 2007-00470

MEADE COUNTY RURAL ELECTRIC COOPERATIVE CORPORATION

FOR Entire territory served
 Community, Town or City _____
 P.S.C. No. 28
 (Original) Sheet No. 33
 (Revised) _____

Cancelling P.S.C. No. 23
 (Original) Sheet No. 38
 (Revised) _____

Schedule 9 CLASSIFICATION OF SERVICE		
Small Power Production and Co-Generation over 100 KW	RATE PER UNIT	
<p><u>Applicable:</u> Entire territory served.</p> <p><u>Availability of Service:</u> Available only to qualifying small power production or co-generation facilities, above 100 KW, which have executed an "Agreement for Purchase of Electric Energy" with Corporation. Rates below are to be used as the basis for negotiating a final purchase rate and are not to be taken as a firm rate for any facilities.</p> <p><u>Rates:</u></p> <p>A. <u>Capacity (if applicable):</u></p> <p>(1) When connected to electric distribution lines of 25 KV or below: A payment of \$4.12 per kilowatt per month, provided capacity is delivered for a minimum of 520 hours during the month. Payment will be based upon the average capacity delivered each month as determined by dividing the metered KWH delivered by the number of hours in the billing period. Deliveries for less than 520 hours will receive the energy payment only.</p> <p>(2) When connected to electric transmission lines above 25 KV: A payment of \$4.04 per kilowatt per month, provided capacity is delivered for a minimum of 520 hours during the month. Payment will be based upon the average capacity delivered each month as determined by dividing the metered KWH delivered by the number of hours in the billing period. Deliveries for less than 520 hours will receive the energy payment only.</p> <p>B. <u>Energy:</u> Base payment of \$.01694 per KWH plus current fuel adjustment.</p>		

PUBLIC SERVICE COMMISSION
 OF KENTUCKY
 EFFECTIVE

DATE OF ISSUE December 1, 1988
Month Day Year

DATE EFFECTIVE January 1, 1989
Month Day Year

ISSUED BY [Signature] Manager P. O. Box 367, Brandenburg, KY 40303
Name of Officer Title Address

ISSUED BY AUTHORITY OF P.S.C.

PURSUANT TO 801 KAR 5.011, SECTION 9(1)
 BY: [Signature]
 PUBLIC SERVICE COMMISSION

MEADE COUNTY RURAL ELECTRIC COOPERATIVE CORPORATION

FOR Entire territory served
 Community, Town or City _____
 P.S.C. No. 28
 (Original) Sheet No. 33
 (Revised) _____

Cancelling P.S.C. No. 23
 (Original) Sheet No. 38
 (Revised) _____

Schedule 9	CLASSIFICATION OF SERVICE	RATE PER UNIT
Small Power Production and Co-Generation over 100 KW		
<p><u>Applicable:</u> Entire territory served.</p>		D
<p><u>Availability of Service:</u> Available only to qualifying small power production or co generation facilities, above 100 KW, which have executed an "Agreement for Purchase of Electric Energy" with Corporation. Rates below are to be used as the basis for negotiating a final purchase rate and are not to be taken as a firm rate for any facilities.</p>		T T T T T
<p><u>Rates:</u> <u>A. Capacity (if applicable):</u></p>		T T T
<p>(1) When connected to electric distribution lines of 25 KV or below:</p>		T T T T T T
<p>A payment of \$4.12 per kilowatt per month, provided capacity is delivered for a minimum of 520 hours during the month. Payment will be based upon the average capacity delivered each month as determined by dividing the metered KWH delivered by the number of hours in the billing period. Deliveries for less than 520 hours will receive the energy payment only.</p>		T T T T T T
<p>(2) When connected to electric transmission lines above 25 KV:</p>		T T T T T T
<p>A payment of \$4.04 per kilowatt per month, provided capacity is delivered for a minimum of 520 hours during the month. Payment will be based upon the average capacity delivered each month as determined by dividing the metered KWH delivered by the number of hours in the billing period. Deliveries for less than 520 hours will receive the energy payment only.</p>		T T T T T T
<p><u>B. Energy:</u> Base payment of \$.01694 per KWH plus current fuel adjustment.</p>		T T T T T T

PUBLIC SERVICE COMMISSION
 OF KENTUCKY
 EFFECTIVE

DATE OF ISSUE December 1, 1988 Month Day Year OCT
 DATE EFFECTIVE January 1, 1989 Month Day Year
 ISSUED BY Bruce E. Meador Manager P. O. Box 367, Brandenburg, KY
 Name of Officer Title Address
 ISSUED BY AUTHORITY OF P.S.C. BY Jordan C. Neal
 PUBLIC SERVICE COMMISSION

EXHIBIT

8C

Comparison

**MEADE COUNTY RURAL ELECTRIC
COOPERATIVE CORPORATION**

FOR	Entire territory served	
	Community, Town or City	
	P.S.C. No.	37
	Sheet No.	38
_____	(Original)	
_____	(Revised)	
	Canceling	P.S.C. No. 28
	Sheet No.	34
_____	(Original)	
_____	(Revised)	

Schedule 10	CLASSIFICATION OF SERVICE	RATE PER UNIT
Small Power and Cogeneration (Over 100 KW)		
(Customer Buys Power from Meade County RECC)		
<u>AVAILABLE</u>		
This tariff is applicable to QF Members with a total capacity requirement of 100 KW or more with on-site generation of 100 KW or more operating in excess of 200 hours per year.		
<u>APPLICABLE</u>		
Applicable to any QF Members for which the Corporation is subject to the Big Rivers Cogeneration and Small Power Producer Sales Tariff for that energy sold to the QF Member.		
<u>DEFINITIONS</u>		
(1)	Big Rivers – “Big Rivers” shall mean Big Rivers Electric Corporation.	
(2)	QF – “QF” means a cogeneration or small power production facility meeting the criteria for Qualifying Facility of Section 4 of 807 KAR 5:054 and are certified or self-certified pursuant to FERC regulations.	
(3)	QF Member – “QF Member” means a member of a Member Cooperative with a QF.	
<u>CONDITIONS OF SERVICE</u>		
To receive services hereunder, the QF Member must 1) execute a written contract for electric service on terms acceptable to Big Rivers and the Cooperative and that allows the Cooperative to satisfy all of the requirements to obtain services from Big Rivers pursuant to the Big Rivers Cogeneration and Small Power Producer Sales Tariff – Over 100 KW.		
<u>MONTHLY RATE</u>		
A.	<u>Wholesale Power Cost:</u>	
	An amount equal to all the monthly charges levied by Big Rivers pursuant to the Big Rivers Cogeneration and Small Power Producer Sales Tariff – Over 100 KW for wholesale electric service (including transmission service) hereunder.	

DATE OF ISSUE	February 11, 2008		
	Month	Day	Year
DATE EFFECTIVE	Per order of Commission		
	Month	Day	Year
ISSUED BY	Name of Officer	Title	Address
		President / CEO	P. O. Box 489, Brandenburg, KY 40108
ISSUED BY AUTHORITY OF P.S.C.			

EXHIBIT

9

Proposed-New

ORDER NO.	2007-00470
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**MEADE COUNTY RURAL ELECTRIC
COOPERATIVE CORPORATION**

FOR Entire territory served
Community, Town or City
 P.S.C. No. 37
Original (Original) Sheet No. 39
 (Revised)
 _____ Canceling P.S.C. No. _____
 (Original) Sheet No. _____
 (Revised)

Schedule 10 --continued	CLASSIFICATION OF SERVICE	RATE PER UNIT
Small Power and Cogeneration (Over 100 KW) (Customer Buys Power from Meade County RECC)		
<p>B. <u>Retail Adders:</u></p> <p>Retail Adders shall be determined on a case-by-case basis for that portion of each consumer's load served under this tariff.</p> <p>School Taxes added to bill if applicable.</p> <p>Kentucky Sales Taxes added to bill if applicable.</p> <p><u>BIG RIVERS COGENERATION AND SMALL POWER PRODUCTION SALES TARIFF OVER 100 KW:</u></p> <p>a. <u>Availability:</u></p> <p>Available to any Member Cooperative for service to any member of the Member Cooperative with cogeneration and/or small power production facility (i) that has net output of less than 5,000 kW and (ii) which meets the criteria for Qualifying Facility of 807 KAR 5:054 – Section 4. Charges for the services under this tariff to any Member Cooperative for service to any member of the Member Cooperative with a cogeneration and/or small power production facility shall be established by contract.</p> <p>b. <u>Applicability:</u></p> <p>Applicable to purchases made by a Member Cooperative for service to any QF Member of a Member Cooperative with a total capacity requirement of 100 kW or more with on-site generation of 100 kW or more operating in excess of 200 hours per year, electrically engineered so that it can meet part or all of its load with its own generation, for service not covered by one of Big Rivers' other rates. The QF Member shall have the option to provide all or part of its load with its own generation in which case that portion of the QF Member's load requirements not met</p>		

DATE OF ISSUE	<u>February 11, 2008</u>
	Month Day Year
DATE EFFECTIVE	<u>Per order of Commission</u>
	Month Day Year
ISSUED BY	<u>President / CEO P. O. Box 489, Brandenburg, KY 40108</u>
	Name of Officer Title Address
ISSUED BY AUTHORITY OF P.S.C.	

ORDER NO. 2007-00470

**MEADE COUNTY RURAL ELECTRIC
COOPERATIVE CORPORATION**

FOR Entire territory served

 Community, Town or City
 P.S.C. No. 37
Original (Original) Sheet No. 40
 (Revised)
 _____ Cancellling P.S.C. No. _____
 (Original) Sheet No. _____
 (Revised)

Schedule 10 –continued	CLASSIFICATION OF SERVICE	RATE PER UNIT
Small Power and Cogeneration (Over 100 KW) (Customer Buys Power from Meade County RECC)		
<p>by the QF, shall be provided to the Member Cooperative under this tariff and all requirements for back-up or maintenance service for the QF Member shall be provided under this tariff. Otherwise, the QF Member may sell all of the output of its QF in which case the QF Member’s load requirements shall be provided to the Member Cooperative under the terms and conditions of one or more of Big Rivers’ standard rates applicable to the load requirements and type of service of the QF Member.</p> <p>c. <u>Definitions:</u></p> <p>(1) Big Rivers – “Big Rivers” shall mean Big Rivers Electric Corporation.</p> <p>(2) Member Cooperative – As of the effective date of this tariff, “Member Cooperatives” means collectively, Kenergy Corp., Jackson Purchase Energy Corporation and Meade County Rural Electric Cooperative Corporation.</p> <p>(3) Off-System Sales Transaction – “Off-System Transaction” means sales of electric energy by Big Rivers other than to the Member Cooperatives and Henderson Municipal Power and Light.</p> <p>(4) QF – “QF” means a cogeneration or small power production facility meeting the criteria for Qualifying Facility of Section 4 of 807 KAR 5:054.</p> <p>(5) QF Member – “QF Member” means a member of a Member Cooperative with a QF.</p> <p>(6) Third Party Supplier – “Third Party Supplier” means any supplier of wholesale electric service to Big Rivers other than SEPA and Henderson Municipal Power and Light.</p>		

DATE OF ISSUE February 11, 2008

 Month Day Year

DATE EFFECTIVE Per order of Commission

 Month Day Year

ISSUED BY _____ President/CEO P.O. Box 489, Brandenburg, KY 40108

 Name of Officer Title Address

ISSUED BY AUTHORITY OF P.S.C.

ORDER NO. 2007-00470

**MEADE COUNTY RURAL ELECTRIC
COOPERATIVE CORPORATION**

FOR Entire territory served
Community, Town or City
P.S.C. No. 37
Original (Original) Sheet No. 41
(Revised)
Cancelling P.S.C. No. _____
(Original) Sheet No. _____
(Revised)

Schedule 10 –continued	CLASSIFICATION OF SERVICE	RATE PER UNIT
Small Power and Cogeneration (Over 100 KW) (Customer Buys Power from Meade County RECC)		
<p>d. <u>Conditions of Service:</u></p> <p>To receive service hereunder, the Member Cooperative must:</p> <p>(1) Obtain from the QF Member an executed, written contract for electric service hereunder on terms acceptable to Big Rivers. Such contract shall set forth any specific arrangements between the parties based on individual circumstances and shall:</p> <p>(i) Specify the maximum capacity to be made available to the QF Member on an unscheduled basis in any hour (Maximum Unscheduled Capacity), and</p> <p>(ii) If desired by the QF Member, specify the terms and conditions for the delivery of Maintenance Service, and</p> <p>(iii) If desired by the QF Member, specify the capacity of on-site generation for which interruptible unscheduled back-up and interruptible scheduled maintenance power may be provided, and</p> <p>(iv) Specify any other term or condition which the Member Cooperative or Big Rivers may require for service used by a QF Member, taking into account the nature of use, the quality used, the quantity used, the time when used, the purpose for which used, and any other reasonable consideration, and</p>		

DATE OF ISSUE February 11, 2008
Month Day Year
DATE EFFECTIVE Per order of Commission
Month Day Year
ISSUED BY _____ President/CEO P.O. Box 489, Brandenburg, KY 40108
Name of Officer Title Address
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ORDER NO. 2007-00470

**MEADE COUNTY RURAL ELECTRIC
COOPERATIVE CORPORATION**

FOR	Entire territory served	
	Community, Town or City	
	P.S.C. No.	37
<u>Original</u>	(Original)	Sheet No. 42
	(Revised)	
	Cancelling	P.S.C. No. _____
	(Original)	Sheet No. _____
	(Revised)	

Schedule 10 –continued	CLASSIFICATION OF SERVICE	RATE PER UNIT
Small Power and Cogeneration (Over 100 KW) (Customer Buys Power from Meade County RECC)		
(2)	Enter into a contract with Big Rivers, or amend an existing contract with Big Rivers, to specify the terms and conditions of service between Big Rivers and the Member Cooperative regarding the power supply for the QF Member.	
e.	<u>For each QF Member, the Member Cooperative will be billed monthly for:</u>	
(1)	Supplementary Service (capacity and energy).	
(2)	Unscheduled Back-up Service, if any (capacity charge only).	
(3)	Maintenance Service (capacity and energy), if any.	
(4)	Excess Demand, if any.	
(5)	Additional charges, if any.	
f.	<u>Monthly Charges for Sales to a Member Cooperative for Service to a QF Member:</u>	
(1)	Supplementary Service: Supplementary demand shall be the QF Member's highest actual demand (adjusted for distribution losses if applicable) measured during the month, excluding Scheduled Maintenance Demand up	

DATE OF ISSUE	February 11, 2008
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ISSUED BY	President/CEO P.O. Box 489, Brandenburg, KY 40108
	Name of Officer Title Address
ISSUED BY AUTHORITY OF P.S.C.	
	ORDER NO. 2007-00470

**MEADE COUNTY RURAL ELECTRIC
COOPERATIVE CORPORATION**

FOR Entire territory served
Community, Town or City
P.S.C. No. 37
Original (Original) Sheet No. 43
(Revised)
Cancelling P.S.C. No. _____
(Original) Sheet No. _____
(Revised)

Schedule 10 –continued	CLASSIFICATION OF SERVICE	RATE PER UNIT
Small Power and Cogeneration (Over 100 KW) (Customer Buys Power from Meade County RECC)		
<p>to but not exceeding the actual measured demands in each demand interval during a Maintenance Schedule, and supplementary energy shall be the actual measured energy (adjusted for distribution losses if applicable), excluding Maintenance Energy sold to the QF by the Member Cooperative in each month. The monthly charges for supplementary demand and energy shall be according to the rates set forth in Big Rivers rate schedule C.4.d.:</p> <p>(2) Unscheduled Back-up Service:</p> <p>Unscheduled Back-up Demand is the QF Member's Maximum Unscheduled Capacity minus the Supplementary Billing Demand for the month. In months in which Maintenance Service has been Scheduled, appropriate credit for Scheduled Maintenance Demand shall be applied to the Unscheduled Back-up Demand such that the Member Cooperative will not be charged for Unscheduled Back-up Demand in addition to Scheduled Maintenance Demand when Scheduled Maintenance Service is being provided. The monthly charges to a Member Cooperative for Unscheduled Back-up Demand shall be:</p> <p align="center">One hundred-ten percent (110%) of Big Rivers' actual cost, including transmission service, to import energy from a Third Party supplier to supply the Unscheduled Back-up Service for the QF Members:</p>		

DATE OF ISSUE February 11, 2008
Month Day Year
DATE EFFECTIVE Per order of Commission
Month Day Year
ISSUED BY _____ President/CEO P.O. Box 489, Brandenburg, KY 40108
Name of Officer Title Address

ISSUED BY AUTHORITY OF P.S.C.

ORDER NO. 2007-00470

**MEADE COUNTY RURAL ELECTRIC
COOPERATIVE CORPORATION**

FOR Entire territory served

 Community, Town or City
 P.S.C. No. 37
Original (Original) Sheet No. 44
 (Revised)

 Cancelling P.S.C. No. _____
 (Original) Sheet No. _____
 (Revised)

Schedule 10 –continued	CLASSIFICATION OF SERVICE	RATE PER UNIT
Small Power and Cogeneration (Over 100 KW) (Customer Buys Power from Meade County RECC)		
<p>Maximum Unscheduled Capacity shall initially be the amount as specified by the QF Member per contract with the Member Cooperative, but in no case less than the actual demand delivered in any month, including the current month. Big Rivers will accept a reduction in the Maximum Unscheduled Capacity upon twelve (12) months advance notice from the Member Cooperative. Said notice must specify the reduction in kW and the basis for the lower requirement. All energy shall be billed as either supplementary energy or maintenance energy.</p> <p>(3) Maintenance Service:</p> <p>Maintenance Service shall be available to a Member Cooperative to back-up a QF Member's QF only if the Member Cooperative has scheduled delivery of the maintenance services in advance with Big Rivers. The Member Cooperative may schedule up to four weeks of seven consecutive days each per year of such service for a QF Member, subject to scheduling of such usage by Big Rivers. The Member Cooperative may reschedule at anytime by giving forty-eight (48) hours notice to Big Rivers. Scheduled Maintenance Demand may not exceed the design capacity of the QF Member's QF. Maintenance Service will be available on an on-peak or off-peak basis. The selection of on-peak Maintenance Service entitles the Member Cooperative to schedule the service for the QF Member at any time. The selection of off-peak Maintenance Service entitles the Member Cooperative to schedule</p>		

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ORDER NO. 2007-00470

**MEADE COUNTY RURAL ELECTRIC
COOPERATIVE CORPORATION**

FOR Entire territory served
Community, Town or City
P.S.C. No. 37
Original (Original) Sheet No. 45
(Revised)
Cancelling P.S.C. No. _____
(Original) Sheet No. _____
(Revised)

Schedule 10 –continued	CLASSIFICATION OF SERVICE	RATE PER UNIT
Small Power and Cogeneration (Over 100 KW) (Customer Buys Power from Meade County RECC)		
<p>the service for the QF Member only during those hours not designated as on-peak. The designated on-peak hours are as follows:</p> <ul style="list-style-type: none"> (i) Summer on-peak usage is defined as power requirements occurring between the hours beginning 6:00 am and ending 10:00 pm on any weekday from May 1 through September 30. (ii) Winter on-peak usage is defined as power requirements occurring between the hours beginning 6:00 am and ending 10:00 pm on any weekday from December 1 through March 31. (iii) Off-peak usage is defined as all power requirements not included in paragraph (i) or (ii). <p>The charges for On-peak Maintenance Service shall be the greater of:</p> <ul style="list-style-type: none"> (1) \$1.835 per kW of Scheduled Maintenance Demand per week, plus \$0.0204 per kWh of Maintenance Energy; or 		

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ORDER NO. 2007-00470

**MEADE COUNTY RURAL ELECTRIC
COOPERATIVE CORPORATION**

FOR Entire territory served
Community, Town or City
 P.S.C. No. 37
Original (Original) Sheet No. 46
 (Revised)
 Cancelling P.S.C. No. _____
 (Original) Sheet No. _____
 (Revised)

Schedule 10 –continued	CLASSIFICATION OF SERVICE	RATE PER UNIT
	Small Power and Cogeneration (Over 100 KW) (Customer Buys Power from Meade County RECC)	
(2)	110% of the price at the time of scheduling of a block of energy obtainable by Big Rivers in the futures market which is sufficient to meet the Member Cooperative's scheduled Maintenance Service requirements.	
3)	The charges for Off-peak Maintenance Service shall be: \$1.835 per kW of Scheduled Maintenance Demand per week, plus According to schedule C.4.d. (2) per kWh of maintenance energy shall be the amount of energy purchased by the Member Cooperative for the QF Member in each hour during Scheduled Maintenance Service up to but not exceeding the Scheduled Maintenance Demand in each hour.	
(4)	Excess Demand: Excess Demand is the amount in any hour by which the actual demand, less any Maintenance Demand, exceeds the previously established Maximum Unscheduled Capacity. Charges for Excess Demand shall be in addition to the charges for Supplementary Service and shall be either: (i) One hundred-ten percent (110%) of Big Rivers' actual cost, including transmission service, to import energy from a Third Party supplier to supply the Excess Demand of the Member Cooperative for the QF Member; or (ii) If it is not necessary for Big Rivers to import energy from a Third Party Supplier,	

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ORDER NO. 2007-00470

**MEADE COUNTY RURAL ELECTRIC
COOPERATIVE CORPORATION**

FOR Entire territory served
Community, Town or City
P.S.C. No. 37
Original (Original) Sheet No. 47
(Revised)
Cancelling P.S.C. No. _____
(Original) Sheet No. _____
(Revised)

Schedule 10 –continued	CLASSIFICATION OF SERVICE	RATE PER UNIT
Small Power and Cogeneration (Over 100 KW) (Customer Buys Power from Meade County RECC)		
<p>charges for Excess Demand shall be the greater of: a) \$7.37 per kW times the highest Excess Demand recorded during the month: or b) 110% of the highest price received by Big Rivers during an Off-System Sales Transactions during the month times the sum of the Excess Demands measured during the month.</p> <p align="center">Big Rivers shall be the sole determinant of when and under what circumstances it is required to import energy from a Third Party Supplier to provide Excess Demand.</p> <p>(5) Additional Charges:</p> <p>Any and all costs incurred by Big Rivers as a result of the QF's failure to generate, including, without limitation, ancillary services necessary to maintain reliability on the Big Rivers' system, shall be charged to the Member Cooperative in addition to all other charges.</p> <p>(6) Interruptible Service:</p> <p>Interruptible Supplementary Service or Interruptible Back-up Service will be made available, upon request. Terms and conditions of interruptible service will be as negotiated under special contract according to the terms of 807 KAR 5:054.</p> <p>g. <u>Interconnections:</u></p> <p>Big Rivers requires a three party interconnection agreement between the QF Member, Big Rivers, and the Member Cooperative</p>		

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ORDER NO. 2007-00470

**MEADE COUNTY RURAL ELECTRIC
COOPERATIVE CORPORATION**

FOR Entire territory served

 Community, Town or City
 P.S.C. No. 37
Original (Original) Sheet No. 48
 (Revised)
 _____ Cancellling P.S.C. No. _____
 (Original) Sheet No. _____
 (Revised)

Schedule 10 –continued	CLASSIFICATION OF SERVICE	
Small Power and Cogeneration (Over 100 KW) (Customer Buys Power from Meade County RECC)		RATE PER UNIT
<p>prior to service under this tariff. Big Rivers shall make inter-connections with the Member Cooperative, or the QF Member, or both as required and the QF Member will pay for the inter-connection costs in accordance with 807 KAR 5:054 – Section 6 and the interconnection agreement.</p> <p>h. <u>System Emergencies:</u></p> <p>During System Emergencies, Big Rivers may discontinue sales in accordance with 807 KAR 5:054 – Section 6.</p> <p>i. <u>Loss Compensation:</u></p> <p>Power and energy delivered by Big Rivers pursuant to this rate schedule shall be metered at or compensated to Big Rivers' point of delivery to the Member Cooperative. Where metering of the QF Member's load is at a point of delivery on a Member Cooperative's distribution system, metered demand and energy shall be adjusted to compensate for distribution losses prior to billing hereunder.</p>		

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ORDER NO. 2007-00470

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FOR Entire territory served
Community, Town or City
 P.S.C. No. 37
Original (Original) Sheet No. 49
 (Revised)
 Cancelling P.S.C. No. _____
 (Original) Sheet No. _____
 (Revised)

Schedule 10 -continued	CLASSIFICATION OF SERVICE				RATE PER UNIT
Small Power and Cogeneration (Over 100 KW)					
(Customer Buys Power from Meade County RECC)					
j. <u>BILLING FORM:</u>					
INVOICE					
BIG RIVERS ELECTRIC CORP., P.O. BOX 24, HENDERSON, KY 42420					
TO: COGENERATOR AND SMALL POWER PRODUCER SALES			ACCOUNT		
DELIVERY POINTS		SERVICE FROM		/ /	THRU /
/					
<u>USAGE:</u>					
DEMAND	/	TIME	/	DAY	METER MULT. kW
DEMAND					
POWER FACTOR		BASE		PEAK	AVERAGE BILLED
SUPPLEMENTAL DEMAND					
kW BILLED					
UNSCHEDULED BACK-UP DEMAND					
kW BILLED					
MAINTENANCE DEMAND					
kW BILLED					
ENERGY		PREVIOUS		PRESENT	DIFFERENCE MULT.
kWh USED					
SUPPLEMENTAL ENERGY					
kWh USED					
MAINTENANCE ENERGY					
kWh USED					
<u>SUPPLEMENTARY SERVICE</u>					
DEMAND		kW	TIMES \$	EQUALS	\$
P/F PENALTY		kW	TIMES \$	EQUALS	\$
ENERGY		kWh	TIMES \$	EQUALS	\$
SUBTOTAL					\$
<u>UNSCHEDULED BACK-UP SERVICE</u>					
DEMAND		kW	TIMES \$	EQUALS	\$

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ORDER NO. 2007-00470

**MEADE COUNTY RURAL ELECTRIC
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FOR Entire territory served
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P.S.C. No. 37
Original (Original) Sheet No. 50
(Revised)
Cancelling P.S.C. No. _____
(Original) Sheet No. _____
(Revised)

Schedule 10 -continued	CLASSIFICATION OF SERVICE		RATE PER UNIT
Small Power and Cogeneration (Over 100 KW)			
(Customer Buys Power from Meade County RECC)			
MAINTENANCE SERVICE ON-PEAK			
DEMAND PER-WEEK (IF APPLICABLE)	kW	TIMES \$ _____	
EQUALS \$ _____			
ENERGY (IF APPLICABLE)	kWh	TIMES \$ _____	
EQUALS \$ _____			
SCHEDULED ENERGY BLOCK (IF APPLICABLE)			
TOTAL AMOUNT DUE			\$ _____
OFF-PEAK			
DEMAND PER-WEEK	kW	TIMES \$ _____	EQUALS \$ _____
ENERGY	kWh	TIMES \$ _____	EQUALS \$ _____
SUBTOTAL			\$ _____
EXCESS SERVICE			
EXCESS DEMAND (IF APPLICABLE)			
	kW	TIMES \$ _____	EQUALS \$ _____
CUMMULATIVE EXCESS DEMAND (IF APPLICABLE)			
	kW	TIMES \$ _____	EQUALS \$ _____
IMPORTED EXCESS ENERGY (IF APPLICABLE)			
	kWh	TIMES \$ _____	EQUALS \$ _____
TOTAL AMOUNT DUE			\$ _____
ADDITIONAL CHARGES			\$ _____
TOTAL AMOUNT DUE			
LOAD FACTOR			
ACTUAL MILLS PER kWh			
DUE IN IMMEDIATELY AVAILABLE FUNDS ON OR BEFORE THE FIRST WORKING DAY AFTER THE 24 TH OF THE MONTH.			

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Before the Kentucky Public Service Commission
Case No. 2007-00470
Meade County RECC Corp.

I. Introduction

1. Q. PLEASE STATE YOUR NAME AND BUSINESS ADDRESS.

A. My name is Jack D. Gaines. My business address is P.O. Box 88039,
Dunwoody, Georgia 30356.

2. Q. BY WHOM ARE YOU EMPLOYED AND IN WHAT CAPACITY?

A. I am employed by and am President of JDG Consulting, LLC ("JDG").

3. Q. PLEASE DESCRIBE YOUR EDUCATIONAL AND PROFESSIONAL
BACKGROUND.

A. I graduated from the Georgia Institute of Technology receiving a Bachelor
of Science Degree in Industrial Management. I was previously employed
by Southern Engineering for approximately 25 years as a utility rate and
cost of service specialist. From August 1, 2000 until February 1, 2004, I
was employed by Clough Harbour & Associates, LLP in the same
capacity. I have prepared or assisted in the preparation of electric rate and
cost of service studies for either cooperative or municipal utility systems in
seventeen different states, including Kentucky.

4. Q. HAVE YOU PREVIOUSLY TESTIFIED AS AN EXPERT WITNESS
BEFORE REGULATORY AUTHORITIES?

A. I have submitted testimony and exhibits before the Indiana Utility
Regulatory Commission, the Kentucky Public Service Commission, the
Vermont Public Service Board, the Virginia State Corporation

1 Commission, the Georgia Public Service Commission, the Illinois
2 Commerce Commission, the New York Public Service Commission, the
3 West Virginia Public Service Commission, the Public Service
4 Commission of Maryland, the Delaware Public Service Commission and
5 the Federal Energy Regulatory Commission.

6 5. Q. ARE YOU REPRESENTING THE OTHER BREC MEMBERS IN
7 THEIR TARIFF FILINGS?

8 A. Yes, in addition to representing Meade County RECC (“Meade County”)
9 in this proceeding, I am representing Jackson Purchase Energy
10 Corporation (“JPEC”) and Kenergy Corp. (“Kenergy”) in their filings. All
11 three are hereinafter collectively “the BREC Members”.

12 6. Q. WHAT IS THE PURPOSE OF YOUR TESTIMONY?

13 A. The purpose of my testimony is to introduce and support six retail tariff
14 riders and revised rates for Small Power Production and Qualifying
15 Facilities that will be needed by Meade County to pass through the effects
16 of the five tariff riders and changes to the wholesale tariffs for Small
17 Power Production and Qualifying Facilities that Big Rivers EC (“BREC”)
18 is proposing in PSC Case No. 2007-00455 and PSC Case No. 2007-00460.

19 7. Q. OTHER THAN THE REVISIONS TO TARIFFS FOR SMALL POWER
20 PRODUCTION AND QUALIFYING FACILITIES, IS MEADE
21 COUNTY PROPOSING ANY CHANGES TO MODIFY EXISTING
22 BASE RATES OR THE WHOLESALE DISCOUNT ADJUSTMENT?

23 A. No. Meade County’s current base rates and Schedule 13, the Wholesale

1 Power Cost Adjustment (which passes through the BREC Member
2 Discount Adjustment) will continue in effect unchanged.

3 8. Q. PLEASE IDENTIFY THE SIX PROPOSED RETAIL TARIFF RIDERS
4 AND THEIR PURPOSE.

5 A. The six proposed retail tariff riders are included with the Application and
6 are:

7 1. Fuel Adjustment Clause (FAC) which will be used to pass
8 through wholesale charges or credits incurred under the
9 BREC Fuel Adjustment Clause.

10 2. Environmental Surcharge (ES) which will be used to pass
11 through wholesale charges or credits incurred under the
12 BREC Environmental Surcharge.

13 3. Unwind Surcredit (US) which will be used to pass through
14 wholesale charges or credits incurred under the BREC
15 Unwind Surcredit.

16 4. Rebate Adjustment – a rebate mechanism which will be used
17 to pass through the rebates paid by BREC pursuant to the
18 BREC Rebate Adjustment.

19 5. Member Rate Stability Mechanism (MRSM) which will be
20 used to pass through wholesale credits from the BREC
21 Member Rate Stability Mechanism.

22 6. Unwind Rider - Composite Factor (URCF) which at Meade
23 County's option may be used in lieu of the first five so long

1 as the net effect on wholesale power cost of the five
2 wholesale riders, for which the retail riders are a pass
3 through, is zero.

4 **III. Exhibits**

5 9. Q. PLEASE IDENTIFY THE EXHIBITS YOU ARE SPONSORING.

6 A. I am sponsoring the following Exhibits:

7 Exhibit JDG-1 – Rolling 12 Month Line Losses

8 Exhibit JDG-2 – FAC Computation Form

9 Exhibit JDG-3 – ES Computation Form

10 Exhibit JDG-4 – US Computation Form

11 Exhibit JDG-5 – MRSM Computation Form

12 Exhibit JDG-6 – Rebate Adjustment Computation Form

13 Exhibit JDG-7 – Unwind Rider – Composite Computation Form

14 Exhibit JDG-8 – 24 Month Example Calculation

15 10. Q. PLEASE DESCRIBE THE EXHIBITS YOU ARE SPONSORING.

16 A. Exhibit JDG-1 shows how the rolling 12 month average line losses will be
17 calculated and actual calculations based on the 24 month period ending
18 November 2007. Exhibits JDG-2 through JDG-7 are computation forms
19 for the FAC, ES, US, Rebate Adjustment and MRSM, respectively. If
20 required by the Commission, the forms will be filed monthly with the
21 Commission in support of the monthly billing factors. Exhibit JDG-8
22 provides example calculations of Section 1 for each rider using actual
23 kWh data for a 24 month period ending November 2007 and hypothetical

1 wholesale factors or amounts for the wholesale riders.

2 **III. Tariff Riders**

3 11. Q. PLEASE DESCRIBE AND EXPLAIN THE FIVE TARIFF RIDERS
4 THAT ARE SPECIFICALLY LINKED TO THE FIVE
5 CORRESPONDING RIDERS PROPOSED BY BREC.

6 A. All are designed to flow through the corresponding amounts charged
7 or credited by BREC. Each rider has two sections. Section 1 of each
8 is applicable to kWh sales made under Meade County's tariff for
9 non-direct served customers, Schedule 1, Schedule 2, Schedule 3,
10 Schedule 3A, Schedule 4. Schedule 5, Schedule 6 and Schedule 12.
11 For each rider except the Rebate Adjustment the current month retail
12 charge or credit is based on the amounts charged or credited by
13 BREC on the power bill for the second month preceding the current
14 month, plus or minus over and under correction amounts. The over
15 and under correction for all five riders including the rebate is based
16 on the preceding month's charges or refunds versus the amount
17 calculated to be recoverable. Section 2 of the FAC, the ES, the US,
18 the Rebate Adjustment, and the MRSM is applicable to customers
19 when the wholesale rate paid by Meade County for the load provided
20 to the customer is either the Big Rivers Large Industrial Tariff or the
21 Big Rivers Large Industrial Expansion Tariff. Meade County does
22 not presently serve Section 2 customers but the applicable tariff is
23 Schedule 12. Under Section 2, actual BREC charges and credits by

1 customer are known and can be directly assigned with no lag and no
2 losses applicable. Retail over and under mechanisms are not needed
3 for Section 2 customers.

4 12. Q. PLEASE EXPLAIN THE REBATE ADJUSTMENT AND WHAT
5 MAKES IT DIFFERENT.

6 A. As explained in the direct testimony of BREC witnesses filed in PSC Case
7 No. 2007-00460, BREC may pay rebates to the BREC Members in
8 conjunction with rebates made pursuant to the Smelter Agreements. If
9 there is a rebate from BREC, it will be paid to the BREC Members in the
10 form of a lump sum credit to one month's power bills. The Meade County
11 Rebate Adjustment is different from the other Meade County riders
12 because the rebate paid by BREC is a lump sum and because of its
13 accounting treatment. Rebates paid by BREC will be accrued by BREC to
14 its revenue in the prior year. Meade County will correspondingly credit
15 power cost and debit revenue for the prior year by the amount of the
16 wholesale Rebate Adjustment if it is known before closing the books for
17 the prior year or by an estimated amount if not known. If an estimated
18 amount is accrued for the prior year any correction amount will be accrued
19 in the current year. In either case the accruals of revenue and power cost
20 will cancel each other and not create a margin. Upon receipt of the Rebate
21 Adjustment from BREC, Meade County will also debit cash and credit
22 accounts payable. Meade County will then credit the rebate to the Section
23 1 customers over twelve months without interest based on monthly per

1 kWh credit factors. Rebates will be directly passed through to Section 2
2 customers. Meade County will debit accounts payable as the rebates are
3 returned.

4 13. Q. PLEASE EXPLAIN THE REASONS FOR REFUNDING THE REBATE
5 ADJUSTMENT WITHOUT INTEREST.

6 A. BREC and the BREC Members have carefully structured the five
7 wholesale riders and corresponding retail riders to have zero effect on
8 customers' bills so long as sufficient funds are available from the BREC
9 Economic Reserve currently estimated to be five years. The zero effect
10 would not occur if an interest component was added to the Rebate
11 Adjustment although the net rate adjustment would be a credit.
12 Nevertheless, to maintain simplicity and as will be explained in testimony
13 that follows, to allow for the use of the Unwind Rider – Composite Factor
14 the Rebate Adjustment will be refunded without an interest adder. Any
15 associated interest that is earned and accrued during period of Rebate
16 Adjustment will benefit the Meade County customers when allocated in
17 the form of patronage capital.

18 14. Q. PLEASE EXPLAIN HOW THE REBATE CREDIT FACTOR
19 APPLICABLE TO SECTION 1 CUSTOMERS IS TO BE
20 CALCULATED.

21 A. Section 1 customers will be credited rebates in a manner similar to that
22 used for the Schedule 13 - Wholesale Power Cost Adjustment presently in
23 effect. One twelfth of any rebate not directly applicable to Section 2 along

1 with any over or under recovery amount from the prior month will be
2 converted to a kWh credit factor and applied to the kWh of Section 1
3 customers. Following a rebate from BREC, the 12 months of the Rebate
4 Adjustment will commence with the second month following the month in
5 which BREC applies the corresponding one-twelfth of the wholesale
6 rebate to the wholesale Member Rate Stability Mechanism. In this way,
7 the retail credit will correspond with the effect of BREC's application
8 through the wholesale MRSM and it will achieve the desired result of a
9 zero net billing factor so long as the combined effect of the BREC riders
10 produces a net zero charge on the wholesale bills.

11 15. Q. PLEASE EXPLAIN THE INTERRELATIONSHIP BETWEEN THE
12 REBATE ADJUSTMENT, MRSM, AND THE OTHER THREE FLOW-
13 THROUGH RIDERS, FAC, ES, and US.

14 A. As explained by BREC witnesses in PSC Case No. 2007-00455 and PSC
15 Case No. 2007-00460, BREC will draw funds from the Economic Reserve
16 to offset net charges made under BREC's FAC, ES and Unwind Surcredit
17 so long as the Economic Reserve funds are available. However, to
18 preserve the Economic Reserve, BREC will not draw funds from the
19 Economic Reserve to otherwise offset the FAC, ES and US to the extent
20 of one-twelfth of the most recent rebate. Therefore, in the 12 months
21 following a rebate, the BREC MRSM will not fully offset the FAC, ES,
22 and US resulting in a net charge or charges from BREC. Correspondingly,
23 there would be a net charge on the retail bills of the customers of Meade

1 County. That charge amount on the retail bills will be neutralized by the
2 application of the retail Rebate Rider since the pass through of one-twelfth
3 of the rebate will correspond to the way BREC applies one-twelfth of the
4 wholesale rebate to the BREC MRSM.

5 16. Q. PLEASE EXPLAIN THE PURPOSE OF THE SIXTH PROPOSED
6 RIDER, THE UNWIND RIDER-COMPOSITE FACTOR.

7 A. As illustrated on Exhibit JDG-8, application of Section 1 of the FAC, the
8 ES, the US, the Rebate Adjustment, and MRSM is expected to result in a
9 zero net retail charge until the expiration of the MRSM so long as the net
10 of the riders reflected on the wholesale bills is zero. For billing purposes
11 while the net of the riders reflected on the wholesale bills is zero, an
12 alternative to applying each of the five riders is proposed as a sixth rider,
13 the Unwind Rider-Composite Factor (URCF). The URCF could be used to
14 consolidate the FAC, the US, the ES, the MRSM, and the Rebate
15 Adjustment to simplify the bill while ensuring that a zero net retail charge
16 is applied when the corresponding wholesale net is zero. If used, it would
17 apply in lieu of the five specified individual riders as a single factor of
18 zero on the customers' bills. For Section 2 customers, the net effect of the
19 wholesale riders will be automatic as a result of the direct pass through of
20 all riders. Therefore Schedule URCF is only applicable for Section 1

1 customers and the operative provision is as follows:

2 URCF = \$.00 per kWh if on the preceding month's wholesale
3 power bill a) the sum of the FAC, US, ES, and MRSM; less b)
4 one-twelfth of any Rebate used to adjust the wholesale MRSM is
5 zero.

6
7 17. Q. HOW WILL MEADE COUNTY APPLY THE REBATE ADJUSTMENT
8 WHEN THE URCF RIDER IS ACTIVATED?

9 A. As previously explained, BREC rebates, if any, will be credited in lump
10 sum by BREC. BREC will in turn displace the amounts drawn from the
11 Economic Reserve for calculating the MRSM credit by one-twelfth of the
12 rebate that was paid. As a result of using the rebate to displace funds that
13 would otherwise be drawn from the Economic Reserve, there will be a net
14 positive charge to the BREC Members for the FAC, ES and US equal to
15 one-twelfth of the rebate. If Schedule URCF is used and in effect, Meade
16 County will debit accounts payable and credit Other Electric Revenue by
17 an amount equal to one-twelfth of the rebate as an exact offset to the net
18 charge applied by BREC. In this way, the net charges under the riders will
19 remain zero for as long as the net charges from BREC are zero.

20 **IV. Small Power Production and Qualifying Facilities**

21 18. Q. PLEASE DESCRIBE THE PROPOSED CHANGES TO THE SMALL
22 POWER PRODUCTION AND QUALIFYING FACILITIES TARIFFS.

23 A. Schedule 8 - Small Power Production and Cogeneration (100 kW or less)
24 is modified to reflect a Meade County purchase rate equal to the BREC
25 base energy rate of \$.0204 per kWh plus the FAC, the ES, the US, and the

1 MRSM. Schedule 9 - Small Power Production and Cogeneration (Over
2 100 kW) is modified to provide that BREC will purchase the output of the
3 customer's generation at the rates set forth in the corresponding BREC
4 tariffs. An associated new tariff, Schedule 10- Small Power Production
5 and Cogeneration (Over 100 kW) is for sales to customers and provides
6 that the wholesale charges will be passed through and a retail adder will be
7 determined on a case by case basis. Schedule 9 is modified to incorporate
8 the changes made by BREC to its corresponding wholesale tariffs and
9 Schedule 10 is added to provide a pass through mechanism for service to
10 applicable customers.

11 19. Q. ARE THERE ANY EXISTING CUSTOMERS TO WHICH SCHEDULE
12 8, SCHEDULE 9 OR SCHEDULE 10 WOULD APPLY?

13 A. No.

14 20. Q. IN YOUR OPINION, ARE THE TARIFFS PROPOSED BY MEADE
15 COUNTY FAIR, JUST, AND REASONABLE AND IN THE PUBLIC
16 INTEREST?

17 A. Yes, they are.

18 21. Q. DOES THIS CONCLUDE YOUR TESTIMONY AT THIS TIME?

19 A. Yes, it does.

**MEADE COUNTY RECC
12 Month Average System Line Losses-Excluding Section 2 Customers**

12	Month	Non-Direct Served kWh Purchased	Non-Direct Served kWh Sold	Own-Use kWh	Losses	Cummulative kWh Purchased	Cummulative kWh Losses	12 Month Average % Losses
	a	b	c	d	e	f	g	h
					b-c-d			
1	Dec-05	49,791,580	40,097,371	126,786	9,567,423			
2	Jan-06	40,588,530	44,717,177	106,116	(4,234,763)			
3	Feb-06	40,774,023	37,349,739	114,961	3,309,323			
4	Mar-06	36,530,120	35,014,305	83,750	1,432,065			
5	Apr-06	27,303,280	31,231,680	66,646	(3,995,046)			
6	May-06	29,763,820	26,406,857	49,254	3,307,709			
7	Jun-06	34,586,230	30,405,833	47,910	4,132,487			
8	Jul-06	42,649,765	37,324,263	58,099	5,267,403			
9	Aug-06	43,265,990	40,447,299	57,085	2,761,606			
10	Sep-06	28,428,960	34,936,242	71,675	(6,578,957)			
11	Oct-06	32,481,480	27,655,536	80,954	4,744,990			
12	Nov-06	36,028,660	32,836,944	103,370	3,088,346	442,192,438	22,802,586	5.16%
13	Dec-06	43,562,620	38,704,348	102,865	4,755,407	435,963,478	17,990,570	4.13%
14	Jan-07	47,031,140	41,564,019	136,457	5,330,664	442,406,088	27,555,997	6.23%
15	Feb-07	49,995,930	48,089,813	139,639	1,766,478	451,627,995	26,013,152	5.76%
16	Mar-07	34,555,510	38,312,539	89,658	(3,846,687)	449,653,385	20,734,400	4.61%
17	Apr-07	32,649,380	31,538,633	94,201	1,016,546	454,999,485	25,745,992	5.66%
18	May-07	32,465,410	30,270,409	83,791	2,111,210	457,701,075	24,549,493	5.36%
19	Jun-07	37,515,130	33,788,234	82,765	3,644,131	460,629,975	24,061,137	5.22%
20	Jul-07	40,951,630	38,728,916	88,418	2,134,296	458,931,840	20,928,030	4.56%
21	Aug-07	48,837,080	43,567,346	96,166	5,173,568	464,502,930	23,339,992	5.02%
22	Sep-07	35,792,840	39,560,613	84,498	(3,852,271)	471,866,810	26,066,678	5.52%
23	Oct-07	31,843,370	31,683,286	92,935	67,149	471,228,700	21,388,837	4.54%
24	Nov-07	37,144,830	33,699,159	108,679	3,336,992	472,344,870	21,637,483	4.58%

FUEL ADJUSTMENT CLAUSE SCHEDULE

Disposition of Energy (kWh) - Month of:

1	Total Purchased kWh	_____
2	kWh Sales (Ultimate Consumer)	_____
3	Company Use - kWh	_____
4	kWh Sales (L2 + L3)	_____
5	Line Loss & Unaccounted for - kWh	_____

(Over) or Under Recovery - Month of:

6	Last FAC Rate Billed	\$/kWh	_____
7	Gross kWh Billed at Rate on L6		_____
8	Adjustments to Billed kWh		_____
9	Net kWh Billed at Rate on L6 (L7 + L8)		_____
10	Fuel Charge (Credit) used to Compute L6 (L13D from prior month)	\$	_____
11	FAC Revenue (Refund) Resulting from line L6 (net of billing adjustment)	\$	_____
12	Total (Over) or Under Recovery (L10 less L 11)	\$	_____

Purchased Power - Month of:

13	Fuel Adjustment Charge (Credit):		
	A. Billed by supplier	\$	_____
	B. (over) or Under Recovery (L12)	\$	_____
	C. Unrecoverable - Schedule 2	\$	_____
	D. Recoverable Fuel Cost (L13 A+B-C)	\$	_____
14	Number of kWh Purchased		_____
15	Supplier's FAC: (L13A ÷ L14)	\$/kWh	_____

Line Loss

16	Last 12 Months Actual	%	_____
17	Last Month Used to Compute L16		_____
18	Line Loss for Month on L17 (L5 ÷ L 1)	%	_____

Calculation of FAC to Bill Consumers

19	Sales as a Percent of Purchases (100% minus L 16)	%	_____
20	Recovery Rate (L13D ÷ L14)	\$/kWh	_____
21	L20 ÷ L 19: FAC Applicable to to Billing Month: _____	\$/kWh	_____

ENVIRONMENTAL SURCHARGE

Disposition of Energy (kWh) - Month of:

1	Total Purchased kWh		_____
2	kWh Sales (Ultimate Consumer)		_____
3	Company Use - kWh		_____
4	kWh Sales (L2 + L3)		_____
5	Line Loss & Unaccounted for - kWh		_____

(Over) or Under Recovery - Month of:

6	Last MESF Rate Billed	\$/kWh	
7	Gross kWh Billed at Rate on L6		_____
8	Adjustments to Billed kWh		_____
9	Net kWh Billed at Rate on L6 (L7 + L8)		_____
10	ES Charge (Credit) used to Compute L6 (L13D from prior month)	\$	_____
11	ES Revenue (Refund) Resulting from line L6 (net of billing adjustment)	\$	_____
12	Total (Over) or Under Recovery (L10 less L 11)	\$	_____

Purchased Power - Month of:

13	Environmental Surcharge Charge (Credit):		
	A. Billed by supplier	\$	_____
	B. (over) or Under Recovery (L12)	\$	_____
	C. Unrecoverable - Schedule 2	\$	_____
	D. Recoverable ES Cost (L13 A+B-C)	\$	_____
14	Number of kWh Purchased		_____
15	Supplier's MESF: (L13A + L14)	\$/kWh	_____

Line Loss

16	Last 12 Months Actual	%	_____
17	Last Month Used to Compute L16		_____
18	Line Loss for Month on L17 (L5 + L 1)	%	_____

Calculation of MESF to Bill Consumers

19	Sales as a Percent of Purchases (100% minus L 16)	%	_____
20	Recovery Rate (L13D ÷ L14)	\$/kWh	_____
21	L20 + L 19: MESF Applicable to to Billing Month: _____	\$/kWh	_____

UNWIND SURCREDIT

Disposition of Energy (kWh) - Month of: _____

1	Total Purchased kWh		_____
2	kWh Sales (Ultimate Consumer)		_____
3	Company Use - kWh		_____
4	kWh Sales (L2 + L3)		_____
5	Line Loss & Unaccounted for - kWh		_____

(Over) or Under Recovery - Month of: _____

6	Last US Rate Billed	\$/kWh	
7	Gross kWh Billed at Rate on L6		_____
8	Adjustments to Billed kWh		_____
9	Net kWh Billed at Rate on L6 (L7 + L8)		_____
10	Unwind Surcredit Charge (Credit) used to Compute L6 (L13D from prior month)	\$	_____
11	US Revenue (Refund) Resulting from line L6 (net of billing adjustment)	\$	_____
12	Total (Over) or Under Recovery (L10 less L 11)	\$	_____

Purchased Power - Month of: _____

13	Unwind Surcredit Charge (Credit):		
	A. Billed by supplier	\$	_____
	B. (over) or Under Recovery (L12)	\$	_____
	C. Unrecoverable - Schedule 2	\$	_____
	D. Recoverable Unwind Surcredit (L13 A+B-C)	\$	_____
14	Number of kWh Purchased		_____
15	Supplier's US: (L13A ÷ L14)	\$/kWh	_____

Line Loss

16	Last 12 Months Actual	%	_____
17	Last Month Used to Compute L16		_____
18	Line Loss for Month on L17 (L5 ÷ L 1)	%	_____

Calculation of US to Bill Consumers

19	Sales as a Percent of Purchases (100% minus L 16)	%	_____
20	Recovery Rate (L13D ÷ L14)	\$/kWh	_____
21	L20 ÷ L 19: US Applicable to Billing Month: _____	\$/kWh	_____

MEMBER RATE STABILITY MECHANISM - SECTION 1

Disposition of Energy (kWh) - Month of: _____

1 Total Purchased kWh	_____
2 kWh Sales (Ultimate Consumer)	_____
3 Company Use - kWh	_____
4 kWh Sales (L2 + L3)	_____
5 Line Loss & Unaccounted for - kWh	_____

(Over) or Under Recovery - Month of: _____

6 Last MRSM(m) Rate Billed	\$/kWh	_____
7 Gross kWh Billed at Rate on L6		_____
8 Adjustments to Billed kWh		_____
9 Net kWh Billed at Rate on L6 (L7 + L8)		_____
10 MRSM Charge (Credit) used to Compute L6 (L13D from prior month)	\$	_____
11 MRSM Revenue (Refund) Resulting from line L6 (net of billing adjustment)	\$	_____
12 Total (Over) or Under Recovery (L10 less L 11)	\$	_____

Purchased Power - Month of: _____

13 Member Rate Stability Mechanism Charge (Credit):		
A. Billed by supplier	\$	_____
B. (over) or Under Recovery (L12)	\$	_____
C. Unrecoverable - Schedule 2	\$	_____
D. Recoverable MRSM Amount (L13 A+B-C)	\$	_____
14 Number of kWh Purchased		_____
15 Supplier's MRSM rate per kWh: (L13A ÷ L14)	\$/kWh	_____

Line Loss

16 Last 12 Months Actual	%	_____
17 Last Month Used to Compute L16		_____
18 Line Loss for Month on L17 (L5 ÷ L 1)	%	_____

Calculation of MRSM to Bill Consumers

19 Sales as a Percent of Purchases (100% minus L 16)	%	_____
20 Recovery Rate (L13D ÷ L14)	\$/kWh	_____
21 L20 ÷ L 19: MRSM(m) Applicable to Billing Month: _____	\$/kWh	_____

REBATE ADJUSTMENT - SECTION 1

Disposition of Energy (kWh) - Month of: _____

1 Total Purchased kWh	_____
2 kWh Sales (Ultimate Consumer)	_____
3 Company Use - kWh	_____
4 kWh Sales (L2 + L3)	_____
5 Line Loss & Unaccounted for - kWh	_____

(Over) or Under Recovery - Month of: _____

6 Last RF Rate Billed	\$/kWh	_____
7 Gross kWh Billed at Rate on L6		_____
8 Adjustments to Billed kWh		_____
9 Net kWh Billed at Rate on L6 (L7 + L8)		_____
10 Rebate Charge (Credit) used to Compute L6 (L13D from prior month)	\$	_____
11 Rebate Charge or (Refund) Amount Resulting from line L6 (net of billing adjustment)	\$	_____
12 Total (Over) or Under Recovery (L10 less L 11)	\$	_____

Line Loss

13 Last 12 Months Actual	%	_____
14 Last Month Used to Compute L16		_____
15 Line Loss for Month on L14 (L5 ÷ L 1)	%	_____

Calculation of Rebate Adjustment to Bill Consumers

16 Last Rebate From Supplier	\$	_____
17 Less: Rebate Applicable to Section 2 Sales	\$	_____
18 Net Rebate to be refunded to Section 1 Sales		_____
19 Monthly Section 1 Rebate L18 ÷ 12		_____
19 Plus: (Over) or Under Recovery from L12		_____
20 Current Month Rebate Amount		_____
21 Sales as a Percent of Purchases (100% minus L 16)	%	_____
22 Recovery Rate (L20 ÷ L1)	\$/kWh	_____
23 L20 ÷ L 19: RF Applicable to to Billing Month: _____	\$/kWh	_____

UNWIND SURCAHRGE - COMPOSITE FACTOR SCHEDULE

Section 1 Rider Amounts billed by Big Rivers - Month of: _____

1	FAC	\$	_____
2	ES	\$	_____
3	US	\$	_____
4	MRSM	\$	_____
5	On-twelfth of Rebate Adjustment Applied	\$	_____
6	FAC	\$	_____
7	Total	\$	_____

(Over) or Under Recovery - Month of: _____

6	Last FAC Rate Billed	\$/kWh	_____
7	Gross kWh Billed at Rate on L6		_____
8	Adjustments to Billed kWh		_____
9	Net kWh Billed at Rate on L6 (L7 + L8)		_____
10	Fuel Charge (Credit) used to Compute L6 (L13D from prior month)	\$	_____
11	FAC Revenue (Refund) Resulting from line L6 (net of billing adjustment)	\$	_____
12	Total (Over) or Under Recovery (L10 less L 11)	\$	_____

Purchased Power - Month of: _____

13	Fuel Adjustment Charge (Credit):		
	A. Billed by supplier	\$	_____
	B. (over) or Under Recovery (L12)	\$	_____
	C. Unrecoverable - Schedule 2	\$	_____
	D. Recoverable Fuel Cost (L13 A+B-C)	\$	_____
14	Number of kWh Purchased		_____
15	Supplier's FAC: (L13A ÷ L14)	\$/kWh	_____

Line Loss

16	Last 12 Months Actual	%	_____
17	Last Month Used to Compute L16		_____
18	Line Loss for Month on L17 (L5 ÷ L 1)	%	_____

Calculation of FAC to Bill Consumers

19	Sales as a Percent of Purchases (100% minus L 16)	%	_____
20	Recovery Rate (L13D ÷ L14)	\$/kWh	_____
21	L20 ÷ L 19: FAC Applicable to to Billing Month: _____	\$/kWh	_____

MEADE COUNTY RECC

Sample Calculation of FAC, ES, US, MRSM & Rebate

Hypothetical Charges and Credits

Month a	Rate FAC b	Rate MESE c	Rate US d	Non-Direct Served kWh Purchased e	Wholesale Amount FAC f	Wholesale Amount ES g	Wholesale Amount US h	Rebate i	Wholesale	
									Amount MRSM j	Sum k
1 Dec-05	\$ 0.0050	\$ 0.00033	\$ (0.0030)	49,791,580	\$ 248,958	\$ 16,431	\$ (149,375)	\$ (100,000)	\$ (116,014)	\$ -
2 Jan-06	\$ 0.0060	\$ 0.00038	\$ (0.0030)	40,598,530	\$ 243,531	\$ 15,424	\$ (121,766)	\$ (100,000)	\$ (137,189)	\$ -
3 Feb-06	\$ 0.0070	\$ 0.00043	\$ (0.0030)	40,774,023	\$ 285,418	\$ 17,533	\$ (122,322)	\$ (100,000)	\$ (180,629)	\$ -
4 Mar-06	\$ 0.0080	\$ 0.00048	\$ (0.0030)	36,530,120	\$ 292,241	\$ 17,534	\$ (109,590)	\$ (100,000)	\$ (200,185)	\$ -
5 Apr-06	\$ 0.0090	\$ 0.00053	\$ (0.0030)	27,303,280	\$ 245,730	\$ 14,471	\$ (81,910)	\$ (100,000)	\$ (78,290)	\$ 100,000
6 May-06	\$ 0.0100	\$ 0.00058	\$ (0.0030)	29,763,820	\$ 287,638	\$ 17,263	\$ (89,291)	\$ (100,000)	\$ (125,610)	\$ 100,000
7 Jun-06	\$ 0.0090	\$ 0.00063	\$ (0.0030)	34,586,230	\$ 311,276	\$ 21,789	\$ (103,759)	\$ (100,000)	\$ (129,307)	\$ 100,000
8 Jul-06	\$ 0.0080	\$ 0.00068	\$ (0.0030)	42,649,765	\$ 341,198	\$ 29,002	\$ (127,949)	\$ (100,000)	\$ (142,251)	\$ 100,000
9 Aug-06	\$ 0.0070	\$ 0.00073	\$ (0.0030)	43,285,990	\$ 302,862	\$ 31,584	\$ (129,798)	\$ (100,000)	\$ (104,648)	\$ 100,000
10 Sep-06	\$ 0.0060	\$ 0.00078	\$ (0.0030)	28,428,960	\$ 170,574	\$ 22,175	\$ (85,287)	\$ (100,000)	\$ (7,461)	\$ 100,000
11 Oct-06	\$ 0.0050	\$ 0.00083	\$ (0.0030)	32,481,480	\$ 182,407	\$ 26,960	\$ (97,444)	\$ (100,000)	\$ 8,077	\$ 100,000
12 Nov-06	\$ 0.0040	\$ 0.00088	\$ (0.0030)	36,028,660	\$ 144,115	\$ 31,705	\$ (108,086)	\$ (100,000)	\$ 32,266	\$ 100,000
13 Dec-06	\$ 0.0050	\$ 0.00093	\$ (0.0030)	43,582,620	\$ 217,813	\$ 40,513	\$ (130,688)	\$ (100,000)	\$ (27,638)	\$ 100,000
14 Jan-07	\$ 0.0060	\$ 0.00098	\$ (0.0030)	47,031,140	\$ 282,187	\$ 46,091	\$ (141,093)	\$ (100,000)	\$ (87,184)	\$ 100,000
15 Feb-07	\$ 0.0070	\$ 0.00103	\$ (0.0030)	49,995,930	\$ 349,972	\$ 51,496	\$ (149,988)	\$ (100,000)	\$ (151,480)	\$ 100,000
16 Mar-07	\$ 0.0080	\$ 0.00108	\$ (0.0030)	34,555,510	\$ 278,444	\$ 37,320	\$ (103,667)	\$ (100,000)	\$ (110,098)	\$ 100,000
17 Apr-07	\$ 0.0090	\$ 0.00113	\$ (0.0030)	32,649,380	\$ 293,844	\$ 36,894	\$ (97,948)	\$ (100,000)	\$ (232,790)	\$ -
18 May-07	\$ 0.0080	\$ 0.00118	\$ (0.0030)	32,486,410	\$ 259,723	\$ 38,309	\$ (97,386)	\$ (100,000)	\$ (200,636)	\$ -
19 Jun-07	\$ 0.0070	\$ 0.00123	\$ (0.0030)	37,515,130	\$ 262,606	\$ 46,144	\$ (112,545)	\$ (100,000)	\$ (196,204)	\$ -
20 Jul-07	\$ 0.0060	\$ 0.00128	\$ (0.0030)	40,951,630	\$ 245,710	\$ 52,418	\$ (122,855)	\$ (100,000)	\$ (175,273)	\$ -
21 Aug-07	\$ 0.0050	\$ 0.00133	\$ (0.0030)	48,837,080	\$ 244,185	\$ 64,953	\$ (146,511)	\$ (100,000)	\$ (162,627)	\$ -
22 Sep-07	\$ 0.0060	\$ 0.00138	\$ (0.0030)	35,792,840	\$ 214,757	\$ 49,394	\$ (107,379)	\$ (100,000)	\$ (156,773)	\$ -
23 Oct-07	\$ 0.0070	\$ 0.00143	\$ (0.0030)	31,843,370	\$ 222,904	\$ 45,536	\$ (95,530)	\$ (100,000)	\$ (172,909)	\$ -
24 Nov-07	\$ 0.0080	\$ 0.00148	\$ (0.0030)	37,144,830	\$ 297,159	\$ 54,974	\$ (111,434)	\$ (100,000)	\$ (240,698)	\$ -

MEADE COUNTY RECC

Sample Calculation of FAC, ES, US, MRSM & Rebate

Hypothetical Charges and Credits

RETAIL MRSM

Power Bill Month	kWh Purchased	Supplier MRSM Amt	(Over) or Under	Recoverable MRSM Amount	Rate/kWh	Loss Factor	Retail Factor Month	Retail MRSM(m)	kWh Sales	MRSM Revenue	(Over) or Under
a	b	c	d	e	f	g	h	i	j	k	l
1	Dec-05	49,791,580	\$	(116,014)	(0.0023)	95.09%	Feb-06	(0.002450)	37,464,700	(91,800)	(24,214)
2	Jan-06	40,588,530	\$	(161,404)	(0.0040)	96.46%	Mar-06	(0.004122)	35,088,055	(144,591)	(16,713)
3	Feb-06	40,774,023	\$	(197,341)	(0.0048)	95.07%	Apr-06	(0.005091)	31,288,326	(159,342)	(37,999)
4	Mar-06	36,530,120	\$	(238,184)	(0.0065)	93.91%	May-06	(0.006943)	26,456,111	(183,687)	(64,498)
5	Apr-06	27,303,280	\$	(132,768)	(0.0049)	95.69%	Jun-06	(0.005083)	30,453,743	(154,784)	21,996
6	May-06	29,763,820	\$	(103,614)	(0.0035)	96.16%	Jul-06	(0.003658)	37,382,362	(136,758)	33,144
7	Jun-06	34,586,230	\$	(96,163)	(0.0028)	94.73%	Aug-06	(0.002955)	40,504,384	(118,886)	22,723
8	Jul-06	42,649,765	\$	(119,527)	(0.0028)	95.22%	Sep-06	(0.002943)	35,007,917	(103,040)	(16,487)
9	Aug-06	43,265,950	\$	(121,136)	(0.0017)	96.21%	Oct-06	(0.002910)	27,736,490	(80,716)	(40,418)
10	Sep-06	28,428,960	\$	(47,878)	(0.0017)	94.89%	Nov-06	(0.001775)	32,940,314	(58,468)	10,589
11	Oct-06	32,481,480	\$	(7,461)	(0.0006)	93.78%	Dec-06	(0.000613)	38,807,213	23,780	(5,114)
12	Nov-06	36,028,660	\$	18,666	(0.0008)	94.93%	Jan-07	0.000794	41,700,476	33,104	(5,951)
13	Dec-06	43,562,620	\$	27,152	(0.0017)	95.56%	Feb-07	(0.000807)	48,228,452	(38,915)	5,325
14	Jan-07	47,031,140	\$	(81,858)	(0.0017)	95.09%	Mar-07	(0.001830)	38,402,197	(70,291)	(11,568)
15	Feb-07	49,995,930	\$	(33,590)	(0.0008)	96.46%	Apr-07	(0.003381)	31,632,834	(106,946)	(66,101)
16	Mar-07	34,555,510	\$	(163,047)	(0.0033)	95.07%	May-07	(0.005059)	30,354,200	(163,569)	(12,629)
17	Apr-07	32,649,360	\$	(166,198)	(0.0048)	93.91%	Jun-07	(0.008004)	33,870,999	(271,114)	25,694
18	May-07	37,465,410	\$	(245,419)	(0.0075)	95.69%	Jul-07	(0.005631)	38,817,334	(218,594)	43,652
19	Jun-07	32,515,130	\$	(174,942)	(0.0054)	95.16%	Aug-07	(0.004273)	43,663,512	(186,589)	34,037
20	Jul-07	40,951,630	\$	(152,552)	(0.0041)	94.73%	Sep-07	(0.003641)	39,645,111	(144,341)	3,105
21	Aug-07	48,837,080	\$	(141,236)	(0.0034)	95.22%	Oct-07	(0.003431)	31,776,221	(109,009)	(50,513)
22	Sep-07	35,792,840	\$	(159,523)	(0.0033)	96.21%	Nov-07	(0.006020)	33,807,638	(203,509)	(3,777)
23	Oct-07	31,843,370	\$	(207,286)	(0.0058)						
24	Nov-07	37,144,830	\$	(240,696)							

MEADE COUNTY RECC

Sample Calculation of FAC, ES, US, MRSM & Rebate

Hypothetical Charges and Credits

RETAIL REBATE ADJUSTMENT

Power Bill Month	kWh Purchased	Supplier Rebate Amt	(Over) or Under	Recoverable Rebate Amount	Rates/kWh	Loss Factor	Retail Factor Month	Retail RF	kWh Sales	Rebate Revenue	(Over) or Under
a	b	c	d	e	f	g	h	i	j	k	l
1	Dec-05	49,791,580	\$ -	\$ -	\$ -	95.09%	Feb-06	\$ -	37,464,700	\$ -	\$ -
2	Jan-06	40,568,530	\$ -	\$ -	\$ -	96.46%	Mar-06	\$ -	35,098,055	\$ -	\$ -
3	Feb-06	40,774,023	\$ -	\$ -	\$ -	95.07%	Apr-06	\$ -	31,286,326	\$ -	\$ -
4	Mar-06	35,530,120	\$ -	\$ -	\$ -	93.91%	May-06	\$ -	26,456,111	\$ -	\$ -
5	Apr-06	27,303,280	\$ (100,000)	\$ (100,000)	\$ (0.0037)	95.69%	Jun-06	\$ (0.003828)	30,463,743	\$ (116,564)	\$ 16,564
6	May-06	29,763,820	\$ (100,000)	\$ (83,436)	\$ (0.0028)	95.16%	Jul-06	\$ (0.002946)	37,382,362	\$ (110,125)	\$ 26,689
7	Jun-06	34,586,230	\$ (100,000)	\$ (73,311)	\$ (0.0021)	94.73%	Aug-06	\$ (0.002238)	40,504,384	\$ (90,634)	\$ 17,323
8	Jul-06	42,649,765	\$ (100,000)	\$ (82,877)	\$ (0.0019)	95.22%	Sep-06	\$ (0.002036)	35,007,917	\$ (71,272)	\$ (11,404)
9	Aug-06	43,265,990	\$ (100,000)	\$ (117,404)	\$ (0.0026)	96.21%	Oct-06	\$ (0.002676)	27,736,490	\$ (74,233)	\$ (37,171)
10	Sep-06	28,428,960	\$ (100,000)	\$ (137,171)	\$ (0.0048)	94.89%	Nov-06	\$ (0.006086)	32,940,314	\$ (167,506)	\$ 30,335
11	Oct-06	32,481,480	\$ (100,000)	\$ (69,665)	\$ (0.0021)	93.78%	Dec-06	\$ (0.002287)	38,807,213	\$ (88,750)	\$ 19,085
12	Nov-06	36,028,660	\$ (100,000)	\$ (80,915)	\$ (0.0022)	94.93%	Jan-07	\$ (0.002366)	41,700,476	\$ (86,650)	\$ 17,735
13	Dec-06	43,562,620	\$ (100,000)	\$ (82,265)	\$ (0.0019)	95.56%	Feb-07	\$ (0.001976)	48,229,452	\$ (95,308)	\$ 13,043
14	Jan-07	47,031,140	\$ (100,000)	\$ (86,957)	\$ (0.0018)	95.09%	Mar-07	\$ (0.001944)	38,402,197	\$ (74,669)	\$ (12,288)
15	Feb-07	49,995,930	\$ (100,000)	\$ (112,288)	\$ (0.0022)	96.46%	Apr-07	\$ (0.002328)	31,632,834	\$ (73,652)	\$ (38,636)
16	Mar-07	34,555,510	\$ (100,000)	\$ (139,536)	\$ (0.0040)	95.07%	May-07	\$ (0.004220)	30,364,200	\$ (128,101)	\$ (10,535)
17	Apr-07	32,649,380	\$ -	\$ (10,535)	\$ (0.0003)	93.91%	Jun-07	\$ (0.000344)	33,870,999	\$ (11,636)	\$ 1,103
18	May-07	32,465,410	\$ -	\$ 1,103	\$ 0.0000	95.69%	Jul-07	\$ (0.000036)	38,817,334	\$ 1,378	\$ (275)
19	Jun-07	37,515,130	\$ -	\$ (275)	\$ (0.0000)	95.16%	Aug-07	\$ (0.000008)	43,663,512	\$ (337)	\$ 61
20	Jul-07	40,951,630	\$ -	\$ 61	\$ 0.0000	94.73%	Sep-07	\$ (0.000002)	39,645,111	\$ 63	\$ (1)
21	Aug-07	48,837,080	\$ -	\$ (1)	\$ (0.0000)	95.22%	Oct-07	\$ (0.000000)	31,776,221	\$ (1)	\$ (0)
22	Sep-07	35,792,840	\$ -	\$ (0)	\$ (0.0000)	96.21%	Nov-07	\$ (0.000000)	33,807,838	\$ (0)	\$ (0)
23	Oct-07	31,843,370	\$ -	\$ (0)	\$ (0.0000)						
24	Nov-07	37,144,830	\$ -	\$ -	\$ -						
										Total	\$ (1,200,000)
										Target	\$ 1,200,000
										Difference	\$ 0

MEADE COUNTY RECC

Sample Calculation of FAC, ES, US, MRSM & Rebate

Hypothetical Charges and Credits

Retail Summary

Retail Fact Month	Retail FAC Rate	Retail MESH Rate	Retail US Rate	Retail MRSM Rate	Retail RF Rate	Sum of the Factors	Retail Amount FAC	Retail Amount ES	Retail Amount US	Retail Amount MRSM	Retail Amount Rebate	Retail Sum
a	b	c	d	e	f	g	h	i	j	k	l	m
						b+c+d+e+f						h+i+j+k+l
1	Feb-06	\$ 0.005258	\$ 0.000347	\$ 0.002450	\$ -	\$ -	\$ 196,996	13,002	(118,198)	(91,800)	-	\$ 0
2	Mar-06	\$ 0.007547	\$ 0.000482	\$ (0.004122)	\$ -	\$ (0.000000)	\$ 264,896	16,901	(137,106)	(144,691)	-	\$ (0)
3	Apr-06	\$ 0.009153	\$ 0.000503	\$ (0.003664)	\$ -	\$ 0.000000	\$ 255,165	15,733	(111,555)	(159,342)	-	\$ (0)
4	May-06	\$ 0.010293	\$ 0.000620	\$ (0.003970)	\$ -	\$ 0.000000	\$ 272,302	16,416	(105,032)	(183,687)	-	\$ 0
5	Jun-06	\$ 0.012498	\$ 0.000740	\$ (0.004328)	\$ (0.003928)	\$ -	\$ 380,804	22,545	(131,801)	(154,784)	(116,564)	\$ -
6	Jul-06	\$ 0.008599	\$ 0.000496	\$ (0.002491)	\$ (0.003658)	\$ -	\$ 321,459	18,557	(93,133)	(136,758)	(110,125)	\$ -
7	Aug-06	\$ 0.007123	\$ 0.000528	\$ (0.002478)	\$ (0.002238)	\$ -	\$ 288,515	21,378	(100,372)	(118,886)	(90,634)	\$ -
8	Sep-06	\$ 0.007044	\$ 0.000614	\$ (0.002678)	\$ (0.002036)	\$ -	\$ 246,595	21,479	(93,762)	(103,040)	(71,272)	\$ -
9	Oct-06	\$ 0.008224	\$ 0.000841	\$ (0.003479)	\$ (0.002676)	\$ -	\$ 228,102	23,338	(96,487)	(80,718)	(167,506)	\$ -
10	Nov-06	\$ 0.010558	\$ 0.001265	\$ (0.004953)	\$ (0.001775)	\$ -	\$ 347,773	41,348	(163,147)	(68,468)	(86,750)	\$ -
11	Dec-06	\$ 0.003264	\$ 0.000639	\$ (0.002229)	\$ 0.000613	\$ -	\$ 126,664	24,806	(86,500)	23,780	(68,750)	\$ -
12	Jan-07	\$ 0.004617	\$ 0.000771	\$ (0.002616)	\$ (0.002366)	\$ -	\$ 142,493	32,151	(109,099)	33,104	(98,650)	\$ -
13	Feb-07	\$ 0.005628	\$ 0.000834	\$ (0.002668)	\$ (0.000807)	\$ -	\$ 222,668	40,240	(128,686)	(38,915)	(95,308)	\$ -
14	Mar-07	\$ 0.007994	\$ 0.000907	\$ (0.004809)	\$ (0.001944)	\$ -	\$ 216,145	34,849	(106,033)	(70,291)	(74,669)	\$ -
15	Apr-07	\$ 0.012453	\$ 0.001735	\$ (0.004472)	\$ (0.004220)	\$ -	\$ 252,885	37,539	(109,826)	(106,946)	(73,652)	\$ -
16	May-07	\$ 0.010598	\$ 0.001345	\$ (0.003594)	\$ (0.008004)	\$ (0.000000)	\$ 378,013	52,679	(149,023)	(153,569)	(128,101)	\$ -
17	Jun-07	\$ 0.007265	\$ 0.001094	\$ (0.002784)	\$ (0.005631)	\$ -	\$ 368,991	45,642	(121,742)	(271,114)	(11,638)	\$ (0)
18	Jul-07	\$ 0.005779	\$ 0.001055	\$ (0.002553)	\$ (0.000036)	\$ -	\$ 282,023	42,476	(107,282)	(218,594)	1,378	\$ (0)
19	Aug-07	\$ 0.005148	\$ 0.001135	\$ (0.002643)	\$ (0.004273)	\$ 0.000000	\$ 252,313	46,064	(111,452)	(186,589)	(337)	\$ 0
20	Sep-07	\$ 0.005157	\$ 0.001376	\$ (0.003102)	\$ (0.000002)	\$ (0.000000)	\$ 204,073	44,983	(104,778)	(144,341)	63	\$ (0)
21	Oct-07	\$ 0.008442	\$ 0.002023	\$ (0.004445)	\$ (0.006020)	\$ 0.000000	\$ 163,864	43,724	(98,578)	(109,009)	(1)	\$ 0
22	Nov-07	\$ 0.008442	\$ 0.002023	\$ (0.004445)	\$ (0.006020)	\$ 0.000000	\$ 285,392	68,386	(150,269)	(203,509)	(0)	\$ (0)

**MEADE COUNTY RURAL ELECTRIC COOPERATIVE CORPORATION
PUBLIC NOTICE
PSC CASE NO. 2007-00470**

**THE APPLICATION OF MEADE COUNTY RECC
FOR NEW TARIFFS AND ADJUSTMENTS TO EXISTING TARIFFS**

Meade County RECC, P.O. Box 489, Brandenburg, KY 40108, is applying to the Kentucky Public Service Commission for new tariffs and adjustments to existing tariffs. The rates contained in this notice, which are the rates contained in the application, are rates proposed by Meade County RECC; however, the Kentucky Public Service Commission may order rates to be charged that differ from the rates contained therein.

The proposed new and revised tariffs are necessary to reflect and pass through changes in the wholesale rates proposed by our wholesale power supplier, Big Rivers Electric Corporation, in PSC Cases No. 2007-00455 and No. 2007-00460.

The proposed new tariffs, applicable to kWh sales made under all Meade tariffs are as follows:

- Fuel Adjustment Clause – FAC**
- Environmental Surcharge – ES**
- Unwind Surcredit – US**
- Rebate Adjustment**
- Member Rate Stability Mechanism – MRSM**
- Unwind Rider – Composite Factor - URCE**

The combined net revenue impacts of the six new tariffs by rate schedule are:

<u>Annual Impact by Rate Class</u>							
<u>Class</u>	<u>FAC</u>	<u>ES</u>	<u>US</u>	<u>Rebate</u>	<u>MRSM</u>	<u>Combined Net Effect</u>	<u>URCE</u>
Sch 1: Residential, Schools & Churches							
Amount	\$ 2,171,358	180,333	(1,472,107)	(92,007)	(787,577)	\$ -	\$ -
Percent	9.10%	0.76%	-8.17%	-0.39%	-3.30%	0.00%	0.00%
Sch 2: Commercial							
Amount	\$ 184,873	\$ 15,337	\$ (125,202)	\$ (7,825)	\$ (88,983)	\$ -	\$ -
Percent	8.39%	0.70%	-8.69%	-0.38%	-3.04%	0.00%	0.00%
Sch 3: Three Phase Power Service, 0 KVA to 999 KVA							
Amount	\$ 442,607	\$ 38,788	\$ (300,072)	\$ (18,756)	\$ (180,539)	\$ -	\$ -
Percent	9.18%	0.78%	-8.22%	-0.39%	-3.33%	0.00%	0.00%
Sch 3A: Three Phase Power Service Optional Time-of-Day Rate							
Amount	\$ 279	\$ 23	\$ (189)	\$ (12)	\$ (101)	\$ -	\$ -
Percent	8.26%	0.68%	-8.59%	-0.35%	-2.99%	0.00%	0.00%
Sch 8: Public St. Lights							
Amount	\$ 6,200	\$ 616	\$ (4,204)	\$ (263)	\$ (2,249)	\$ -	\$ -
Percent	9.62%	0.80%	-8.82%	-0.41%	-3.49%	0.00%	0.00%

**Sch 8 revenues (Outdoor Lighting Service) are embedded in Schedules 1, 2, 3, and 3A above.

The effect of the proposed rates on the average monthly bill by rate schedule is as follows:

Average Monthly Bill Impact by Rate Class

<u>Class</u>	<u>FAC</u>	<u>ES</u>	<u>US</u>	<u>Rebate</u>	<u>MRSM</u>	<u>Combined Net Effect</u>	<u>URCF</u>
Sch 1: Residential, Schools & Churches							
Amount	\$ 7.11	\$ 0.69	\$ (4.82)	\$ (0.30)	\$ (2.68)	-	-
Percent	9.10%	0.76%	-6.17%	-0.39%	-3.30%	0.00%	0.00%
Sch 2: Commercial							
Amount	\$ 9.10	\$ 0.76	\$ (6.17)	\$ (0.39)	\$ (3.30)	-	-
Percent	8.39%	0.70%	-6.69%	-0.36%	-3.04%	0.00%	0.00%
Sch 3: Three Phase Power Service, 0 KVA to 999 KVA							
Amount	\$ 106.32	\$ 8.83	\$ (72.08)	\$ (4.51)	\$ (38.58)	-	-
Percent	9.18%	0.76%	-6.22%	-0.39%	-3.33%	0.00%	0.00%
Sch 3A: Three Phase Power Service Optional Time-of-Day Rate							
Amount	\$ 7.76	\$ 0.84	\$ (6.28)	\$ (0.33)	\$ (2.80)	-	-
Percent	8.25%	0.68%	-6.69%	-0.36%	-2.99%	0.00%	0.00%
Sch 8: Public St. Lights							
Amount	\$ 86.12	\$ 7.15	\$ (58.38)	\$ (3.66)	\$ (31.24)	-	-
Percent	9.62%	0.80%	-6.52%	-0.41%	-3.49%	0.00%	0.00%

**Sch 5 revenues (Outdoor Lighting Service) are embedded in Schedules 1, 2, 3, and 3A above

One new tariff and two revised tariffs are as follows:

- 8 TRF - Small Power and Cogeneration 100 KW or less (Customer Sells Power to Meade) - Revised
- 9 TRF - Small Power and Cogeneration over 100 kW (Customer Sells Power to Big Rivers) - Revised
- 10 TRF - Small Power and Cogeneration over 100 KW (Customer Buys Power from Meade) - New

No customers presently take service under any of these three tariffs.

Any corporation, association, or person with a substantial interest in the matter may, by written request, within thirty (30) days after publication of this notice request to intervene in the proceeding. That written request must be submitted to the Kentucky Public Service Commission, Post Office Box 615, 211 Sower Boulevard, Frankfort, KY 40601, and should set forth the grounds for the request, including the status and interest of the party. Intervention may be granted beyond the thirty (30) day period for good cause shown. Intervenor may obtain copies of the application by contacting Meade County RECC, P.O. Box 489, Brandenburg, KY 40108 or by calling (270) 422-2162.

A copy of the application and any other filing is available for public inspection at Meade County RECC's office at the above stated address or at its branch office at 127 East Old Highway 60, Hardinsburg, KY, 40143.

By: Burns Mercer, President and CEO

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CASE NO. 2007-00470

**DIRECT TESTIMONY OF BURNS MERCER
ON BEHALF OF
MEADE COUNTY RECC**

1. Q: Please state your name, job description, and business address.

A: My name is Burns Mercer. I am President and CEO of Meade County RECC ("Meade County"). My business address is 1351 Hwy. 79, Brandenburg, KY 40108.

2. Q: What is the purpose of your testimony?

A: The purpose of my testimony is to support the instant filing being made by Meade County.

3. Q: Why is Meade County seeking Commission approval of new rate riders, modifications to its existing tariffs and a new tariff, and an amended wholesale power supply agreement with Big Rivers Electric Corporation ("BREC")?

A: As one of the three electric distribution cooperative member-owners of BREC, Meade County has been intimately involved in the "unwind" initiatives of BREC as presented for Commission approval in its filing in Cases 2007-00455 and 2007-00460. I presented testimony in the BREC filings articulating the reasons behind Meade County's support of the filings.

Assuming the Commission approves BREC's requests in Cases 2007-00455 and 2007-00460, Meade County's amended wholesale power agreement with BREC is a necessary condition for the unwind to proceed. Additionally, in order for Meade County to properly and in a timely manner flow through to its members the various charges and credits contemplated in the BREC filings, its requested new rate riders, tariff modifications and new tariff are also necessary.

4. Q: Following implementation of the foregoing do you believe that Meade County will continue to have rates that are fair, just and reasonable?

A: Yes, I do.

1 5. Q: Do you have anything additional to add?
2
3 A: Not at this time.