


A large, stylized graphic element consisting of a horizontal oval shape with a gradient from light to dark, tapering to a point on the right side. The text "OWEN Electric" is overlaid on the light portion of this graphic.

**OWEN** Electric

A Touchstone Energy Cooperative 

**Rate Case No.  
2008-00154**

**APPLICATION**

**8205 Hwy 127 N  
PO Box 400  
Owenton, KY 40359  
502-484-3471**

**CRAWFORD & BAXTER, P.S.C.**

ATTORNEYS AT LAW

523 Highland Avenue  
P.O. Box 353  
Carrollton, Kentucky 41008

James M. Crawford  
Ruth H. Baxter

Phone: (502) 732-6688  
1-800-442-8680  
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Email: CBJ523@AOL.COM

August 27, 2008

RECEIVED

AUG 27 2008

PUBLIC SERVICE  
COMMISSION

Ms. Stephanio Stumbo  
Executive Director  
Public Service Commission  
211 Sower Boulevard  
P.O. Box 615  
Frankfort, Kentucky 40602

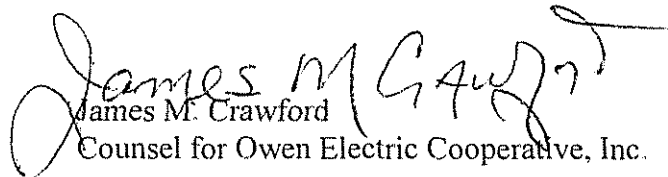
RE: **Application of Owen Electric Cooperative for an Adjustment of Rates  
PSC Case No. 2008-0154**

Dear Ms. Stumbo:

Enclosed for filing are ten copies of the application of Owen Electric Cooperative for an adjustment of rates. Please feel free to call if you have any questions or concerns.

Respectfully yours,

CRAWFORD & BAXTER, P.S.C.

  
James M. Crawford  
Counsel for Owen Electric Cooperative, Inc.

JMC/mns

Enclosures

COMMONWEALTH OF KENTUCKY  
BEFORE THE PUBLIC SERVICE COMMISSION

RECEIVED

AUG 27 2008

PUBLIC SERVICE  
COMMISSION

IN THE MATTER OF ADJUSTMENT  
OF RATES OF OWEN ELECTRIC  
COOPERATIVE CORPORATION

CASE NO. 2008-00154

APPLICATION

Owen Electric Cooperative (herein designated as "Owen Electric") hereby makes application for an adjustment of rates, as follows:

1. Owen Electric informs the commission that it is engaged in the business of operation of a retail electric distributions system in nine (9) counties in northern Kentucky and does hereby propose to adjust rates, effective September 27, 2008, in conformity with the attached schedule.

2. The name and post office address of the applicant is Owen Electric Cooperative, P.O. Box 400, 8205 Hwy. 127 North, Owenton, Kentucky, 40359 [807 KAR 5:001, Section 8(1)].

3. The current certified copy of Owen Electric's Articles of Incorporation, except for the amendments hereinafter mentioned, is on file with the Commission as part of the record in Case No. 90-166, filed June 13, 1990. Amendments of Articles of Incorporation are on file as of February 18, 1992 as part of the record in Case No. 92-064 and as part of the record in Case No. 2006-00314. [807 KAR 5:001, Section 8(3)].

4. The application is supported by a twelve month historical test period ending December 31, 2007 and includes adjustments for known and measurable changes [807 KAR 5:001, Section 10(1)(a)].

5. Owen Electric states that the reasons the rate adjustment are required pursuant to 807 KAR Section 10(1)(a)(1) are as follows:

a. Owen Electric has incurred increases in the cost of power, materials, equipments, labor, taxes, interest, debt service and other fixed and variable costs. Owen Electric has been required to borrow funds to finance its construction projects.

b. The financial condition of Owen Electric has deteriorated substantially over the past few years.

c. Owen Electric had a Times Interest Earned Ratio (TIER) of 0.78 for the test year ending December 31, 2007. Owen Electric is required under its mortgage agreement of

maintain an operating TIER of 1.25, based on an average of two of the three most current years.

d. Owen Electric requires this rate adjustment to meet the terms of the mortgage agreement and to maintain its financial stability and integrity.

e. The Board of Directors of Owen Electric at its meeting on July 31, 2008 received the current financial condition of Owen Electric and the need for a rate adjustment to maintain the financial stability and integrity of the Cooperative. The Board of Directors adopted a resolution directing the administrative staff and consultants to proceed with the necessary application and filings with the Public Service Commission to adjust the rates of the Cooperative. A copy of the resolution is attached as Exhibit F.

6. Annual reports, including the most recent calendar year, are on file with the Commission in accordance with 807 KAR 5:006, Section 3(1) [807 KAR 5:001, Section 10(1)(a)2].

7. Owen Electric is not a limited partnership [807 KAR 5:001, Section 10(1)(a) 4].

8. Owen Electric files with this application a Certificate of Good Standing dates within 60 days of the date of this application and attached as Exhibit A. [807 KAR 5:001, Section 10(1)5].

9. Owen Electric does not conduct business under an assumed name [807 KAR 5:001, Section 10(1)(a)6].

10. The proposed tariff is attached as Exhibit B in a form that complies with 807 KAR 5:001 with an effective date not less than 30 days from the date of this application [807 KAR 5:001, Section 10(1)(a)7].

11. The proposed tariff changes, identified in compliance with 807 KAR 5:001, are shown by providing the present and proposed tariffs in comparative form on the same sheet, side by side, or on facing sheets, side by side, as Exhibit C [807 KAR 5:001, Section 10(1)(a)8].

12. Owen Electric has given notice to its members of the filing of this application in accordance with 807 KAR 5:001, Section 3-10 (3) and (4). A copy of the notice is attached as Exhibit D [807 KAR 5:001, Section 10(1)(a)9].

13. Owen Electric filed with the Commission a written notice of intent to file a rate application at least four (4) weeks prior to filing this application. The notice of intent stated the rate application would be supported by a historical test period and was served upon the Attorney General, Utility Intervention and Rate Division, as Exhibit E [807 KAR 5:001, Section 10(2)].

14. A complete description and qualified explanation for all proposed adjustments with proper support for any proposed changes in price or activity levels, and any other factors which may affect the adjustment, including a Revenue Analysis shown as Exhibit G [807 KAR 5:001, Section (10)(6)(a)].

15. The prepared testimony of each witness supporting the application are attached as Exhibits H [807 KAR 5:001, Section 10(6)(b)].

16. A statement estimating the effect the new rates will have upon the revenues of Owen Electric, including, at a minimum, the total amount of revenues resulting from the increase or decrease and the percentage of the increases or decreases and the percentage of the increase or decrease is shown by Exhibit G [807 KAR 5:001, Section 10(6)(d)].

17. The effect upon the average bill for each customer classification to which the proposed rate change will apply is shown by Exhibit I [807 KAR 5:001, Section 10(6)(e)].

18. An analysis of customers' bills in such detail that revenues from present and proposed rates can be readily determined for each customer class is shown by Exhibit J [807 KAR 5:001, Section 10(6)(g)].

19. A summary of the Cooperative's determination of its revenue requirements based on return on net investment rate base, return on capitalization, interest coverage, debt service coverage or operating ratio, with supporting schedules is shown by Exhibit K [ 807 KAR 5:001, Section 10(6)(h)].

20. A reconciliation of the rate base and capital used to determine its revenue requirements is shown by Exhibit L [807 KAR 5:001, Section 10(6)(i)].

21. A current chart of accounts is shown by Exhibit M [807 KAR 5:001, Section 10(6)(j)].

22. The independent auditor's report is attached as Exhibit N [807 KAR 5:001, Section 10(6)(k)].

23. The Federal Energy Regulatory Commission or Federal Communications Commission have not audited Owen Electric and no audit reports exist [807 KAR 5:001, Section 10(6)(l)].

24. No Federal Energy Regulatory Commission Form 1 exists as to Owen Electric [807 KAR 5:001, Section 10(6)(m)].

25. The last depreciation study of Owen Electric is attached as Exhibit 3 [807 KAR 5:001, Section 10(6)(n)].

26. A list of commercially available or in-house developed computer software, programs, and models used in the development of the schedules and work papers associated

with the filing of this application are attached as Exhibit O [807 KAR 5:001, Section 10(6)(o)].

27. No stock or bond offerings have been made by Owen Electric [807 KAR 5:001, Section 10(6)(p)].

28. Annual Reports to members for 2008 and 2007 are attached as Exhibit P [807 KAR 5:001, Section 10(6)(q)].

29. The monthly managerial reports providing financial results of operations for the twelve (12) months in the test period are attached as Exhibit Q [807 KAR 5:001, Section 10(6)(r)].

30. No Securities and Exchange Commission Annual Reports exist as to Owen Electric because it is not regulated by that regulated body [807 KAR 5:001, Section 10(6)(s)].

31. Owen Electric had no amounts charged or allocated to it by an affiliate or general or home office and did not pay monies to an affiliate or general or home office during the test period or during the previous three (3) calendar years [807 KAR 5:001, Section 10(6)(t)].

32. A cost of service study based on a methodology generally accepted within the electric industry and based on current and reliable data for the test period is attached as Exhibit R [807 KAR 5:001, Section 10(6)(u)].

33. Owen Electric is not a Local Exchange Carrier or Company as set forth in 807 KAR 5:001, Section 10(6)(v).

34. A detailed income statement and balance sheet reflecting the impact of all proposed adjustments is attached as Exhibit S [807 KAR 5:001, Section 10(7)(a)].

35. No “proposed pro forma adjustments reflecting plant additions” exist or apply to Owen Electric [807 KAR 5:001, Section (7)(b) and (c)].

36. The operating budget for each month of the period encompassing the pro forma adjustments is attached as Exhibit T [807 KAR 5:001, Section (7)(d)].

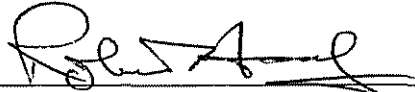
37. Additional financial exhibits required by 807 KAR 5:001, Section 10, financial information covering twelve (12) month historical test period ending December 31, 2007, and other information required to be filed is attached by exhibits, as follows:

Exhibit U	Equity Management Plan
Exhibit V	Detailed comparative income statement, statement of cash flows and balance sheet
Exhibit W	Schedule showing monthly comparison of balance sheet accounts from Test year to Preceding year
Exhibit X	Schedule showing monthly comparison of income statement accounts from Test year to Preceding Year
Exhibit Y	Trial balance at end of test year
Exhibit Z	Capital structure
Exhibit 1	Adjustment for salaries and wages
Exhibit 2	Adjustment for payroll taxes
Exhibit 3	Adjustment for depreciation
Exhibit 4	Adjustment for property taxes
Exhibit 5	Adjustment for long term and short term interest
Exhibit 6	Adjustment for post-retirement benefits
Exhibit 7	Adjustment for retirement costs
Exhibit 8	Adjustment for donations
Exhibit 9	Adjustment for professional fees
Exhibit 10	Adjustment for director expenses
Exhibit 11	Adjustment for miscellaneous expenses
Exhibit 12	Adjustment for non-recurring charges
Exhibit 13	Adjustment for rate case expenses
Exhibit 14	Adjustment for purchase power
Exhibit 15	Adjustment for normalized revenue
Exhibit 16	Adjustment for end of year customer adjustment
Exhibit 17	KAEC Statistical Comparison
Exhibit 18	RUS Borrower's Statistical Profile
Exhibit 19	Capitalization policies and employee benefits
Exhibit 20	By-Law Changes
Exhibit 21	Bargaining Unit Contract

WHEREFORE, OWEN ELECTRIC COOPERATIVE applies and requests approval of the adjustment of rates as set forth in this application and issuance of an order approving and authorizing the new rates at the earliest possible date.

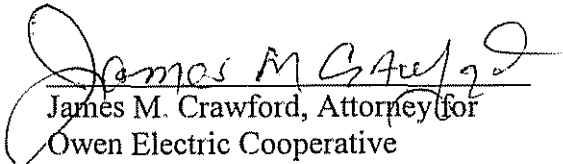
Dated: August 26, 2008.

Owen Electric Cooperative



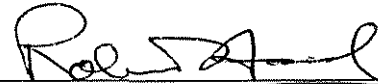
Robert Hood, President & CEO

COUNSEL:  
JAMES M. CRAWFORD  
CRAWFORD & BAXTER, P.S.C.  
P.O. Box 353  
Carrollton, Kentucky 41008



James M. Crawford, Attorney for  
Owen Electric Cooperative

I, Robert Hood, President & CEO, state that the statements contained in the foregoing application are true to the best of my information and belief.



Robert Hood, President & CEO  
Owen Electric Cooperative

Subscribed and sworn to before me by Robert Hood as President & CEO of Owen Electric Cooperative this 26 day of August, 2008.



Notary Public, Kentucky State At Large

My Commission Expires: 7-7-2010



7/10/2008

Commonwealth of Kentucky  
Trey Grayson, Secretary of State

Division of Corporations  
Business Filings

P. O. Box 718  
Frankfort, KY 40602  
(502) 564-2848  
<http://www.sos.ky.gov>

**Certificate of Existence**

Authentication Number: 67065  
Jurisdiction: Owen Electric Cooperative  
Visit <http://apps.sos.ky.gov/business/obdb/certvalidate.aspx> to authenticate this certificate.

I, Trey Grayson, Secretary of State of the Commonwealth of Kentucky, do hereby certify that according to the records of the Office of the Secretary of State,

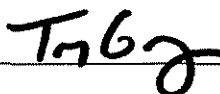
**OWEN ELECTRIC COOPERATIVE, INC.**

is a nonprofit corporation duly incorporated and existing under KRS Chapter 273, whose date of incorporation is June 9, 1937 and whose period of duration is perpetual.

I further certify that all fees and penalties owed to the Secretary of state have been paid; that articles of dissolution have not been filed; and that the most recent annual report required by KRS 273.3671 has been delivered to the Secretary of State.

IN WITNESS THEREOF, I have hereunto set my hand and affixed my Official Seal at Frankfort, Kentucky, this 10th day of July, 2008.



  
\_\_\_\_\_  
Trey Grayson  
Secretary of State  
Commonwealth of Kentucky  
67065/0039308

FOR Entire Territory Served  
Community, Town or City

P.S.C. KY. NO. 6

8th Revised SHEET NO. 1

CANCELLING P.S.C. KY. NO. 6

7th Revised SHEET NO. 1

**Owen Electric Cooperative, Inc.**

(Name of Utility)

**CLASSIFICATION OF SERVICE**

**SCHEDULE I - FARM AND HOME**

- A. Applicable to entire territory served.
- B. Available to farm and residential consumers.
- C. Type of Service - Single phase, 60 cycles, 120/240 volt.
- D. Rate

Customer Charge	\$ 11.20	Per Month	I
All KWH	\$.07533	Per KWH	

E. Terms of Payment - The above rates are net, the gross being five percent (5%) higher. In the event the current monthly bill is not paid within fifteen (15) days from the date bill was rendered, the prompt payment discount shall be forfeited and the gross amount shall apply.

\* The monthly kilowatt hour usage shall be subject to plus or minus an adjustment per KWH determined in accordance with the "Fuel Adjustment Clause".

This tariff is subject to the Energy Emergency Control Program as filed with the Kentucky Energy Regulatory Commission (now the Public Service Commission) on February 23, 1981, in Administrative Case No. 240, and as approved by the Commission Order of March 31, 1981.

DATE OF ISSUE August 27, 2008  
Month / Date / Year

DATE EFFECTIVE September 27, 2008  
Month / Date / Year

ISSUED BY \_\_\_\_\_  
(Signature of Officer)

TITLE President /CEO

BY AUTHORITY OF ORDER OF THE PUBLIC SERVICE COMMISSION  
IN CASE NO 2008-00154 DATED \_\_\_\_\_

Exhibit B  
Page 2 of 61

FOR Entire Territory Served  
Community, Town or City

P.S.C. KY. NO. 6

6th Revised SHEET NO. 2

CANCELLING P.S.C. KY. NO. 6

5th Revised SHEET NO. 2

Owen Electric Cooperative, Inc.  
(Name of Utility)

CLASSIFICATION OF SERVICE

**SCHEDULE I-A FARM AND HOME  
OFF - PEAK MARKETING RATE\***

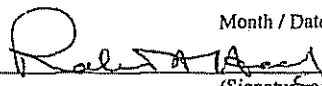
Page One

- A. Applicable - to entire territory served.
- B. Available - to consumers eligible for SCHEDULE I - FARM AND HOME. The electric power and energy furnished under this SCHEDULE I-A shall be separately metered for each point of delivery. Other power and energy furnished will be billed under SCHEDULE I -FARM AND HOME.
- C. Type of Service - Single phase, 60 cycle, 120/240 volt.
- I D. Rate  
All KWH \$ .04520 per KWH  
Same as Schedule I - Farm & Home, less 40%
- E. Schedule of Hours  
This rate is only applicable for the below-listed off-peak hours:

<u>Months</u>	<u>Off-Peak Hours - EST</u>
October thru April	12:00 Noon to 5:00 P.M. 10:00 P.M. to 7:00 A.M.
May thru September	10:00 P.M. to 10:00 A.M.

DATE OF ISSUE August 10, 2007  
Month / Date / Year

DATE EFFECTIVE August 1, 2007  
Month / Date / Year

ISSUED BY   
(Signature of Officer)

TITLE President/CEO

BY AUTHORITY OF ORDER OF THE PUBLIC SERVICE COMMISSION

IN CASE NO. 2006-00522 DATED July 25, 2007

PUBLIC SERVICE COMMISSION  
OF KENTUCKY  
EFFECTIVE  
8/1/2007  
PURSUANT TO 807 KAR 5:011  
SECTION 9 (1)

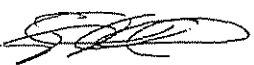
By   
Executive Director

Exhibit B  
Page 3 of 61

FOR Entire Territory Served  
Community, Town or City

P.S.C. KY. NO. 6

3rd Revised SHEET NO. 3

CANCELLING P.S.C. KY. NO. 6

2nd Revised SHEET NO. 3

Owen Electric Cooperative, Inc.  
(Name of Utility)

CLASSIFICATION OF SERVICE

**SCHEDULE I-A FARM AND HOME  
OFF PEAK MARKETING RATE\***

Page Two

F. Terms and Conditions

The retail marketing rate applies only to programs which are expressly approved by the Commonwealth of Kentucky Public Service Commission to be offered under the Marketing Rate of East Kentucky Power's Wholesale Power Rate Schedule A.

Under this rate a separate contract will be executed between the Cooperative and the Consumer/Member, a sample copy of which is filed as part of this tariff.

R

G. Terms of Payment

The above rates are net, the gross being five percent (5%) higher. In the event the current monthly bill is not paid within fifteen (15) days from the date the bill was rendered, the prompt payment discount shall be forfeited and the gross amount shall apply.

\* The monthly kilowatt hour usage shall be subject to plus or minus an adjustment per KWH determined in accordance with the "Fuel Adjustment Clause".

This tariff is subject to the Energy Emergency Control Program as filed with the Kentucky Energy Regulatory Commission (now the Public Service Commission) on February 23, 1981, in Administrative Case No. 240, and as approved by the Commission Order of March 31, 1981.

DATE OF ISSUE September 1, 2003  
Month / Date / Year

DATE EFFECTIVE October 1, 2003  
Month / Date / Year

ISSUED BY [Signature]  
(Signature of Officer)

TITLE President/CEO

BY AUTHORITY OF ORDER OF THE PUBLIC SERVICE COMMISSION

IN CASE NO \_\_\_\_\_ DATED August 28, 2003

PUBLIC SERVICE COMMISSION  
OF KENTUCKY  
EFFECTIVE

OCT 01 2003

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

BY [Signature]  
EXECUTIVE DIRECTOR

Exhibit B  
Page 4 of 61

FOR Entire Territory Served  
Community, Town or City

P.S.C. KY NO. 6

2<sup>nd</sup> Revised SHEET NO. 4

CANCELLING P.S.C. KY NO. 6

1<sup>st</sup> Revised SHEET NO. 4

Owen Electric Cooperative, Inc.  
(Name of Utility)

CLASSIFICATION OF SERVICE

OFF-PEAK ELECTRIC THERMAL STORAGE HEATING CONTRACT

This Agreement made and entered into between Owen Electric Cooperative, Inc., Inc. (hereinafter called "OEC")  
and

(hereinafter called Member, whether singular or plural)

WITNESSETH:

That in consideration of the mutual promises and covenants hereinafter set forth, the parties agree as follows:

1. Installation of the special metering and wiring required for electric thermal storage units must comply with the specifications set forth by OEC before the special discounted electric rate can be granted. An inspection by a certified electrical inspector will be required for any wiring changes in order to certify conformance with applicable specifications and safety standards as outlined in the National Electric Code.
2. After installation of the unit(s), OEC guarantees a minimum of ten (10) hours off-peak storage availability per day for ten (10) years from the date of installation.
3. OEC further guarantees, subject to the approval of the Public Service Commission, that the rate for energy used by off-peak ETS unit(s) pursuant to Farm and Home Service tariff marketing rate, shall be discounted no less than forty percent below the per kWh rate for regular residential services, as appropriate, and as modified and approved from time to time by the Public Service Commission, for ten (10) years from date of installation.
4. Member agrees to participate in any electronic load control program initiated by OEC, and approved by the Public Service Commission, that insures a minimum of ten (10) hours per day charging time for ETS unit(s).

DATE OF ISSUE May 12, 2003  
Month / Date / Year

DATE EFFECTIVE May 1, 2003  
Month / Date / Year

ISSUED BY [Signature]  
(Signature of Officer)

TITLE President/CEO

PUBLIC SERVICE COMMISSION  
OF KENTUCKY  
EFFECTIVE

MAY 01 2003

BY AUTHORITY OF ORDER OF THE PUBLIC SERVICE COMMISSION  
IN CASE NO. 2002-00447 DATED April 23, 2003

PURSUANT TO 807 KAR 5:011  
SECTION 9 (1)  
BY [Signature]  
EXECUTIVE DIRECTOR

Exhibit B  
Page 5 of 61

Form for filing Rate Schedules

FOR Entire Territory Served  
Community, Town or City  
P.S.C. No. 6  
1st Revised SHEET No. 5  
CANCELING P.S.C. No. 6  
Original SHEET No. 5

Owen Electric Cooperative, Inc.  
Name of Issuing Corporation

CLASSIFICATION OF SERVICE

OFF-PEAK ELECTRIC THERMAL STORAGE HEATING CONTRACT

Page 2

- 5. The rate discount offered herein may be transferred or assigned to another member of OEC who resides in, rents, leases or purchases a residence equipped with approved ETS unit(s), providing such member abides by the terms of this contract and accompanying tariff.
- 6. OEC retains the right to periodically inspect ETS unit(s) installations through its employees or representatives.
- 7. Discounted rates for ETS energy used are contingent upon modified wiring, equipment, and/or timing devices operating as specified by OEC employees or representatives. In the event such operation is circumvented by causes other than negligence by authorized installers, or defects in material and/or equipment, or other causes beyond the reasonable control of Member, penalty equal to the product of 1.4 multiplied by the regular residential rate shall apply to all ETS energy used.
- . OEC, its employees or representatives, shall not be held liable for any damages resulting from the use of ETS unit(s) and members shall indemnify, defend, and save OEC harmless therefrom.

This \_\_\_\_\_ day of \_\_\_\_\_, \_\_\_\_\_.

Owen Electric Cooperative, Inc.

By: \_\_\_\_\_  
Employee/Representative

Member: \_\_\_\_\_  
Signature

Member # \_\_\_\_\_  
Location # \_\_\_\_\_

Name: \_\_\_\_\_  
Address: \_\_\_\_\_

Meter # \_\_\_\_\_

Telephone # \_\_\_\_\_

PUBLIC SERVICE COMMISSION  
OF KENTUCKY  
EFFECTIVE

SEP 01 1997

PURSUANT TO 307 KAR 5:011,  
SECTION 9(1)  
BY: Stephan D. Bell  
SECRETARY OF THE COMMISSION

DATE OF ISSUE August 25, 1997  
ISSUED BY [Signature]  
Name of Officer

DATE EFFECTIVE September 1, 1997  
TITLE President/CEO

Issued by authority of an Order of the Public Service Commission of Kentucky in Case No. 96-543 Appendix A Dated August 20, 1997.

Exhibit B  
Page 6 of 61

FOR Entire Territory Served  
Community, Town or City

P.S.C. KY. NO. 6

8th Revised SHEET NO. 8

CANCELLING P.S.C. KY. NO. 6

7th Revised SHEET NO. 8

Owen Electric Cooperative, Inc.

(Name of Utility)

CLASSIFICATION OF SERVICE

**SCHEDULE I - SMALL COMMERCIAL\***

- A. Applicable to entire territory served.
- B. Available for commercial, industrial and three-phase farm service under 50 KW for all uses, including lighting, heating and power.
- C. Type of Service - Single-phase and three-phase, 60 cycle at available secondary voltage.
- D. Rate (Monthly)
 

Customer Charge	\$ 13.48 per Month	I
All KWH	\$.07534 per KWH	
- E. Minimum Charge under the above rate shall be \$.75 per KVA of installed transformer capacity. Where it is necessary to extend or reinforce existing distribution facilities, the minimum monthly charge may be increased to assure adequate compensation for the added facilities.
- F. Terms of Payment - The above rates are net, the gross being five percent (5%) higher. In the event the current monthly bill is not paid within fifteen (15) days from the date bill was rendered, the prompt payment discount shall be forfeited and the gross amount shall apply.

\* The monthly kilowatt hour usage shall be subject to plus or minus an adjustment per KWH determined in accordance with the "Fuel Adjustment Clause".

This tariff is subject to the Energy Emergency Control Program as filed with the Kentucky Energy Regulatory Commission (now the Public Service Commission) on February 23, 1981, in Administrative Case No. 240, and as approved by the Commission Order of March 31, 1981.

DATE OF ISSUE August 27, 2008  
Month / Date / Year

DATE EFFECTIVE September 27, 2008  
Month / Date / Year

ISSUED BY \_\_\_\_\_  
(Signature of Officer)

TITLE President/CEO

BY AUTHORITY OF ORDER OF THE PUBLIC SERVICE COMMISSION  
IN CASE NO 2008-00154 DATED \_\_\_\_\_

Exhibit B  
Page 17 of 61

FOR Entire Territory Served  
Community, Town or City

P.S.C. KY. NO. 6

6th Revised SHEET NO. 9

CANCELLING P.S.C. KY. NO. 6

5th Revised SHEET NO. 9

Owen Electric Cooperative, Inc.  
(Name of Utility)

CLASSIFICATION OF SERVICE

**SCHEDULE II - LARGE POWER\***

Page One

- A. Applicable - to entire territory served.
- B. Available to all commercial, industrial and farm consumers whose kilowatt demand shall exceed 50 KW for lighting and/or heating and/or power.
- C. Character of Service - the electric service furnished under this schedule will be three-phase, 60 cycle, alternating current at available nominal voltage.
- D. Agreement - An "Agreement for Purchase of Power" shall be executed by the consumer for service under this schedule.
- E. Rates

All KW Demand	\$ 5.25	Per KW of Billing Demand
Customer Charge	\$ 20.50	Per Month
All KWH	\$.05528	Per KWH
- F. Determination of Billing Demand - the billing demand shall be the maximum kilowatt demand established by the consumer for any period of fifteen consecutive minutes during the month for which the bill is rendered, as indicated or recorded by a demand meter and adjusted for power factor as provided below.
- G. Power Factor Adjustment - the consumer agrees to maintain unity power factor as nearly as practicable. Power factor may be measured at any time. Should such measurements indicate that the power factor at the time of his maximum demand is less than 90%, the demand for billing purposes shall be the demand as indicated or recorded by the demand meter, multiplied by 90%, and divided by the percent power factor.

I

DATE OF ISSUE August 10, 2007  
Month / Date / Year

DATE EFFECTIVE August 1, 2007  
Month / Date / Year

ISSUED BY *Ralph Adams*  
(Signature of Officer)

TITLE President/CEO

BY AUTHORITY OF ORDER OF THE PUBLIC SERVICE COMMISSION

IN CASE NO. 2006-00522 DATED July 25, 2007

PUBLIC SERVICE COMMISSION  
OF KENTUCKY  
EFFECTIVE  
8/1/2007  
PURSUANT TO 807 KAR 5:011  
SECTION 9 (1)

By *[Signature]*  
Executive Director



Exhibit B  
Page 8 of 61

FOR Entire Territory Served  
Community, Town or City

P.S.C. KY. NO. 6

3rd Revised SHEET NO. 10

CANCELLING P.S.C. KY. NO. 6

2nd Revised SHEET NO. 10

Owen Electric Cooperative, Inc.

(Name of Utility)

CLASSIFICATION OF SERVICE

**SCHEDULE II - LARGE POWER\***

Page Two

H. Minimum Charge - Shall be the highest one of the following charges:

1. The minimum monthly charge as specified in the contract for service.
2. A charge of \$.75 per KVA per month of contract capacity.

I. Special Provisions: Delivery Point - If service is to be furnished at secondary voltage, the delivery point shall be the metering point unless otherwise specified in contract for service. All wiring, pole lines and other electric equipment on the load side of the delivery point shall be owned and maintained by the consumer. If service is furnished at sellers' primary line voltage, the delivery point shall be the point of attachment of sellers' primary line to consumer's transformer structure unless otherwise specified in the contract for service. All wiring, pole lines, and other electric equipment (except metering equipment) on the load side of the delivery point shall be owned and maintained by the consumer.

Primary Service - If service is furnished at primary distribution voltage, a discount of five percent (5%) shall apply to the demand and energy charges. The seller shall have the option of metering at secondary voltage.

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J. Terms of Payment - The above rates are net, the gross being five percent (5%) higher. In the event the current monthly bill is not paid within fifteen (15) days from the date bill was rendered, the prompt payment discount shall be forfeited and the gross amount shall apply.

\* The monthly kilowatt hour usage shall be subject to plus or minus an adjustment per KWH determined in accordance with the "Fuel Adjustment Clause".

This tariff is subject to the Energy Emergency Control Program as filed with the Kentucky Energy Regulatory Commission (now the Public Service Commission) on February 23, 1981, in Administrative Case No. 240, and as approved by the Commission Order of March 31, 1981.

DATE OF ISSUE September 1, 2003  
Month / Date / Year

DATE EFFECTIVE October 1, 2003  
Month / Date / Year

ISSUED BY [Signature]  
(Signature of Officer)

TITLE President/CEO

BY AUTHORITY OF ORDER OF THE PUBLIC SERVICE COMMISSION  
IN CASE NO. \_\_\_\_\_ DATED August 28, 2003

PUBLIC SERVICE COMMISSION  
OF KENTUCKY  
EFFECTIVE

OCT 01 2003

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

BY [Signature]  
EXECUTIVE DIRECTOR

Exhibit B  
Page 9 of 61

FOR Entire Territory Served  
Community, Town, or City  
P.S.C. No. 6  
Original Sheet No. 10A  
P.S.C. No. \_\_\_\_\_  
Sheet No. \_\_\_\_\_

Owen Electric Cooperative, Inc.  
Name of Issuing Corporation

CLASSIFICATION OF SERVICE

SCHEDULE 5 - RENEWABLE RESOURCE POWER SERVICE

Page One

N

STANDARD RIDER - This Renewable Resource Power Service is a rider to all currently applicable rate schedules. The purpose of this rider is to provide the consumer with a renewable source of energy that may be considered more environmentally friendly.

- A. Applicable - to the entire territory served.
- B. Available - This schedule shall be made available to any consumer in the following listed block amounts:

100 kWh Block (Minimum size) or Greater

AND where the consumer will contract with the Cooperative to purchase these blocks under this Retail Rider.

- C. Agreement - An "Agreement for Purchase of Renewable Resource Power" shall be executed by the consumer prior to service under this schedule.
- D. Rates - The monthly rate for this service will be a renewable power premium, i.e. an added charge, for all renewable power supplied to the customer. The renewable power rate premium will be as provided below:

\$0.0275 per kWh or \$2.75 per 100 kWh Block

This rate is in addition to the regular retail rates for power.

PUBLIC SERVICE COMMISSION  
OF KENTUCKY

DATE OF ISSUE August 30, 2001 DATE EFFECTIVE October 1, 2001  
ISSUED BY [Signature] TITLE President / CEO  
Name of Officer

OCT 01 2001

Issued by authority of an Order of the Public Service Commission of Kentucky in Case No. \_\_\_\_\_ Dated \_\_\_\_\_ PURSUANT TO 807 KAR 5011, SECTION 9 (1)

BY: [Signature]  
SECRETARY OF THE COMMISSION

Exhibit B  
Page 10 of 61

FOR Entire Territory Served  
Community, Town, or City  
P.S.C. No. 6  
Original Sheet No. 10B  
P.S.C. No.  
Sheet No.

Owen Electric Cooperative, Inc.  
Name of Issuing Corporation

CLASSIFICATION OF SERVICE

SCHEDULE 5 - RENEWABLE RESOURCE POWER SERVICE

Page Two

N

- E. Billing and Minimum Charge - Blocks of power contracted for under this tariff shall constitute the minimum amount of kWhs the customer will be billed for during a normal billing period. For all power purchased in excess of the contracted Renewable Resource amount, the customer shall be billed at the normal rate for that class. For periods shorter than a normal monthly billing cycle (i.e. termination of service and final bill of a service) and actual kWh use is less than the contracted Renewable kWh amount, the customer shall pay for the full monthly block of kWhs originally contracted for.
- F. Terms of Service and Payment - This rider tariff shall be subject to all other terms of service and payment of the applicable tariffs to which it is applied for each customer.
- G. Conditions of Service - The rate granted under this Retail Rider shall be supported by one (1) year contracts between the customer and the cooperative.

This tariff is subject to the Energy Emergency Control Program as filed with the Kentucky Energy Regulatory Commission ( now the Public Service Commission) on February 23, 1981, in Administrative Case No. 240, and as approved by the Commission Order of March 31, 1981.

PUBLIC SERVICE COMMISSION  
OF KENTUCKY

DATE OF ISSUE August 30, 2001 DATE EFFECTIVE October 1, 2001  
ISSUED BY [Signature] TITLE President /CEO  
Name of Officer

OCT 01 2001

Issued by authority of an Order of the Public Service Commission of  
Kentucky in Case No. \_\_\_\_\_ Dated \_\_\_\_\_  
PURSUANT TO 007 KAR 5.011,  
SECTION 9 (1)  
BY Stephan B. Bell  
SECRETARY OF THE COMMISSION

FOR Entire Territory Served  
Community, Town or City

P.S.C. KY. NO. 6

9th Revised SHEET NO. 11

CANCELLING P.S.C. KY. NO. 6

8th Revised SHEET NO. 11

Owen Electric Cooperative, Inc.  
(Name of Utility)

CLASSIFICATION OF SERVICE

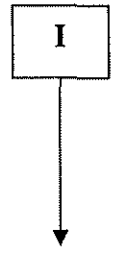
SCHEDULE III - SECURITY LIGHTS\*

A. Applicable to entire territory served.

B. Availability: Restricted to customers being billed on this tariff prior to January 1, 2004. This tariff will remain in effect for those customers after January 1, 2004 for as long as the same customer continues the same lighting service uninterrupted. This tariff is not available to new requests for security lighting on or after January 1, 2004.

C. Rates

Installed on existing pole where 120 volts are available:	\$	7.71
One Pole Added:	\$	9.39
Two Poles Added:	\$	11.07
Three Poles Added:	\$	12.75
Four Poles Added:	\$	14.43



Where a transformer is required, there is an additional charge of \$0.65 per month.

D. Terms of Payment - The above rates are net, the gross being five percent (5%) higher. In the event the current monthly bill is not paid within fifteen (15) days from the date bill was rendered, the prompt payment discount shall be forfeited and the gross amount shall apply.

\* The monthly kilowatt hour usage shall be subject to plus or minus an adjustment per KWH determined in accordance with the "Fuel Adjustment Clause".

This tariff is subject to the Energy Emergency Control Program as filed with the Kentucky Energy Regulatory Commission (now the Public Service Commission, on February 23, 1981, in Administrative Case No. 240 and as approved by Commission Order of March 31, 1981.

DATE OF ISSUE August 27, 2008  
Month / Date / Year

DATE EFFECTIVE September 27, 2008  
Month / Date / Year

ISSUED BY \_\_\_\_\_  
(Signature of Officer)

TITLE President/CEO

BY AUTHORITY OF ORDER OF THE PUBLIC SERVICE COMMISSION

IN CASE NO 2008-00154 DATED \_\_\_\_\_

Exhibit B  
Page 12 of 61

FOR Entire Territory Served  
Community, Town or City

P.S.C. KY. NO. 6

7th Revised SHEET NO. 12

CANCELLING P.S.C. KY. NO. 6

6th Revised SHEET NO. 12

Owen Electric Cooperative, Inc.  
(Name of Utility)

CLASSIFICATION OF SERVICE

**SCHEDULE VIII - LARGE INDUSTRIAL RATE LPC1**

Page One

- A. Applicable to all territory served by the Seller.
- B. Available to all consumers which are or shall be members of the Seller where the monthly contract demand is 1,000 - 2,499 KW with a monthly energy usage equal to or greater than 425 hours per KW of billing demand.

C. Rates

	Customer charge	\$1,464.04	Per Month
<b>I</b>	Demand Charge	5.53	Per KW of Billing Demand
	Energy Charge	.04226	Per KWH for all KWH equal to 425 per KW of Billing Demand
<b>I</b>	Energy Charge	.03834	Per KWH for all KWH in excess of 425 per KW of Billing Demand

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

<u>Months</u>	<u>Hours Applicable for Demand Billing-EST</u>
October thru April	7:00 AM-12:00 Noon; 5:00 PM-10:00 PM
May thru September	10:00 AM-10:00 PM

DATE OF ISSUE August 10, 2007  
Month / Date / Year

DATE EFFECTIVE August 1, 2007  
Month / Date / Year

ISSUED BY *Robert A. ...*  
(Signature of Officer)

TITLE President/CEO

BY AUTHORITY OF ORDER OF THE PUBLIC SERVICE COMMISSION  
IN CASE NO. 2006-00522 DATED July 25, 2007

PUBLIC SERVICE COMMISSION  
OF KENTUCKY  
EFFECTIVE  
8/1/2007  
PURSUANT TO 807 KAR 5:011  
SECTION 9 (1)

By *[Signature]*  
Executive Director

FOR Entire Territory Served  
Community, Town or City

P.S.C. KY. NO. 6

2nd Revised SHEET NO. 13

CANCELLING P.S.C. KY. NO. 6

1st Revised SHEET NO. 13

Owen Electric Cooperative, Inc.  
(Name of Utility)

CLASSIFICATION OF SERVICE

SCHEDULE VIII - LARGE INDUSTRIAL RATE LPC1

Page Two

E. Minimum Monthly Charge

The minimum monthly charge shall not be less than the sum of (a), (b), and (c) below:

- (a) The product of the billing demand multiplied by the demand charge, plus
- (b) The product of the billing demand multiplied by 425 hours and the energy charge per kWh, plus
- (c) The customer charge.

F. Power Factor Adjustment

The consumer agrees to maintain a unity power factor as nearly as practicable at each delivery point at the time of the monthly maximum demand. When the power factor is determined to be less than 90%, the monthly maximum demand at the delivery point will be adjusted by multiplying the actual monthly maximum demand by the 90% and dividing this product by the actual power factor at the time of the monthly maximum demand.

G. Fuel Adjustment Clause

The monthly kilowatt hour usage shall be subject to plus or minus an adjustment per KWH determined in accordance with the "Fuel Adjustment Clause".

DATE OF ISSUE May 12, 2003  
Month / Date / Year

DATE EFFECTIVE May 1, 2003  
Month / Date / Year

ISSUED BY [Signature]  
(Signature of Officer)

TITLE President/CEO

PUBLIC SERVICE COMMISSION  
OF KENTUCKY  
EFFECTIVE

MAY 01 2003

BY AUTHORITY OF ORDER OF THE PUBLIC SERVICE COMMISSION  
IN CASE NO. 2002-00447 DATED April 23, 2003

PURSUANT TO 807 KAR 5:011  
SECTION 9 (1)  
BY [Signature]  
EXECUTIVE DIRECTOR

FOR Entire Territory Served  
Community, Town or City

P.S.C. KY NO. \_\_\_\_\_ 6

3rd Revised SHEET NO. \_\_\_\_\_ 14

CANCELLING P S C KY NO. \_\_\_\_\_ 6

2nd Revised SHEET NO. \_\_\_\_\_ 14

Owen Electric Cooperative, Inc.  
\_\_\_\_\_  
(Name of Utility)

CLASSIFICATION OF SERVICE

SCHEDULE VIII - LARGE INDUSTRIAL RATE LPC1

Page Three

H. Special Provisions:

- 1. Delivery Point - If service is furnished at secondary voltage, the delivery point shall be the metering point unless otherwise specified in the contract for service.

All wiring, pole lines, and other electric equipment on the load side of the delivery point shall be owned and maintained by the consumer.

- 2. If service is furnished at Seller's primary line voltage, the delivery point shall be the point of attachment of Seller's primary line to consumer's transformer structure unless otherwise specified in the contract for service. All wiring, pole lines and other electric equipment (except metering equipment) on the load side of the delivery point shall be owned and maintained by the consumer.

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I. Terms of Payment

The above rates are net, the gross being five percent (5%) higher. In the event the current monthly bill is not paid within fifteen (15) days from the date the bill was rendered, the prompt payment discount shall be forfeited and the gross amount shall apply.

This tariff is subject to the Energy Emergency Control Program as filed with the Kentucky Energy Regulatory Commission (now the Public Service Commission) on February 23, 1981, in Administrative Case No. 240, and as approved by the Commission's Order of March 31, 1981.

DATE OF ISSUE September 1, 2003  
Month / Date / Year

DATE EFFECTIVE October 1, 2003  
Month / Date / Year

ISSUED BY \_\_\_\_\_  
(Signature of Officer)

TITLE President/CEO

BY AUTHORITY OF ORDER OF THE PUBLIC SERVICE COMMISSION  
IN CASE NO. \_\_\_\_\_ DATED August 28, 2003

PUBLIC SERVICE COMMISSION  
OF KENTUCKY  
EFFECTIVE

OCT 01 2003

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

BY Charles H. Brown  
EXECUTIVE DIRECTOR

FOR Entire Territory Served  
Community, Town or City

P.S.C. KY. NO. 6

**7th Revised** SHEET NO. 15

CANCELLING P.S.C. KY. NO. 6

**6th Revised** SHEET NO. 15

**Owen Electric Cooperative, Inc.**  
\_\_\_\_\_  
(Name of Utility)

CLASSIFICATION OF SERVICE

**SCHEDULE IX - LARGE INDUSTRIAL RATE LPC2**

Page One

- A. Applicable to all territory served by the Seller
- B. Available to all consumers which are or shall be members of the Seller where the monthly contract demand is 5,000 KW or over, with a monthly usage equal to or greater than 425 hours per KW of billing demand.
- C. Rates

**I**

Customer Charge	\$2,927.05	Per Month
Demand Charge	\$ 5.53	Per KW of Billing Demand
Energy Charge	\$ .03714	Per KWH for all KWH equal to 425 hours per KW of Billing Demand

**I**

Energy Charge	\$ .03577	Per KWH for all KWH in excess of 425 hours per KW of Billing Demand
---------------	-----------	--

D. Billing Demand

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

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

<u>Months</u>	<u>Hours Applicable for Demand Billing EST</u>
October thru April	7AM - 12 Noon; 5PM - 10PM
May thru September	10AM - 10PM

DATE OF ISSUE August 10, 2007  
Month / Date / Year

DATE EFFECTIVE August 1, 2007  
Month / Date / Year

ISSUED BY *Robert A. ...*  
(Signature of Officer)

TITLE President/CEO

BY AUTHORITY OF ORDER OF THE PUBLIC SERVICE COMMISSION  
IN CASE NO. 2006-00522 DATED July 25, 2007

**PUBLIC SERVICE COMMISSION  
OF KENTUCKY**  
EFFECTIVE  
8/1/2007  
PURSUANT TO 807 KAR 5:011  
SECTION 9 (1)

*[Signature]*  
Executive Director



FOR Entire Territory Served  
Community, Town or City

P.S.C. KY. NO. 6

2nd Revised SHEET NO. 16

CANCELLING P.S.C. KY. NO. 6

1st Revised SHEET NO. 16

Owen Electric Cooperative, Inc.

(Name of Utility)

CLASSIFICATION OF SERVICE

SCHEDULE IX - LARGE INDUSTRIAL RATE LPC2

Page Two

E. Minimum Monthly Charge -The minimum monthly charge shall not be less than the sum of (a), (b), and (c) below:

- (a) The product of the billing demand multiplied by the demand charge, plus
- (b) The product of the billing demand multiplied by 425 hours and the energy charge per kWh, plus
- (c) The customer charge.

F. Power Factor Adjustment

The consumer agrees to maintain a unity power factor as nearly as practicable at each delivery point at the time of the monthly maximum demand. When the power factor is determined to be less than 90%, the monthly maximum demand at the delivery point will be adjusted by multiplying the actual monthly maximum demand by 90% and dividing this product by the actual power factor at the time of the monthly maximum demand.

G. Fuel Adjustment Clause

The monthly kilowatt hour usage shall be subject to plus or minus an adjustment per kWh determined in accordance with the "Fuel Adjustment Clause".

DATE OF ISSUE May 12, 2003

Month / Date / Year

DATE EFFECTIVE May 1, 2003

Month / Date / Year

ISSUED BY [Signature]

(Signature of Officer)

TITLE President/CEO

PUBLIC SERVICE COMMISSION  
OF KENTUCKY  
EFFECTIVE

MAY 01 2003

BY AUTHORITY OF ORDER OF THE PUBLIC SERVICE COMMISSION

IN CASE NO. 2002-00447 DATED April 23, 2003

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

BY [Signature]

FOR Entire Territory Served  
Community, Town or City

P.S.C. KY NO. 6

3rd Revised SHEET NO. 17

CANCELLING P.S.C. KY. NO. 6

2nd Revised SHEET NO. 17

Owen Electric Cooperative, Inc.  
(Name of Utility)

CLASSIFICATION OF SERVICE

SCHEDULE IX - LARGE INDUSTRIAL RATE LPC 2

Page Three

H. Special Provisions

1. **Delivery Point-** If service is furnished at secondary voltage, the delivery point shall be the metering point, unless otherwise specified in the contract for service.

All wiring, pole lines, and other electric equipment on the load side of the delivery point shall be owned and maintained by the consumer.

2. If service is furnished at Seller's primary line voltage, the delivery point shall be the point of attachment of Seller's primary line to consumer's transformer structure unless otherwise specified in the contract for service. All wiring, pole lines and other electric equipment (except metering equipment) on the load side of the delivery point shall be owned and maintained by the consumer.

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I. Terms of Payment

The above rates are net, the gross being five percent (5%) higher. In the event the current monthly bill is not paid within fifteen (15) days from the date the bill was rendered, the prompt payment discount shall be forfeited and the gross amount shall apply.

This tariff is subject to the Energy Emergency Control Program as filed with the Kentucky Energy Regulatory Commission (now the Public Service Commission) on February 23, 1981, in Administrative Case No. 240, and as approved by the Commission Order of March 31, 1981.

DATE OF ISSUE September 1, 2003  
Month / Date / Year

DATE EFFECTIVE October 1, 2003  
Month / Date / Year

ISSUED BY [Signature]  
(Signature of Officer)

TITLE President/CEO

BY AUTHORITY OF ORDER OF THE PUBLIC SERVICE COMMISSION  
IN CASE NO. \_\_\_\_\_ DATED August 28, 2003

PUBLIC SERVICE COMMISSION  
OF KENTUCKY  
EFFECTIVE

OCT 01 2003

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

BY [Signature]  
EXECUTIVE DIRECTOR

FOR Entire Territory Served  
Community, Town or City

P.S.C. KY. NO. 6

7th Revised SHEET NO. 18

CANCELLING P.S.C. KY. NO. 6

6th Revised SHEET NO. 18

Owen Electric Cooperative, Inc.  
(Name of Utility)

CLASSIFICATION OF SERVICE

**SCHEDULE X - LARGE INDUSTRIAL RATE LPC1-A**

Page One

- A. Applicable - to all territory served by the Seller.
- B. Available - to all consumers which are or shall be members of the Seller where the monthly contract demand is 2,500 - 4,999 KW with a monthly energy usage equal to or greater than 425 hours per KW of billing demand.

C. Rates

	Customer charge	\$1,464.04	
<b>I</b>	Demand Charge	5.53	Per KW of Billing Demand
		.04021	Per KWH of all KWH equal to 425 hours per KW of Billing Demand
<b>I</b>	Energy Charge	.03731	Per KWH for all KWH in excess of 425 hours per KW of Billing Demand

D. Billing Demand - The monthly billing demand shall be the greater of (a) or (b) listed below:

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

<u>Months</u>	<u>Hours Applicable for Demand Billing-EST</u>
October thru April	7:00 AM-12:00 Noon; 5:00 PM-10:00 PM
May thru September	10:00 AM-10:00 PM

DATE OF ISSUE August 10, 2007  
Month / Date / Year

DATE EFFECTIVE August 1, 2007  
Month / Date / Year

ISSUED BY *[Signature]*  
(Signature of Officer)

TITLE President/CEO

BY AUTHORITY OF ORDER OF THE PUBLIC SERVICE COMMISSION

IN CASE NO. 2006-00522 DATED July 25, 2007

PUBLIC SERVICE COMMISSION  
OF KENTUCKY  
EFFECTIVE  
8/1/2007  
PURSUANT TO 807 KAR 5:011  
SECTION 9 (1)

By *[Signature]*  
Executive Director

Exhibit B  
Page 19 of 61

FOR Entire Territory Served  
Community, Town or City

P.S.C. KY. NO. 6

2nd Revised SHEET NO. 19

CANCELLING P.S.C. KY. NO. 6

1st Revised SHEET NO. 19

Owen Electric Cooperative, Inc.  
(Name of Utility)

CLASSIFICATION OF SERVICE

SCHEDULE X - LARGE INDUSTRIAL RATE LPC1-A

Page Two

E. Minimum Monthly Charge

The minimum monthly charge shall not be less than the sum of (a), (b), and (c) below:

- (a) The product of the billing demand multiplied by the demand charge, plus
- (b) The product of the billing demand multiplied by 425 hours and the energy charge per kWh, plus
- (c) The customer charge.

F. Power Factor Adjustment

The consumer agrees to maintain a unity power factor as nearly as practicable at each delivery point at the time of the monthly maximum demand. When the power factor is determined to be less than 90%, the monthly maximum demand at the delivery point will be adjusted by multiplying the actual monthly maximum demand by the 90% and dividing this product by the actual power factor at the time of the monthly maximum demand.

G. Fuel Adjustment Clause

The monthly kilowatt hour usage shall be subject to plus or minus an adjustment per KWH determined in accordance with the "Fuel Adjustment Clause".

DATE OF ISSUE May 12, 2003  
Month / Date / Year

DATE EFFECTIVE May 1, 2003  
Month / Date / Year

ISSUED BY [Signature]  
(Signature of Officer)

TITLE President/CEO

BY AUTHORITY OF ORDER OF THE PUBLIC SERVICE COMMISSION  
IN CASE NO. 2002-00447 DATED April 23, 2003

PUBLIC SERVICE COMMISSION  
OF KENTUCKY  
EFFECTIVE

MAY 01 2003

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

BY [Signature]  
EXECUTIVE DIRECTOR

Exhibit B  
Page 20 of 61

FOR Entire Territory Served  
Community, Town or City

P.S.C. KY. NO. 6

3rd Revised SHEET NO. 20

CANCELLING P.S.C. KY. NO. 6

2nd Revised SHEET NO. 20

Owen Electric Cooperative, Inc.  
(Name of Utility)

CLASSIFICATION OF SERVICE

SCHEDULE X - LARGE INDUSTRIAL RATE LPC1-A

Page Three

H. Special Provisions:

- 1. **Delivery Point** - If service is furnished at secondary voltage, the delivery point shall be the metering point unless otherwise specified in the contract for service.

All wiring, pole lines, and other electric equipment on the load side of the delivery point shall be owned and maintained by the consumer.

- 2. If service is furnished at Seller's primary line voltage, the delivery point shall be the point of attachment of Seller's primary line to consumer's transformer structure unless otherwise specified in the contract for service. All wiring, pole lines and other electric equipment (except metering equipment) on the load side of the delivery point shall be owned and maintained by the consumer.

I. Terms of Payment

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The above rates are net, the gross being five percent (5%) higher. In the event the current monthly bill is not paid within fifteen (15) days from the date the bill was rendered, the prompt payment discount shall be forfeited and the gross amount shall apply.

This tariff is subject to the Energy Emergency Control Program as filed with the Kentucky Energy Regulatory Commission (now the Public Service Commission) on February 23, 1981, in Administrative Case No. 240, and as approved by the Commission's Order of March 31, 1981.

DATE OF ISSUE September 1, 2003  
Month / Date / Year

DATE EFFECTIVE October 1, 2003  
Month / Date / Year

ISSUED BY [Signature]  
(Signature of Officer)

TITLE President/CEO

PUBLIC SERVICE COMMISSION  
OF KENTUCKY  
EFFECTIVE

OCT 01 2003

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

BY [Signature]  
EXECUTIVE DIRECTOR

BY AUTHORITY OF ORDER OF THE PUBLIC SERVICE COMMISSION  
IN CASE NO. \_\_\_\_\_ DATED August 28, 2003

FOR Entire Territory Served  
Community, Town or City

P.S.C. KY. NO. 6

5th Revised SHEET NO. 20A

CANCELLING P.S.C. KY. NO. 6

4th Revised SHEET NO. 20A

**Owen Electric Cooperative, Inc.**

(Name of Utility)

**CLASSIFICATION OF SERVICE**

**SCHEDULE XI - LARGE INDUSTRIAL RATE LPB1**

Page One

- A. Applicable to all territory served by the Seller.
- B. Available to all consumers which are or shall be members of the Cooperative where the monthly contract demand is 1,000 - 2,499 KW with a monthly energy usage equal to or greater than 425 hours per KW of contract demand.
- C. Rates

	Customer Charge	\$1,464.04	Per Month
	Demand Charge	\$ 5.53	Per KW of Demand of Contract Demand
		\$ 8.02	Per KW of Demand in Excess of Contract Demand
<b>I</b>	Energy Charge	\$ 0.04226	Per KWH for all KWH equal to 425 hours per KW of Billing Demand
<b>I</b>	Energy Charge	\$0.03834	Per KWH for all KWH in excess of 425 hours per KW of Billing Demand

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

<u>Months</u>	<u>Hours Applicable for Demand Billing EST</u>
October through April	7AM - 12:00 Noon; 5PM - 10PM
May through September	10AM - 10PM

DATE OF ISSUE August 10, 2007

Month / Date / Year

DATE EFFECTIVE August 1, 2007

Month / Date / Year

ISSUED BY [Signature]

(Signature of Officer)

TITLE President/CEO

BY AUTHORITY OF ORDER OF THE PUBLIC SERVICE COMMISSION

IN CASE NO. 2006-00522 DATED July 25, 2007

PUBLIC SERVICE COMMISSION  
OF KENTUCKY  
EFFECTIVE  
8/1/2007  
PURSUANT TO 807 KAR 5:011  
SECTION 9 (1)

By [Signature]  
Executive Director

FOR Entire Territory Served  
Community, Town or City

P.S.C. KY. NO. 6

1st Revised SHEET NO. 20B

CANCELLING P.S.C. KY. NO. 6

Original SHEET NO. 20B

Owen Electric Cooperative, Inc.

(Name of Utility)

CLASSIFICATION OF SERVICE

SC HEDULE XI - LARGE INDUSTRIAL RATE LPB1

Page Two

- E. Billing Energy - The billing energy shall be the contract demand multiplied by 425 hours or the actual energy used in the current month by the load center, whichever is greater.
- F. Minimum Monthly Charge - The minimum monthly charge shall not be less than the sum of (1), (2), and (3) below:
  - (1) The product of the contract demand multiplied by the contract demand charge, plus the product of the demand in excess of the contract demand multiplied by the in excess of contract demand charge.
  - (2) The product of the contract demand multiplied by 425 hours and the energy charge per KWh.
  - (3) The customer charge.
- G. Power Factor Adjustment - The consumer agrees to maintain a unity power factor as nearly as practicable at each delivery point at the time of the monthly maximum demand. When the power factor is determined to be less than 90%, the monthly maximum demand at the delivery point will be adjusted by multiplying the actual monthly maximum demand by 90% and dividing this product by the actual power factor at the time of the monthly maximum demand.
- H. Fuel Adjustment Clause - The monthly kilowatt-hour usage shall be subject to plus or minus an adjustment per kWh determined in accordance with the "Fuel Adjustment Clause."

DATE OF ISSUE May 12, 2003

Month / Date / Year

DATE EFFECTIVE May 1, 2003

Month / Date / Year

ISSUED BY [Signature]

(Signature of Officer)

TITLE President/CEO

BY AUTHORITY OF ORDER OF THE PUBLIC SERVICE COMMISSION

IN CASE NO. 2002-00447 DATED April 23, 2003

PUBLIC SERVICE COMMISSION  
OF KENTUCKY  
EFFECTIVE

MAY 01 2003

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

BY [Signature]  
EXECUTIVE DIRECTOR

Exhibit B  
Page 23 of 61

FOR Entire Territory Served  
Community, Town or City

P.S.C. KY. NO. 6

1st Revised SHEET NO. 20C

CANCELLING P.S.C. KY. NO. 6

Original SHEET NO. 20C

Owen Electric Cooperative, Inc.  
(Name of Utility)

CLASSIFICATION OF SERVICE

SCHEDULE XI - LARGE INDUSTRIAL RATE LPB1

Page Three

I. Special Provisions

1. **Delivery Point** - If service is furnished at secondary voltage, the delivery point shall be the metering point unless otherwise specified in the contract for service. All wiring, pole lines and other electric equipment on the load side of the delivery point shall be owned and maintained by the consumer.
2. If service is furnished at Seller's primary line voltage, the delivery point shall be the point of attachment of Seller's primary line to consumer's transformer structure unless otherwise specified in the contract for service. All wiring, pole lines and other electric equipment (except metering equipment) on the load side of the delivery point shall be owned and maintained by the consumer.

J. Terms of Payment - The above rates are net, the gross being five percent (5%) higher. In the event the current monthly bill is not paid within fifteen (15) days from the date the bill was rendered, the prompt payment discount shall be forfeited and the gross amount shall apply.

This tariff is subject to the Energy Emergency Control Program as filed with the Kentucky Energy Regulatory Commission (now the Public Service Commission) on February 23, 1981, in Administrative Case No. 240, and as approved by the Commission Order of March 31, 1981

DATE OF ISSUE May 12, 2003  
Month / Date / Year

DATE EFFECTIVE May 1, 2003  
Month / Date / Year

ISSUED BY [Signature]  
(Signature of Officer)

TITLE President/CEO

BY AUTHORITY OF ORDER OF THE PUBLIC SERVICE COMMISSION  
IN CASE NO 2002-00447 DATED April 23, 2003

PUBLIC SERVICE COMMISSION  
OF KENTUCKY  
EFFECTIVE

MAY 01 2003

PURSUANT TO 607 KAR 5:011  
SECTION 8 (1)  
BY [Signature]  
EXECUTIVE DIRECTOR



Exhibit B  
Page 24 of 61

FOR Entire Territory Served  
Community, Town or City

P.S.C. KY. NO. 6

5th Revised SHEET NO. 21A

CANCELLING P.S.C. KY. NO. 6

4th Revised SHEET NO. 21A

**Owen Electric Cooperative, Inc.**  
\_\_\_\_\_  
(Name of Utility)

CLASSIFICATION OF SERVICE

**SCHEDULE XII - LARGE INDUSTRIAL RATE LPB1-A**

Page One

- A. Applicable to all territory served by the Seller.
- B. Available to all consumers which are or shall be members of the Seller where the monthly contract demand is 2,500 - 4,999 KW with a monthly energy usage equal to or greater than 425 hours per KW of billing contract.

C. Rates

	Customer Charge	\$ 1,464.04	Per Month
	Demand Charge	\$ 5.53	Per KW of Billing Demand of Contract Demand
		\$ 8.02	Per KW of Billing Demand in excess of Contract Demand
<b>I</b>	Energy Charge	\$ 0.04021	Per KWH for all KWH equal to 425 hours per KW of Billing Demand
<b>I</b>	Energy Charge	\$ 0.03731	Per KWH for all KWH in excess of 425 hours per KW of Billing Demand

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

<u>Months</u>	<u>Hours Applicable for Demand Billing EST</u>
October thru April	7AM - 12:00 Noon; 5PM - 10PM
May thru September	10AM - 10PM

DATE OF ISSUE August 10, 2007  
Month / Date / Year

DATE EFFECTIVE August 1, 2007  
Month / Date / Year

ISSUED BY *Robert A. ...*  
(Signature of Officer)

TITLE President/CEO

BY AUTHORITY OF ORDER OF THE PUBLIC SERVICE COMMISSION

IN CASE NO. 2006-00522 DATED July 25, 2007

PUBLIC SERVICE COMMISSION  
OF KENTUCKY  
EFFECTIVE  
8/1/2007  
PURSUANT TO 807 KAR 5:011  
SECTION 9 (1)

By *[Signature]*  
Executive Director

FOR Entire Territory Served  
Community, Town or City

P.S.C. KY NO. 6

1st Revised SHEET NO. 21B

CANCELLING P.S.C. KY NO. 6

Original SHEET NO. 21B

Owen Electric Cooperative, Inc.  
(Name of Utility)

CLASSIFICATION OF SERVICE

SC HEDULE XII - LARGE INDUSTRIAL RATE LPB1-A

Page Two

- E. Billing Energy - The billing energy shall be the contract demand multiplied by 425 hours or the actual energy used in the current month by the load center, whichever is greater.
- F. Minimum Monthly Charge - The minimum monthly charge shall not be less than the sum of (1), (2), and (3) below:
  - (1) The product of the contract demand multiplied by the contract demand charge, plus the product of the demand in excess of the contract demand multiplied by the in excess of contract demand charge.
  - (2) The product of the contract demand multiplied by 425 hours and the energy charge per KWh.
  - (3) The customer charge.
- G. Power Factor Adjustment - The consumer agrees to maintain a unity power factor as nearly as practicable at each delivery point at the time of the monthly maximum demand. When the power factor is determined to be less than 90%, the monthly maximum demand at the delivery point will be adjusted by multiplying the actual monthly maximum demand by 90% and dividing this product by the actual power factor at the time of the monthly maximum demand.
- H. Fuel Adjustment Clause - The monthly kilowatt-hour usage shall be subject to plus or minus an adjustment per kWh determined in accordance with the "Fuel Adjustment Clause."

DATE OF ISSUE May 12, 2003  
Month / Date / Year

DATE EFFECTIVE May 1, 2003  
Month / Date / Year

ISSUED BY [Signature]  
(Signature of Officer)

TITLE President/CEO

BY AUTHORITY OF ORDER OF THE PUBLIC SERVICE COMMISSION  
IN CASE NO 2002-00447 DATED April 23, 2003

PUBLIC SERVICE COMMISSION  
OF KENTUCKY  
EFFECTIVE

MAY 01 2003

PURSUANT TO 807 KAR 5:011  
SECTION 9 (1)  
BY [Signature]  
EXECUTIVE DIRECTOR

FOR Entire Territory Served  
Community, Town or City

P.S.C. KY. NO. 6

1st Revised SHEET NO. 21C

CANCELLING P.S.C. KY. NO. 6

Original SHEET NO. 21C

Owen Electric Cooperative, Inc.

(Name of Utility)

CLASSIFICATION OF SERVICE

**SCHEDULE XII - LARGE INDUSTRIAL RATE LPB1-A**

Page Three

I. Special Provisions

1. **Delivery Point** - If service is furnished at secondary voltage, the delivery point shall be the metering point unless otherwise specified in the contract for service. All wiring, pole lines and other electric equipment on the load side of the delivery point shall be owned and maintained by the consumer.
2. If service is furnished at Seller's primary line voltage, the delivery point shall be the point of attachment of Seller's primary line to consumer's transformer structure unless otherwise specified in the contract for service. All wiring, pole lines and other electric equipment (except metering equipment) on the load side of the delivery point shall be owned and maintained by the consumer.

J. Terms of Payment - The above rates are net, the gross being five percent (5%) higher. In the event the current monthly bill is not paid within fifteen (15) days from the date the bill was rendered, the prompt payment discount shall be forfeited and the gross amount shall apply.

This tariff is subject to the Energy Emergency Control Program as filed with the Kentucky Energy Regulatory Commission (now the Public Service Commission) on February 23, 1981, in Administrative Case No. 240, and as approved by the Commission Order of March 31, 1981

DATE OF ISSUE May 12, 2003  
Month / Date / Year

DATE EFFECTIVE May 1, 2003  
Month / Date / Year

ISSUED BY [Signature]  
(Signature of Officer)

TITLE President/CEO

BY AUTHORITY OF ORDER OF THE PUBLIC SERVICE COMMISSION  
IN CASE NO 2002-00447 DATED April 23, 2003

PUBLIC SERVICE COMMISSION  
OF KENTUCKY  
EFFECTIVE

MAY 01 2003

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

BY [Signature]  
EXECUTIVE DIRECTOR

Exhibit B  
Page 27 of 61

FOR Entire Territory Served  
Community, Town or City

P.S.C. KY. NO. 6

5th Revised SHEET NO. 22A

CANCELLING P.S.C. KY. NO. 6

4th Revised SHEET NO. 22A

**Owen Electric Cooperative, Inc.**

(Name of Utility)

CLASSIFICATION OF SERVICE

**SCHEDULE XIII - LARGE INDUSTRIAL RATE LPB2**

Page One

- A. Applicable to all territory served by the Seller.
- B. Available to all consumers which are or shall be members of the Seller where the monthly contract demand is 5,000 KW or over with a monthly energy usage equal to or greater than 425 hours per KW of billing contract demand.
- C. Rates

Customer Charge	\$ 2,927.05	Per Month
Demand Charge	\$ 5.53	Per KW of Billing Demand of Contract Demand
	\$ 8.02	Per KW of Billing Demand in excess of Contract Demand
<b>I</b> Energy Charge	\$ 0.03714	Per KWH for KWH equal to 425 hours per KW of Billing Demand
<b>I</b> Energy Charge	\$ 0.03577	Per KWH for all KWH in excess of 425 hours per KW of Billing Demand

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

Months  
October thru April  
May thru September

Hours Applicable for Demand Billing - EST  
7:00 AM - 12:00 Noon; 5:00 PM - 10:00 PM  
10:00 AM - 10:00 PM

DATE OF ISSUE August 10, 2007

Month / Date / Year

DATE EFFECTIVE August 1, 2007

Month / Date / Year

ISSUED BY Ronald A. [Signature]

(Signature of Officer)

TITLE President/CEO

BY AUTHORITY OF ORDER OF THE PUBLIC SERVICE COMMISSION

IN CASE NO. 2006-00522 DATED July 25, 2007

PUBLIC SERVICE COMMISSION  
OF KENTUCKY  
EFFECTIVE  
8/1/2007  
PURSUANT TO 807 KAR 5:011  
SECTION 9 (1)

By [Signature]  
Executive Director

FOR Entire Territory Served  
Community, Town or City

P.S.C. KY. NO. 6

1st Revised SHEET NO. 22B

CANCELLING P.S.C. KY. NO. 6

Original SHEET NO. 22B

Owen Electric Cooperative, Inc.  
\_\_\_\_\_  
(Name of Utility)

CLASSIFICATION OF SERVICE

SC HEDULE XII - LARGE INDUSTRIAL RATE LPB2

- E. Billing Energy - The billing energy shall be the contract demand multiplied by 425 hours or the actual energy used in the current month by the load center, whichever is greater.
- F. Minimum Monthly Charge - The minimum monthly charge shall not be less than the sum of (1), (2), and (3) below:
  - (1) The product of the contract demand multiplied by the contract demand charge, plus the product of the demand in excess of the contract demand multiplied by the in excess of contract demand charge.
  - (2) The product of the contract demand multiplied by 425 hours and the energy charge per KWh.
  - (3) The customer charge.
- G. Power Factor Adjustment - The consumer agrees to maintain a unity power factor as nearly as practicable at each delivery point at the time of the monthly maximum demand. When the power factor is determined to be less than 90%, the monthly maximum demand at the delivery point will be adjusted by multiplying the actual monthly maximum demand by 90% and dividing this product by the actual power factor at the time of the monthly maximum demand.
- H. Fuel Adjustment Clause - The monthly kilowatt-hour usage shall be subject to plus or minus an adjustment per kWh determined in accordance with the "Fuel Adjustment Clause."

DATE OF ISSUE May 12, 2003  
Month / Date / Year

DATE EFFECTIVE May 1, 2003  
Month / Date / Year

ISSUED BY [Signature]  
(Signature of Officer)

TITLE President/CEO

PUBLIC SERVICE COMMISSION  
OF KENTUCKY  
EFFECTIVE

MAY 01 2003

BY AUTHORITY OF ORDER OF THE PUBLIC SERVICE COMMISSION  
IN CASE NO. 2002-00447 DATED April 23, 2003

PURSUANT TO 807 KAR 5:011  
SECTION 9 (1)  
BY [Signature]  
EXECUTIVE DIRECTOR

FOR Entire Territory Served  
Community, Town or City

P.S.C. KY. NO. 6

1st Revised SHEET NO. 22C

CANCELLING P.S.C. KY. NO. 6

Original SHEET NO. 22C

Owen Electric Cooperative, Inc.  
(Name of Utility)

CLASSIFICATION OF SERVICE

SCHEDULE XII - LARGE INDUSTRIAL RATE LPB2

Page Three

I. Special Provisions

1. **Delivery Point** - If service is furnished at secondary voltage, the delivery point shall be the metering point unless otherwise specified in the contract for service. All wiring, pole lines and other electric equipment on the load side of the delivery point shall be owned and maintained by the consumer.

2. If service is furnished at Seller's primary line voltage, the delivery point shall be the point of attachment of Seller's primary line to consumer's transformer structure unless otherwise specified in the contract for service. All wiring, pole lines and other electric equipment (except metering equipment) on the load side of the delivery point shall be owned and maintained by the consumer.

J. Terms of Payment - The above rates are net, the gross being five percent (5%) higher. In the event the current monthly bill is not paid within fifteen (15) days from the date the bill was rendered, the prompt payment discount shall be forfeited and the gross amount shall apply.

This tariff is subject to the Energy Emergency Control Program as filed with the Kentucky Energy Regulatory Commission (now the Public Service Commission) on February 23, 1981, in Administrative Case No. 240, and as approved by the Commission Order of March 31, 1981

DATE OF ISSUE May 12, 2003  
Month / Date / Year

DATE EFFECTIVE May 1, 2003  
Month / Date / Year

ISSUED BY [Signature]  
(Signature of Officer)

TITLE President/CEO

BY AUTHORITY OF ORDER OF THE PUBLIC SERVICE COMMISSION  
IN CASE NO. 2002-00447 DATED April 23, 2003

PUBLIC SERVICE COMMISSION  
OF KENTUCKY  
EFFECTIVE

MAY 01 2003

PURSUANT TO 807 KAR 5:011  
SECTION 9 (1)  
BY [Signature]  
EXECUTIVE DIRECTOR

Exhibit B  
Page 30 of 61

FOR Entire Territory Served  
Community, Town or City

P.S.C. KY. NO. 6

3rd Revised SHEET NO. 22D

CANCELLING P.S.C. KY NO. 6

2nd Revised SHEET NO. 22D

Owen Electric Cooperative, Inc.  
(Name of Utility)

CLASSIFICATION OF SERVICE

**SCHEDULE XIV - LARGE INDUSTRIAL RATE LPB**

Page One

- A. Applicable to all territory served by the Seller.
- B. Available as an optional rate to all consumers which are or shall be members of the Seller where the monthly contract demand is 500 - 999 KW with a monthly energy usage equal to or greater than 425 hours per KW of billing contract demand.
- C. Rates

Customer Charge	\$ 1,464.04	Per Month
Demand Charge	\$ 5.53	Per KW of Billing Demand of Contract Demand
	\$ 8.02	Per KW of Billing Demand in Excess of Contract Demand
Energy Charge	\$ 0.04431	Per KWH

I

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

<u>Months</u>	<u>Hours Applicable for Demand Billing - EST</u>
October thru April	7:00 AM - 12:00 Noon; 5:00 PM - 10:00 PM
May thru September	10:00 AM - 10:00 PM

DATE OF ISSUE August 10, 2007  
Month / Date / Year

DATE EFFECTIVE August 1, 2007  
Month / Date / Year

ISSUED BY *Robert A. ...*  
(Signature of Officer)

TITLE President/CEO

BY AUTHORITY OF ORDER OF THE PUBLIC SERVICE COMMISSION

IN CASE NO. 2006-00522 DATED July 25, 2007

PUBLIC SERVICE COMMISSION  
OF KENTUCKY  
EFFECTIVE  
8/1/2007  
PURSUANT TO 807 KAR 5:011  
SECTION 9 (1)

By *[Signature]*  
Executive Director

FOR Entire Territory Served  
Community, Town or City

P.S.C. KY. NO. 6

Original SHEET NO. 22E

Owen Electric Cooperative, Inc.

\_\_\_\_\_  
(Name of Utility)

CLASSIFICATION OF SERVICE

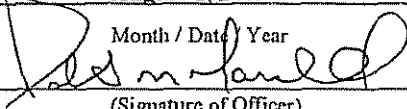
**SCHEDULE XIV – LARGE INDUSTRIAL RATE LPB**

Page Two

- E. Billing Energy - The billing energy shall be the contract demand multiplied by 425 hours or the actual energy used in the current month by the load center, whichever is greater.
- F. Minimum Monthly Charge - The minimum monthly charge shall not be less than the sum of (1), (2), and (3) below:
  - (1) The product of the contract demand multiplied by the contract demand charge, plus the product of the demand in excess of the contract demand multiplied by the in excess of contract demand charge.
  - (2) The product of the contract demand multiplied by 425 hours and the energy charge per KWH.
  - (3) The customer charge.
- G. Power Factor Adjustment - The consumer agrees to maintain a unity power factor as nearly as practicable at each delivery point at the time of the monthly maximum demand. When the power factor is determined to be less than 90%, the monthly maximum demand at the delivery point will be adjusted by multiplying the actual monthly maximum demand by 90% and dividing this product by the actual power factor at the time of the monthly maximum demand.
- H. Fuel Adjustment Clause - The monthly kilowatt-hour usage shall be subject to plus or minus an adjustment per KWH determined in accordance with the "Fuel Adjustment Clause."

DATE OF ISSUE June 30, 2003  
Month / Date / Year

DATE EFFECTIVE August 1, 2003  
Month / Date / Year

ISSUED BY   
(Signature of Officer)

TITLE President/CEO

BY AUTHORITY OF ORDER OF THE PUBLIC SERVICE COMMISSION  
IN CASE NO. \_\_\_\_\_ DATED \_\_\_\_\_

PUBLIC SERVICE COMMISSION  
OF KENTUCKY  
EFFECTIVE

AUG 01 2003

PURSUANT TO 807 KAR 6:011  
SECTION 9 (1)

BY   
EXECUTIVE DIRECTOR



Exhibit B  
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FOR Entire Territory Served  
Community, Town or City

P.S.C. KY. NO. 6

Original SHEET NO. 22F

Owen Electric Cooperative, Inc.

(Name of Utility)

CLASSIFICATION OF SERVICE

**SCHEDULE XIV - LARGE INDUSTRIAL RATE LPB**

Page Three

I. Special Provisions

1. **Delivery Point** - If service is furnished at secondary voltage, the delivery point shall be the metering point unless otherwise specified in the contract for service. All wiring, pole lines and other electric equipment on the load side of the delivery point shall be owned and maintained by the consumer.
2. If service is furnished at Seller's primary line voltage, the delivery point shall be the point of attachment of Seller's primary line to consumer's transformer structure unless otherwise specified in the contract for service. All wiring, pole lines and other electric equipment (except metering equipment) on the load side of the delivery point shall be owned and maintained by the consumer.

J. Terms of Payment - The above rates are net, the gross being five percent (5%) higher. In the event the current monthly bill is not paid within fifteen (15) days from the date the bill was rendered, the prompt payment discount shall be forfeited and the gross amount shall apply

This tariff is subject to the Energy Emergency Control Program as filed with the Kentucky Energy Regulatory Commission (now the Public Service Commission) on February 23, 1981, in Administrative Case No. 240, and as approved by the Commission Order of March 31, 1981.

DATE OF ISSUE June 30, 2003  
Month / Date / Year

DATE EFFECTIVE August 1, 2003  
Month / Date / Year

ISSUED BY [Signature]  
(Signature of Officer)

TITLE President/CEO

BY AUTHORITY OF ORDER OF THE PUBLIC SERVICE COMMISSION  
IN CASE NO. \_\_\_\_\_ DATED \_\_\_\_\_

PUBLIC SERVICE COMMISSION  
OF KENTUCKY  
EFFECTIVE

AUG 01 2003

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

BY [Signature]  
EXECUTIVE DIRECTOR

Exhibit B  
Page 33 of 61

FOR Entire Territory Served  
Community, Town or City

P.S.C. KY. NO. 6

4th Revised SHEET NO. 23

CANCELLING P.S.C. KY. NO. 6

3rd Revised SHEET NO. 23

**Owen Electric Cooperative, Inc.**

(Name of Utility)

**CLASSIFICATION OF SERVICE**

**SCHEDULE 1-B - FARM & HOME - TIME OF DAY**

- A. Applicable - to the entire territory served.
- B. Available - Available to all consumers eligible for Schedule I--Farm and Home.
- C. Type of Service - Single Phase, 60 cycle, 120/240 volt.
- D. Rate

**I**

Customer Charge (no usage)	\$17.69 per meter, per month
Energy Charge per kWh	
On-Peak Energy	\$0.085881
Off-Peak Energy	\$0.049244

E. Schedule of Hours

On-Peak and Off-Peak Hours

<u>Months</u>	<u>On-Peak Hours</u>	<u>Off-Peak Hours</u>
May thru September	10:00 a.m. to 10:00 p.m.	10:00 p.m. to 10:00 a.m.
October thru April	7:00 a.m. to 12:00 noon 5:00 p.m. to 10:00 p.m.	12:00 noon to 5:00 p.m. 10:00 p.m. to 7:00 a.m.

F. Terms of Payment - the above rates are net, the gross being five percent (5%) higher. In the event the current monthly bill is not paid within fifteen days from the date the bill was rendered, the prompt payment discount will be forfeited and the gross amount shall apply.

The monthly kilowatt hour usage shall be subject to plus or minus an adjustment per kWh determined in accordance with the Fuel Adjustment Clause.

The tariff is subject to the Energy Emergency Control Program as filed with the Kentucky Energy Regulatory Commission (now the Public Service Commission) on February 23, 1981, in Administrative Case No. 240, and as approved by the Commission Order of March 31, 1981.

DATE OF ISSUE August 10, 2007

Month / Date / Year

DATE EFFECTIVE August 1, 2007

Month / Date / Year

ISSUED BY [Signature]

(Signature of Officer)

TITLE President/CEO

BY AUTHORITY OF ORDER OF THE PUBLIC SERVICE COMMISSION

IN CASE NO. 2006-00522 DATED July 25, 2007

PUBLIC SERVICE COMMISSION  
OF KENTUCKY  
EFFECTIVE  
8/1/2007  
PURSUANT TO 807 KAR 5:011  
SECTION 9 (1)

By [Signature]  
Executive Director

FOR Entire Territory Served  
Community, Town or City  
P.S.C. KY. NO. 6

**Owen Electric Cooperative, Inc.**  
  
(Name of Utility)

**4th Revised** SHEET NO. 24  
CANCELLING P.S.C. KY. NO. 6  
**3rd Revised** SHEET NO. 24

CLASSIFICATION OF SERVICE

**SCHEDULE 1-C -- SMALL COMMERCIAL - TIME OF DAY**

- A. Applicable -- to the entire territory served.
- B. Available -- Available to all consumers eligible for Schedule I -- Small Commercial, under 50 kW demand.
- C. Type of Service -- Single Phase and three phase, 60 cycle, at available secondary voltage.

D. Rate

Customer Charge (no usage)	\$23.58 per meter, per month
Energy Charge per kWh	
On-Peak Energy	\$0.082839
Off-Peak Energy	\$0.049244

I

E. Schedule of Hours

	<u>On-Peak and Off-Peak Hours</u>	
<u>Months</u>	<u>On-Peak Hours</u>	<u>Off-Peak Hours</u>
May thru September	10:00 a.m. to 10:00 p.m.	10:00 p.m. to 10:00 a.m.
October thru April	7:00 a.m. to 12:00 Noon 5:00 p.m. to 10:00 p.m.	12:00 noon to 5:00 p.m. 10:00 p.m. to 7:00 a.m.

F. Terms of Payment -- the above rates are net, the gross being five percent (5%) higher. In the event the current monthly bill is not paid within fifteen days from the date the bill was rendered, the prompt payment discount will be forfeited and the gross amount shall apply.

The monthly kilowatt hour usage shall be subject to plus or minus an adjustment per kWh determined in accordance with the Fuel Adjustment Clause.

This tariff is subject to the Energy Emergency Control Program as filed with the Kentucky Energy Regulatory Commission (now the Public Service Commission) on February 23, 1981, in Administrative Case No. 240, and as approved by the Commission Order of March 31, 1981.

DATE OF ISSUE August 10, 2007  
Month / Date / Year

DATE EFFECTIVE August 1, 2007  
Month / Date / Year

ISSUED BY *Ralph A. Hays*  
(Signature of Officer)

TITLE President/CEO

BY AUTHORITY OF ORDER OF THE PUBLIC SERVICE COMMISSION

IN CASE NO. 2006-00522 DATED July 25, 2007

PUBLIC SERVICE COMMISSION  
OF KENTUCKY  
EFFECTIVE  
8/1/2007  
PURSUANT TO 807 KAR 5:011  
SECTION 9 (1)

By *[Signature]*  
Executive Director

FOR Entire Territory Served  
Community, Town or City

P.S.C. KY. NO. 6

4th Revised SHEET NO. 25

CANCELLING P.S.C. KY. NO. 6

3rd Revised SHEET NO. 25

Owen Electric Cooperative, Inc.  
(Name of Utility)

CLASSIFICATION OF SERVICE

**SCHEDULE 2-A – LARGE POWER - TIME OF DAY**

Page One

- A. Applicable – to the entire territory served.
- B. Available – Available to all commercial, industrial, and farm consumers whose kWh demand shall exceed 50 kW demand for lighting, heating or power, and are eligible for the Schedule II, Large Power.
- C. Type of Service – Three phase, 60 cycle, at available nominal voltage.

D. Rate

Customer Charge (no usage)	\$59.00 per meter, per month
Energy Charge per kWh	
On-Peak Energy	\$0.086460
Off-Peak Energy	\$0.053543

I

E. Schedule of Hours

On-Peak and Off-Peak Hours

<u>Months</u>	<u>On-Peak Hours</u>	<u>Off-Peak Hours</u>
May thru September	10:00 a.m. to 10:00 p.m.	10:00 p.m. to 10:00 a.m.
October thru April	7:00 a.m. to 12:00 Noon 5:00 p.m. to 10:00 p.m.	12:00 noon to 5:00 p.m. 10:00 p.m. to 7:00 a.m.

DATE OF ISSUE August 10, 2007  
Month / Date / Year

DATE EFFECTIVE August 1, 2007  
Month / Date / Year

ISSUED BY *Ralph D. Wood*  
(Signature of Officer)

TITLE President/CEO

BY AUTHORITY OF ORDER OF THE PUBLIC SERVICE COMMISSION  
IN CASE NO. 2006-00522 DATED July 25, 2007

PUBLIC SERVICE COMMISSION  
OF KENTUCKY  
EFFECTIVE  
8/1/2007  
PURSUANT TO 807 KAR 5:011  
SECTION 9 (1)

By *[Signature]*  
Executive Director

FOR Entire Territory Served  
Community, Town or City  
P.S.C. KY. NO. 6  
1st Revised SHEET NO. 26  
CANCELLING P.S.C. KY. NO. 6  
Original SHEET NO. 26

Owen Electric Cooperative, Inc.  
(Name of Utility)

CLASSIFICATION OF SERVICE

SCHEDULE 2-A - LARGE POWER - TIME OF DAY

Page Two

F. Special Provisions - Delivery Point - If service is to be furnished at secondary voltage, the delivery point shall be the metering point unless otherwise specified in contract for service. All wiring, pole lines and other electric equipment on the load side of the delivery point shall be owned and maintained by the consumer. If the service is furnished at seller's primary line voltage, the delivery point shall be the point of attachment of sellers' primary line to consumer's transformer structure unless other electric equipment (except metering equipment) on the load side of the delivery point shall be owned and maintained by the consumer.

Primary Service - If service is furnished at primary distribution voltage, a discount of five percent (5%) shall apply to the energy charges. The seller shall have the option of metering at secondary voltage.

G. Terms of Payment - The above rates are net, the gross being five percent (5%) higher. In the event the current monthly bill is not paid within fifteen days from the date the bill was rendered, the prompt payment discount will be forfeited and the gross amount shall apply.

The monthly kilowatt hour usage shall be subject to plus or minus an adjustment per kWh determined in accordance with the Fuel Adjustment Clause.

This tariff is subject to the Energy Emergency Control Program as filed with the Kentucky Energy Regulatory Commission (now the Public Service Commission) on February 23, 1981, in Administrative Case No. 240, and as approved by the Commission Order of March 31, 1981.

DATE OF ISSUE May 12, 2003  
Month / Date / Year  
DATE EFFECTIVE May 1, 2003  
Month / Date / Year  
ISSUED BY [Signature]  
(Signature of Officer)  
TITLE President/CEO

PUBLIC SERVICE COMMISSION  
OF KENTUCKY  
EFFECTIVE

MAY 01 2003

BY AUTHORITY OF ORDER OF THE PUBLIC SERVICE COMMISSION  
IN CASE NO. 2002-00447 DATED April 23, 2003

PURSUANT TO 807 KAR 5:011  
SECTION 9 (1)  
BY [Signature]  
EXECUTIVE DIRECTOR

FOR Entire Territory Served  
Community, Town, or City  
P.S.C. No. 6  
Original Sheet No. 27  
P.S.C. No.  
Sheet No.

Owen Electric Cooperative, Inc.  
Name of Issuing Corporation

CLASSIFICATION OF SERVICE

SCHEDULE 14 VOLUNTARY INTERRUPTIBLE SERVICE

- A. Standard Rider - This Voluntary Interruptible Service is a rider to Rate Schedules 2, 2A, 8, 9, 10, 11, 12, and 13.
- B. Applicable - to the entire territory served. No interruptible demand which is already under contract under any other Interruptible Rider is eligible for this service.
- C. Available - This schedule shall be made available to any load center, to any cooperative member where an ultimate "Customer" is capable of interrupting at least 1,000 kW upon request and has contracted with the Cooperative to do so under a retail contract rider.

D. Conditions of Service

- 1) Any request for interruption under this Rider shall be made by the Cooperative.
- 2) Each interruption will be strictly voluntary.
- 3) No responsibility of any kind shall attach to the Cooperative for, or on the account of, any loss or damage caused by, or resulting from, any interruption or curtailment of this service.
- 4) The Customer shall agree by contract to own, operate, and maintain all necessary equipment for receiving electric energy and all telemetering and communications equipment, within the Customer's premises, required for interruptible service.
- 5) It is the Cooperative's responsibility to notify the Customer and execute an interruption request. Therefore, the Cooperative and the Customer shall mutually agree upon the manner by which the Cooperative shall notify the Customer of a request for interruption. Such an agreement shall include the means by which the Cooperative shall communicate the interruption request (e.g. email, phone, pager, etc.) and the Customer's point of contact to receive such a request.

PUBLIC SERVICE COMMISSION  
OF KENTUCKY  
EFFECTIVE

DATE OF ISSUE October 15, 2001  
ISSUED BY [Signature]  
Name of Officer

DATE EFFECTIVE December 1, 2001  
TITLES President / CEO  
PURSUANT TO 807 KAR 5011, SECTION 9(1)

BY: [Signature]  
SECRETARY OF THE COMMISSION

Issued by authority of an Order of the Public Service  
Kentucky in Case No. \_\_\_\_\_ Dated \_\_\_\_\_

FOR Entire Territory Served  
Community, Town, or City  
P.S.C. No. 6  
Original Sheet No. 28  
P.S.C. No.  
Sheet No.

Owen Electric Cooperative, Inc.  
Name of Issuing Corporation

CLASSIFICATION OF SERVICE

SCHEDULE 14 VOLUNTARY INTERRUPTIBLE SERVICE

Page 2

- 6) The Cooperative will attempt to provide as much advance notice as possible for requests for interruption. However, upon the Customer's acceptance of the Terms of Interruption, the Customer's load shall be interrupted with as little as one (1) hour of advance notification.
- 7) The Cooperative reserves the right to require verification of a Customer's ability to interrupt its load.
- 8) The Customer is not eligible for the Interruption Credits for any interruption when the Customer's interruptible load is down for other reasons during the period of the requested interruption. Such down time would include any event outside of the Customer's normal operating circumstances such as planned or unplanned outages due to renovation, repair, vacation, refurbishment, renovation, strike, or force majeure.

E. Interruptible Customer Data Report

The Customer shall furnish to the Cooperative an Interruptible Customer Data Report. Such a report shall include information such as:

- 1) The maximum number of hours per day and the time of day that the Customer has the ability to interrupt.
- 2) The maximum number of days and the maximum number of consecutive days that the Customer has the ability to interrupt.
- 3) The maximum interruptible demand and the minimum interruptible demand by the Customer upon request.
- 4) The minimum price at which each Customer is willing to interrupt.

DEC 01 2001

F. Demand and Energy Interruption

The Customer will agree by contract, within an agreed time after receiving notice, to comply to the extent possible with the Cooperative's request to interrupt load.

PURSUANT TO 807 KAR 5011  
SECTION 011  
BY: Stephen G. ...  
SECRETARY OF THE COMMISSION

DATE OF ISSUE October 15, 2001 DATE EFFECTIVE December 1, 2001  
ISSUED BY [Signature] TITLE President /CEO  
Name of Officer

Owen Electric Cooperative, Inc.  
 Name of Issuing Corporation

CLASSIFICATION OF SERVICE

SCHEDULE 14 VOLUNTARY INTERRUPTIBLE SERVICE Page 3

The Cooperative is the sole judge of the need for interruption of load. The Cooperative is the sole judge of the amount of interruptible demand provided by the Customer, based on the following calculation:

The average of the integrated fifteen-minute demand for the two hours prior to the hour immediately preceding the call for interruption will be used as the basis for establishing the existing demand level. The hourly interruptible demands for each customer will be the difference between the existing demand level and the actual demand measured during each hour of the interruption period. The interrupted energy of each interruption period shall be the sum of the hourly interrupted demands. These type of interruptions will cover a period of no more than six hours.

For interruptions longer than six hours in duration, the Customer's average load usage for the same hours as the interruption hours in the two preceding business days prior to the day of notice will be used as the basis for determining the demand level for interruption. The average hourly usage for these business days, based on the average integrated fifteen minute demand intervals, minus the actual load during the interruption period will equal the amount of interruptible load. The interrupted energy of each interruption period shall be the sum of the hourly interrupted demands.

G. Terms of Interruption

For each interruption request, the Cooperative shall identify the Customer to be interrupted. The Cooperative shall inform the Customer of an interruption request in accordance with the agreed upon method of notification. The Terms of ~~Public Service Commission~~ <sup>PUBLIC SERVICE COMMISSION</sup> include the following:

- 1) The time at which each interruption shall begin is to be established by the Cooperative. At least ~~one~~ <sup>(1)</sup> hour of advance notice of each request for interruption shall be provided by the Cooperative.
- 2) The duration in clock hours of the interruption request is to be established by the Cooperative.

PUBLIC SERVICE COMMISSION  
 OF KENTUCKY  
 EFFECTIVE  
 DEC 01 2001  
 PURSUANT TO 807 KAR 5.011,  
 SECTION 9(1)  
 BY: Stewart  
 SECRETARY OF THE COMMISSION

DATE OF ISSUE October 16, 2001 DATE EFFECTIVE December 1, 2001  
 ISSUED BY [Signature] TITLE President /CEO  
 Name of Officer



FOR Entire Territory Served  
Community, Town, or City  
P.S.C. No. 6  
Original Sheet No. 30  
P.S.C. No. \_\_\_\_\_  
Sheet No. \_\_\_\_\_

Owen Electric Cooperative, Inc.  
Name of Issuing Corporation

CLASSIFICATION OF SERVICE

SCHEDULE 14 VOLUNTARY INTERRUPTIBLE SERVICE Page 4

- 3) The price and the potential savings - this savings will be determined by the Cooperative on a case-by-case basis and will be based on a percentage of the market price of power at the time of the interruption.
- 4) The Customer shall specify:
  - a. The maximum demand in kW that will be interrupted.
  - b. The maximum firm demand that the Customer will purchase through the Cooperative during the interruption.

H. Interruption Credits

The interruption credit for each interruption period shall be equal to the interrupted energy kWh times the amount by which the quoted price for each interruption exceeds the Customer's regular tariff rate. The sum of the interruption credits for the billing month will be allocated as follows:

The interruption credit to the Customer shall be equal to the product of the interrupted energy multiplied by the interruption price for each interruption.

I. Failure to Interrupt

For those Customers failing to interrupt a minimum of 80% of their agreed amount of interruptible load of 5,000 kW or greater, an excess energy charge will be applicable. This excess energy is equal to the difference of 80% of the interruptible load and the interrupted load. Excess energy shall be charged to the Customer at a price equal to 125% of the interruption price plus the standard rate applicable to this load.

J. Term

The minimum original contract period shall be one (1) year and shall remain in effect thereafter until either party provides to the other at least thirty (30) days previous written notice.

DEC 01 2001

PURSUANT TO 807 KAR 5011, SECTION 9(1) shall be effective  
BY: S. C. HANCOCK  
SECRETARY OF THE COMMISSION

DATE OF ISSUE October 15, 2001 DATE EFFECTIVE December 1, 2001  
ISSUED BY [Signature] TITLE President /CEO  
Name of Officer

Issued by authority of an Order of the Public Service Commission of Kentucky in Case No. \_\_\_\_\_ Dated \_\_\_\_\_.

FOR Entire Territory Served  
Community, Town, or City  
P.S.C. No. 6  
Original Sheet No. 31  
P.S.C. No.  
Sheet No.

Owen Electric Cooperative, Inc.  
Name of Issuing Corporation

CLASSIFICATION OF SERVICE

SCHEDULE 15 COMMERCIAL AND INDUSTRIAL INTERRUPTIBLE SERVICE Page 1

- A. Standard Rider - This Interruptible Service Rate is a rider to Rate Schedules 2, 2A, 8, 9, 10, 11, 12, and 13.
- B. Applicable - to the entire territory served.
- C. Available - This schedule shall be made available to any member where that member will contract for an interruptible demand of not less than 250 kW and not more than 20,000 kW, subject to a maximum number of hours of interruption per year and a notice period as listed below.
- D. Monthly Rate - A monthly demand credit per kW is to be based on the following matrix:

Annual Hours of Interruption

Notice Minutes	200	300	400
10	\$2.70	\$3.15	\$3.60
60	\$2.25	\$2.70	\$3.15

- E. Determination of Measured Load - Billing Demand

The monthly billing demand shall be the highest average rate at which energy is used during any fifteen consecutive minute period during the below listed hours:

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

\* For purposes of measurement of demand, Daylight Savings Time is not observed in this rate tariff. During the period when Daylight Savings Time is normally observed, the above demand billing times would move forward one hour for the beginning and ending hours (i.e. May - September 11:00 a.m. to 11:00 p.m.)

PUBLIC SERVICE COMMISSION OF KENTUCKY  
EFFECTIVE  
DEC 01 2001  
PERMITS BY 807-KAR-5011  
SECTION 9(1)  
BY: Stephan B...  
SECRETARY OF THE COMMISSION

DATE OF ISSUE October 15, 2001 DATE EFFECTIVE December 1, 2001  
ISSUED BY [Signature] TITLE President /CEO  
Name of Officer

Issued by authority of an Order of the Public Service Commission of Kentucky in Case No. \_\_\_\_\_ Dated \_\_\_\_\_

FOR Entire Territory Served

Community, Town, or City

P.S.C. No. 6

Original Sheet No. 32

P.S.C. No. \_\_\_\_\_

Sheet No. \_\_\_\_\_

Owen Electric Cooperative, Inc.  
Name of Issuing Corporation

CLASSIFICATION OF SERVICE

SCHEDULE 15 COMMERCIAL AND INDUSTRIAL INTERRUPTIBLE SERVICE Page 2

E. Determination of Measured Load - Billing Demand - continued

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

F. Conditions of Service for Member Contract

1. The member will upon notification by the Cooperative, reduce his load being supplied by the Cooperative to the contract capacity level specified by the contract.
2. The Cooperative will endeavor to provide the member with as much advance notice as possible of the interruption of service. However, the member shall interrupt service within the notice period as contracted.
3. Service will be furnished under the Cooperative's "Rules and Regulations" except as set out herein and/or provisions agreed to by written contract.
4. No responsibility of any kind shall attach to the Cooperative for, or on account of, any loss or damage caused by, or resulting from, any interruption or curtailment of this service.
5. The Customer shall arrange his wiring so that interruptible service supplied under this rider shall be separately metered and segregated from firm service.
6. The Member shall own, operate, and maintain all necessary equipment for receiving electric energy and all metering and communications equipment, within the Member's premises, required for interruptible service.

DEC 01 2001

PURSUANT TO 807 KAR 5011,  
SECTION 9 (1)

BY: Stephan Bui  
SECRETARY OF THE COMMISSION

DATE OF ISSUE October 15, 2001 DATE EFFECTIVE December 1, 2001  
ISSUED BY [Signature] TITLE President /CEO  
Name of Officer

Issued by authority of an Order of the Public Service Commission of Kentucky in Case No. \_\_\_\_\_ Dated \_\_\_\_\_.

FOR Entire Territory Served

Community, Town, or City  
P.S.C. No. 6  
Original Sheet No. 33  
P.S.C. No. \_\_\_\_\_  
Sheet No. \_\_\_\_\_

Owen Electric Cooperative, Inc.  
Name of Issuing Corporation

CLASSIFICATION OF SERVICE

SCHEDULE 15 COMMERCIAL AND INDUSTRIAL INTERRUPTIBLE SERVICE Page 3

F. Conditions of Service for Member Contract - continued

- 7. A Member's plant is considered as one or more buildings which are served by a single electrical distribution system, provided and operated by the Member. When the size of the Member's load necessitates the delivery of energy to the Member's plant over more than one circuit, the Cooperative may elect to connect its circuits to different points on the Member's system.
- 8. The minimum original contract period shall be one year and thereafter until terminated by giving at least six months advance written notice. The Cooperative may require a contract be executed for a longer initial term when deemed necessary by the size of the load or other conditions.
- 9. Any transformers required in excess of those used for regular firm power shall be owned and maintained by the Member.
- 10. The Fuel Adjustment Clause, as specified in the prevailing rate schedule is applicable.

G. Calculation of Monthly Bill

The monthly bill is calculated on the following basis:

- A. Sum of the customer charge, plus
- B. Minimum billing demand in kW multiplied by the firm capacity rate, plus
- C. Interruptible billing demand in kW multiplied by interruptible rate, plus
- D. Energy usage in kWh multiplied by the energy rate.

PUBLIC SERVICE COMMISSION  
OF KENTUCKY  
EFFECTIVE

DEC 01 2001

H. Number and Duration of Interruptions

- A. Winter Season: There shall be no more than (2) interruptions during any 24 hour calendar day. No interruption shall last more than six hours.

PUBLIC SERVICE COMMISSION  
OF KENTUCKY  
SECRETARY OF THE COMMISSION

DATE OF ISSUE October 15, 2001 DATE EFFECTIVE December 1, 2001  
ISSUED BY [Signature] TITLE President /CEO  
Name of Officer

Issued by authority of an Order of the Public Service Commission of Kentucky in Case No. \_\_\_\_\_ Dated \_\_\_\_\_

Community, Town, or City  
P.S.C. No. 6  
Original Sheet No. 34  
P.S.C. No. \_\_\_\_\_  
Sheet No. \_\_\_\_\_

Owen Electric Cooperative, Inc.  
Name of Issuing Corporation

CLASSIFICATION OF SERVICE

SCHEDULE 15 COMMERCIAL AND INDUSTRIAL INTERRUPTIBLE SERVICE Page 4

H. Number and Duration of Interruptions - continued

- B. Summer Season: There shall be no more than one (1) interruption during any 24 hour calendar day. No interruption shall last more than twelve hours.
- C. The maximum number of annual hours of interruption shall be in accordance with the customer contracted level of interruptible service.

I. Charge for Failure to Interrupt

If the member fails to interrupt load as requested by the Cooperative, the Cooperative shall bill the entire billing demand at a rate equal to five (5) times the applicable firm power demand charge for that billing month.

PUBLIC SERVICE COMMISSION  
OF KENTUCKY  
EFFECTIVE

DEC 01 2001

PURSUANT TO 807 KAR 5.011.  
SECTION 9(1)  
BY: Stephan B. Bu?  
SECRETARY OF THE COMMISSION

DATE OF ISSUE October 15, 2001 DATE EFFECTIVE December 1, 2001  
ISSUED BY [Signature] TITLE President /CEO  
Name of Officer

Issued by authority of an Order of the Public Service Commission of Kentucky in Case No. \_\_\_\_\_ Dated \_\_\_\_\_.

FOR Entire Territory Served  
Community, Town or City

P.S.C. KY. NO. 6

4th Revised SHEET NO. 35A

CANCELLING P.S.C. KY. NO. 6

3rd Revised SHEET NO. 35A

Owen Electric Cooperative, Inc.

(Name of Utility)

CLASSIFICATION OF SERVICE

**SCHEDULE I OLS – OUTDOOR LIGHTING SERVICE**

Page One

- A. Applicable – to the entire territory served.
- B. Available – available to all member/consumers requesting luminaries for dusk to dawn outdoor or street lighting service as provided below. The cooperative reserves the right to limit the types of lights and the type of installations in this tariff
- C. Type of Service – the cooperative will install and maintain automatic outdoor or street lighting of the desired type by the customer, single phase, 60 cycles at available secondary voltage.

D. Monthly Rates:

100 Watt High Pressure Sodium Area Lighting (Monthly energy usage – 40 kWh) \$ 9.34 per Light

Cobrahead Lighting

100 Watt High Pressure Sodium	(Monthly energy usage – 40 kWh) \$12.17 per Light
250 Watt High Pressure Sodium	(Monthly energy usage – 83 kWh) \$16.42 per Light
400 Watt High Pressure Sodium	(Monthly energy usage – 154 kWh) \$20.23 per Light

Directional Lighting

100 Watt High Pressure Sodium	(Monthly energy usage – 40 kWh) \$11.39 per Light
250 Watt High Pressure Sodium	(Monthly energy usage – 83 kWh) \$13.86 per Light
400 Watt High Pressure Sodium	(Monthly energy usage – 154 kWh) \$17.43 per Light

Rate for one additional pole if light is not installed on a currently used pole \* \$ 4.69 per Light

\* If any additional poles or facilities are needed to provide electric service to the light, the consumer shall be required to pay, prior to construction, a non-refundable construction charge for those facilities.

- E. Terms of Payment – the above rates are net, the gross being five percent (5%) higher. In the event the current monthly bill is not paid within fifteen days from the date bill was rendered, the prompt payment discount will be forfeited and the gross amount shall apply.

DATE OF ISSUE August 27, 2008  
Month / Date / Year

DATE EFFECTIVE September 27, 2008  
Month / Date / Year

ISSUED BY \_\_\_\_\_  
(Signature of Officer)

TITLE President/CEO

BY AUTHORITY OF ORDER OF THE PUBLIC SERVICE COMMISSION  
IN CASE NO 2008-00154 DATED \_\_\_\_\_



FOR Entire Territory Served  
Community, Town or City  
P.S.C. KY. NO. 6  
Original SHEET NO. 35B  
CANCELLING P.S.C. KY. NO. \_\_\_\_\_  
SHEET NO. \_\_\_\_\_

Owen Electric Cooperative, Inc.  
\_\_\_\_\_  
(Name of Utility)

CLASSIFICATION OF SERVICE

SCHEDULE I OLS - OUTDOOR LIGHTING SERVICE

Page Two

F. Conditions of Service - the cooperative will furnish all necessary material to install the special lighting desired by the customer. Lighting shall be furnished from dusk to dawn. Lamp and photo cell replacements will be made by the cooperative without cost during normal work hours. Outages will be reported promptly. The lighting equipment, poles and related facilities shall remain the property of the cooperative. The consumer shall be responsible for fixture replacement and repairs when such replacements or repairs are caused by willful damage, vandalism, or causes other than normal burnouts. The consumer shall allow authorized representatives of the cooperative to enter upon the consumer's premises and to trim trees and shrubs as necessary for the maintenance of the lighting equipment and for removal of lighting equipment upon termination of service under this rate schedule. The cooperative and the consumer shall execute an agreement for service under this schedule for a period of not less than three years, except that in the event additional poles are required, in which case, the agreement will be for ten years. Cancellation by the consumer prior to the initial term will require the consumer to pay the cooperative its cost of installation and any removal of facilities plus the non-salvageable material, prorated on the basis of the remaining portion of the initial term of the contract. Any relocation of existing facilities, at the request of the consumer, shall be done at the consumer's expense and paid prior to construction.

\* The monthly kilowatt hour usage shall be subject to plus or minus an adjustment per kWh determined in accordance with the "Fuel Adjustment Clause."

This tariff is subject to the Energy Emergency Control Program as filed with the Kentucky Energy Regulatory Commission (Kentucky Public Service Commission) on February 23, 1981, in Administrative Case No. 240, and as approved by the Commission Order of March 31, 1981.

DATE OF ISSUE July 1, 2003  
Month / Date / Year  
DATE EFFECTIVE September 22, 2003  
Month / Date / Year  
ISSUED BY [Signature]  
(Signature of Officer)  
TITLE President/CEO

PUBLIC SERVICE COMMISSION  
OF KENTUCKY  
EFFECTIVE

SEP 22 2003

BY AUTHORITY OF ORDER OF THE PUBLIC SERVICE COMMISSION  
IN CASE NO. 2003-00278 DATED 09/22/2003

PURSUANT TO 807 KAR 5:011  
SECTION 9 (1)  
BY [Signature]  
EXECUTIVE DIRECTOR

FOR Entire Territory Served  
Community, Town or City

P.S.C. KY. NO. 6

4th Revised SHEET NO. 36A

CANCELLING P.S.C. KY. NO. 6

3rd Revised SHEET NO. 36A

Owen Electric Cooperative, Inc.

(Name of Utility)

CLASSIFICATION OF SERVICE

**SCHEDULE II SOLS – SPECIAL OUTDOOR LIGHTING SERVICE**

Page One

- A. Applicable – to the entire territory served.
- B. Available – available to all member, neighborhood/homeowner associations and governmental agencies requesting luminaries for dusk to dawn outdoor or street lighting service of a type provided below. The cooperative reserves the right to limit the type of lights and the type of installations in this tariff.
- C. Type of Service – the cooperative will install and maintain automatic outdoor or street lighting of the desired type by the customer, single phase, 60 cycles at available secondary voltage.
- D. Investment – the member, neighborhood/homeowner associations, and governmental agencies requesting this service will pay for all the costs required to install the below listed types of lighting and meet all requirements of the cooperative for service. Costs of installation include all material costs, direct and indirect labor costs plus any equipment costs and other overhead costs associated with the installation of these lights.
- E. Monthly Rates: the below listed rates provide for the power costs associated with lights along with all operations and maintenance costs, all administrative costs and normal equipment replacement costs.
 

Traditional Light with Fiberglass Pole	(Monthly energy usage – 40 kWh)	\$12.13	<b>I</b>
Holophane Light with Fiberglass Pole	(Monthly energy usage – 40 kWh)	\$14.44	
- F. Terms of Payment – the above rates are net, the gross being five percent (5%) higher. In the event the current monthly bill is not paid within fifteen days from the date bill was rendered, the prompt payment discount will be forfeited and the gross amount shall apply.

DATE OF ISSUE August 27, 2008  
Month / Date / Year

DATE EFFECTIVE September 27, 2008  
Month / Date / Year

ISSUED BY \_\_\_\_\_  
(Signature of Officer)

TITLE President/CEO

BY AUTHORITY OF ORDER OF THE PUBLIC SERVICE COMMISSION  
IN CASE NO. 2008-00154 DATED \_\_\_\_\_



Exhibit B  
Page 48 of 61

FOR Entire Territory Served  
Community, Town or City

P.S.C. KY. NO. 6

Original SHEET NO. 36B

CANCELLING P.S.C. KY. NO. \_\_\_\_\_

SHEET NO. \_\_\_\_\_

Owen Electric Cooperative, Inc.  
(Name of Utility)

CLASSIFICATION OF SERVICE

**SCHEDULE II SOLS – SPECIAL OUTDOOR LIGHTING SERVICE**

Page Two

G. Conditions of Service – the cooperative will furnish all necessary material to install the special lighting desired by the customer. Lighting shall be furnished from dusk to dawn. Lamp and photo cell replacements will be made by the cooperative without cost during normal work hours. Outages will be reported promptly. The lighting equipment, poles and related facilities shall remain the property of the cooperative. The consumer shall be responsible for fixture replacement and repairs when such replacements or repairs are caused by willful damage, vandalism, or causes other than normal burnouts. The consumer shall allow authorized representatives of the cooperative to enter upon the consumer's premises and to trim trees and shrubs as necessary for the maintenance of the lighting equipment and for removal of lighting equipment upon termination of service under this rate schedule. The cooperative and the consumer shall execute an agreement for service under this schedule for a period of not less than three years, except that in the event additional poles are required, in which case, the agreement will be for ten years. Cancellation by the consumer prior to the initial term will require the consumer to pay the cooperative its cost of installation and any removal of facilities plus the non-salvageable material, prorated on the basis of the remaining portion of the initial term of the contract. Any relocation of existing facilities, at the request of the consumer, shall be done at the consumer's expense and paid prior to construction.

\* The monthly kilowatt hour usage shall be subject to plus or minus an adjustment per kWh determined in accordance with the "Fuel Adjustment Clause."

This tariff is subject to the Energy Emergency Control Program as filed with the Kentucky Energy Regulatory Commission (Kentucky Public Service Commission) on February 23, 1981, in Administrative Case No. 240, and as approved by the Commission Order of March 31, 1981.

DATE OF ISSUE July 1, 2003  
Month / Date / Year

DATE EFFECTIVE September 22, 2003  
Month / Date / Year

ISSUED BY [Signature]  
(Signature of Officer)

TITLE President/CEO

BY AUTHORITY OF ORDER OF THE PUBLIC SERVICE COMMISSION  
IN CASE NO. 2003-00278 DATED 09/22/2003

PUBLIC SERVICE COMMISSION  
OF KENTUCKY  
EFFECTIVE

SEP 22 2003

PURSUANT TO 807 KAR 5:011  
SECTION 9 (1)  
BY [Signature]  
EXECUTIVE DIRECTOR

Exhibit B  
Page 49 of 61

FOR Entire Territory Served  
Community, Town or City

P.S.C. KY. NO. 6

3rd Revised SHEET NO. 37A

CANCELLING P.S.C. KY. NO. 6

2nd Revised SHEET NO. 37A

Owen Electric Cooperative, Inc.  
(Name of Utility)

CLASSIFICATION OF SERVICE

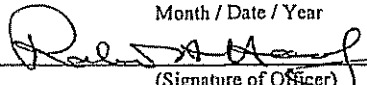
**SCHEDULE III SOLS – SPECIAL OUTDOOR LIGHTING SERVICE**

Page One

- A. Applicable – to the entire territory served.
- B. Available – available to all member/consumers requesting luminaries for dusk to dawn outdoor or street lighting service of a type not provided for under other outdoor or street lighting schedules. The cooperative reserves the right to limit the type of lights and the type of installations in this tariff.
- C. Type of Service – the cooperative will install and maintain automatic outdoor or street lighting of the desired type by the customer, single phase, 60 cycles at available secondary voltage.
- D. Monthly Rates:
  - I 1. The energy rate for each type of lamp shall be \$0.052114 per rate kWh per month as determined by the following formula:  
  
Monthly Rated kWh = (4100 hours per year X Manufacturer's suggested watts/1000)/12
  - 2. Facilities charge – the books of the cooperative shall accurately reflect the cooperative's total investment in facilities for each individual, agency or organization receiving service under this tariff. The monthly facilities charge for each month shall be 1.75 percent of the said total investment in these special facilities.
- E. Terms of Payment – the above rates are net, the gross being five percent (5%) higher. In the event the current monthly bill is not paid within fifteen days from the date bill was rendered, the prompt payment discount will be forfeited and the gross amount shall apply.

DATE OF ISSUE August 10, 2007  
Month / Date / Year

DATE EFFECTIVE August 1, 2007  
Month / Date / Year

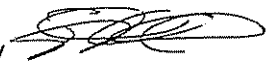
ISSUED BY   
(Signature of Officer)

TITLE President/CEO

BY AUTHORITY OF ORDER OF THE PUBLIC SERVICE COMMISSION

IN CASE NO. 2006-00522 DATED July 25, 2007

PUBLIC SERVICE COMMISSION  
OF KENTUCKY  
EFFECTIVE  
8/1/2007  
PURSUANT TO 807 KAR 5:011  
SECTION 9 (1)

By   
Executive Director

FOR Entire Territory Served  
Community, Town or City

P.S.C. KY. NO. 6

**Original** SHEET NO. 37B

CANCELLING P.S.C. KY. NO. \_\_\_\_\_

SHEET NO. \_\_\_\_\_

Owen Electric Cooperative, Inc.  
(Name of Utility)

CLASSIFICATION OF SERVICE

**SCHEDULE III SOLS – SPECIAL OUTDOOR LIGHTING SERVICE**

F. Conditions of Service – the cooperative will furnish all necessary material to install the special lighting desired by the customer. Lighting shall be furnished from dusk to dawn. Lamp and photo cell replacements will be made by the cooperative without cost during normal work hours. Outages will be reported promptly. The lighting equipment, poles and related facilities shall remain the property of the cooperative. The consumer shall be responsible for fixture replacement and repairs when such replacements or repairs are caused by willful damage, vandalism, or causes other than normal burnouts. The consumer shall allow authorized representatives of the cooperative to enter upon the consumer's premises and to trim trees and shrubs as necessary for the maintenance of the lighting equipment and for removal of lighting equipment upon termination of service under this rate schedule. The cooperative and the consumer shall execute an agreement for service under this schedule for a period of not less than three years, except that in the event additional poles are required, in which case, the agreement will be for ten years. Cancellation by the consumer prior to the initial term will require the consumer to pay the cooperative its cost of installation and any removal of facilities plus the non-salvageable material, prorated on the basis of the remaining portion of the initial term of the contract. Any relocation of existing facilities, at the request of the consumer, shall be done at the consumer's expense and paid prior to construction.

\* The monthly kilowatt hour usage shall be subject to plus or minus an adjustment per kWh determined in accordance with the "Fuel Adjustment Clause."

This tariff is subject to the Energy Emergency Control Program as filed with the Kentucky Energy Regulatory Commission (Kentucky Public Service Commission) on February 23, 1981, in Administrative Case No. 240, and as approved by the Commission Order of March 31, 1981.

DATE OF ISSUE July 1, 2003  
Month / Date / Year

DATE EFFECTIVE September 22, 2003  
Month / Date / Year

ISSUED BY [Signature]  
(Signature of Officer)

TITLE President/CEO

PUBLIC SERVICE COMMISSION  
OF KENTUCKY  
EFFECTIVE

SEP 22 2003

BY AUTHORITY OF ORDER OF THE PUBLIC SERVICE COMMISSION  
IN CASE NO. 2003-00278 DATED 09/22/2003

PURSUANT TO 807 KAR 5:011  
SECTION 9 (1)  
BY [Signature]  
EXECUTIVE DIRECTOR

Exhibit B  
Page 51 of 61

FOR ENTIRE TERRITORY SERVED  
Community, Town or City

P.S.C. KY. NO. 6

Original SHEET NO. 38

Owen Electric Cooperative, Inc.

**CLASSIFICATION OF SERVICE**

**RATES SCHEDULE ES – ENVIRONMENTAL SURCHARGE**

**AVAILABILITY**

In all of the Company's service territory.

**APPLICABILITY**

This rate schedule shall apply to all electric rate schedules and special contracts.

**RATE**

$CES(m) = ES(m) - BESF$

where CES(m) = Current Month Environmental Surcharge Factor  
ES(m) = Current Month Environmental Surcharge Calculation  
BESF = Base Environmental Surcharge Factor of 0%

$ES(m) = [((WESF) \times (\text{Average of 12-months ended revenues from sales to Member System, excluding environmental surcharge})) + (\text{Over/Under Recovery})] \text{ divided by } [(\text{Average of 12-months ending Retail Revenue (excluding environmental surcharge)})] = \underline{\hspace{2cm}} \%$

where WESF = Wholesale Environmental Surcharge Factor for Current Expense Month

DATE OF ISSUE March 17, 2005  
Month / Date / Year  
DATE EFFECTIVE Service rendered beginning July 1, 2005  
Month / Date / Year  
ISSUED BY [Signature]  
(Signature of Officer)  
TITLE President/CEO  
BY AUTHORITY OF ORDER OF THE PUBLIC SERVICE COMMISSION  
IN CASE NO. 2004-00372 DATED March 17, 2005

PUBLIC SERVICE COMMISSION  
OF KENTUCKY  
EFFECTIVE  
7/1/2005  
PURSUANT TO 807 KAR 5:011  
SECTION 9 (1)  
By [Signature]  
Executive Director

Exhibit B  
Page 52 of 61

FOR ENTIRE TERRITORY SERVED  
Community, Town or City

P.S.C. KY. NO. 6

Original SHEET NO. 39

Owen Electric Cooperative, Inc.

**CLASSIFICATION OF SERVICE**

(Over)/Under Recovery =

6-months cumulative (over)/under recovery as defined by amount billed by EKPC to Member System minus the amount billed by Member System to retail customer. Over or under recoveries shall be amortized over a six-month period.

BESF = zero

**BILLING**

The current expense month (m) shall be the second month preceding the month in which the Environmental Surcharge is billed.

DATE OF ISSUE March 17, 2005  
Month / Date / Year

DATE EFFECTIVE Service rendered beginning July 1, 2005  
Month / Date / Year

ISSUED BY [Signature]  
(Signature of Officer)

TITLE President/CEO

BY AUTHORITY OF ORDER OF THE PUBLIC SERVICE COMMISSION

IN CASE NO. 2004-00372 DATED March 17, 2005

PUBLIC SERVICE COMMISSION  
OF KENTUCKY  
EFFECTIVE  
7/1/2005  
PURSUANT TO 807 KAR 5:011  
SECTION 9 (1)

By [Signature]  
Executive Director

Owen Electric Cooperative, Inc.  
\_\_\_\_\_  
(Name of Utility)

FOR Entire Territory Served  
Community, Town or City

P.S.C. KY. NO. 6

1st Revised SHEET NO. 40A

CANCELLING P.S.C. KY. NO. 6

Original SHEET NO. 40A

CLASSIFICATION OF SERVICE

COGENERATION AND SMALL POWER PRODUCTION  
POWER PURCHASE RATE SCHEDULE  
LESS THAN 100 kW (Page 1 of 3)

(T)

AVAILABILITY

Available only to qualified cogeneration or small power production facilities with a design capacity of less than 100 kW which have executed a contract with Owen Electric Cooperative, Inc. and East Kentucky Power Cooperative, Inc. ("EKPC") for the purchase of electric power by EKPC.

(T)

RATES

1. Capacity
  - a. \$40.40 per kW per year is applicable if cogenerator or small power producer is dispatched by EKPC. (I)
  - b. \$0.00614 per kWh is applicable if cogenerator or small power producer is not dispatched by EKPC. (I)
2. Energy – A base payment per kWh is listed below for a time-differentiated basis or a non-time differentiated basis for the specified years.

a. Time Differentiated Rates:

Year	Winter		Summer	
	On-Peak	Off-Peak	On-Peak	Off-Peak
2008	\$0.06032	\$0.04293	\$0.06637	\$0.03199
2009	\$0.05722	\$0.03881	\$0.05447	\$0.02094
2010	\$0.05647	\$0.03461	\$0.05069	\$0.02203
2011	\$0.06015	\$0.03899	\$0.06448	\$0.03069
2012	\$0.05875	\$0.03817	\$0.05737	\$0.02486

(I)  
(I)  
(I)  
(I)  
(I)

DATE OF ISSUE May 8, 2008  
Month / Date / Year

DATE EFFECTIVE June 1, 2008  
Month / Date / Year

ISSUED BY   
(Signature of Officer)

TITLE President/CEO

BY AUTHORITY OF ORDER OF THE PUBLIC SERVICE COMMISSION

IN CASE NO 2008-00128 DATED April 28, 2008

PUBLIC SERVICE COMMISSION  
OF KENTUCKY  
EFFECTIVE  
6/1/2008  
PURSUANT TO 807 KAR 5:011  
SECTION 9 (1)

By   
Executive Director

Owen Electric Cooperative, Inc.  
(Name of Utility)

FOR Entire Territory Served  
Community, Town or City

P.S.C. KY. NO. 6

1<sup>st</sup> Revised SHEET NO. 40B

CANCELLING P.S.C. KY. NO. 6

Original SHEET NO. 40B

CLASSIFICATION OF SERVICE

COGENERATION AND SMALL POWER PRODUCTION  
POWER PURCHASE RATE SCHEDULE (T)  
LESS THAN 100 kW (continued - Page 2 of 3)

b. Non-Time Differentiated Rates:

Year	2008	2009	2010	2011	2012
Rate	\$0.05120	\$0.04428	\$0.04219	\$0.04933	\$0.04596

The on-peak and off-peak energy rates are applicable during the hours listed below for each season:

Winter (October – April)

**On-Peak** 7:00 a.m. - 12:00 noon  
5:00 p.m. - 10:00 p.m.

**Off-Peak** 12:00 noon - 5:00 p.m.  
10:00 p.m. - 7:00 a.m.

Summer (May – September)

**On-Peak** 10:00 a.m. - 10:00 p.m.

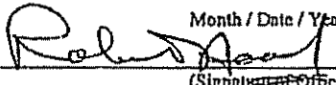
**Off-Peak** 10:00 p.m. - 10:00 a.m.

TERMS AND CONDITIONS

- All power from a Qualifying Facility (QF) will be sold only to EKPC. (T)
- Seller must provide good quality electric power within a reasonable range of voltage, frequency, flicker, harmonic currents, and power factor. (T)

DATE OF ISSUE May 8, 2008  
Month / Date / Year


DATE EFFECTIVE June 1, 2008  
Month / Date / Year

ISSUED BY   
(Signature of Officer)

TITLE President/CEO

BY AUTHORITY OF ORDER OF THE PUBLIC SERVICE COMMISSION  
IN CASE NO. 2008-00128 DATED April 28, 2008

PUBLIC SERVICE COMMISSION  
OF KENTUCKY  
EFFECTIVE  
6/1/2008  
PURSUANT TO 807 KAR 5:011  
SECTION 9 (1)

By   
Executive Director





FOR Entire Territory Served  
Community, Town or City

P.S.C. KY. NO. 6

Original SHEET NO. 41A

CANCELLING P.S.C. KY. NO. \_\_\_\_\_

SHEET NO. \_\_\_\_\_

Owen Electric Cooperative, Inc.

(Name of Utility)

**CLASSIFICATION OF SERVICE**

**COGENERATION AND SMALL POWER PRODUCTION  
POWER PURCHASE RATE SCHEDULE  
OVER 100 kW (Page 1 of 3)**

(T)

**AVAILABILITY**

Available only to qualified cogeneration or small power production facilities with a design capacity of over 100 kW which have executed a contract with Owen Electric Cooperative, Inc. and East Kentucky Power Cooperative, Inc. ("EKPC") for the purchase of electric power by EKPC.

(T)

**RATES**

The rates set forth below shall be used as the basis for negotiating a final purchase rate with qualifying facilities pursuant to Section 7 of 807 KAR 5:054.

1. Capacity

a. \$40.40 per kW per year is applicable if cogenerator or small power producer is dispatched by EKPC.

(I)

b. \$0.00614 per kWh is applicable if cogenerator or small power producer is not dispatched by EKPC.

(I)

2. Energy - A base payment per kWh is listed below for a time-differentiated basis or a non-time differentiated basis for the specified years.

a. Time Differentiated Rates:

Year	Winter		Summer	
	On-Peak	Off-Peak	On-Peak	Off-Peak
2008	\$0.06032	\$0.04293	\$0.06637	\$0.03199
2009	\$0.05722	\$0.03881	\$0.05447	\$0.02094
2010	\$0.05647	\$0.03461	\$0.05069	\$0.02203
2011	\$0.06015	\$0.03899	\$0.06448	\$0.03069
2012	\$0.05875	\$0.03817	\$0.05737	\$0.02486

DATE OF ISSUE May 8, 2008  
Month / Date / Year

DATE EFFECTIVE June 1, 2008  
Month / Date / Year

ISSUED BY Robert A. [Signature]  
(Signature of Officer)

TITLE President/CEO

BY AUTHORITY OF ORDER OF THE PUBLIC SERVICE COMMISSION  
IN CASE NO. 2008-00128 DATED April 28, 2008

PUBLIC SERVICE COMMISSION  
OF KENTUCKY  
EFFECTIVE  
6/1/2008  
PURSUANT TO 807 KAR 5:011  
SECTION 9 (1)

By [Signature]  
Executive Director

FOR Entire Territory Served  
Community, Town or City

P.S.C. KY. NO. 6

Original SHEET NO. 41B

CANCELLING P.S.C. KY. NO. \_\_\_\_\_

SHEET NO. \_\_\_\_\_

Owen Electric Cooperative, Inc.

(Name of Utility)

CLASSIFICATION OF SERVICE

COGENERATION AND SMALL POWER PRODUCTION  
POWER PURCHASE RATE SCHEDULE  
OVER 100 kW. (continued - Page 2 of 3)

(T)

b. Non-Time Differentiated Rates:

Year	2008	2009	2010	2011	2012
Rate	\$0.05120	\$0.04428	\$0.04219	\$0.04933	\$0.04596

(I)

The on-peak and off-peak energy rates are applicable during the hours listed below for each season:

Winter (October – April)

**On-Peak** 7:00 a.m. - 12:00 noon  
5:00 p.m. - 10:00 p.m.

**Off-Peak** 12:00 noon - 5:00 p.m.  
10:00 p.m. - 7:00 a.m.

Summer (May – September)

**On-Peak** 10:00 a.m. - 10:00 p.m.

**Off-Peak** 10:00 p.m. - 10:00 a.m.

TERMS AND CONDITIONS

1. All power from a Qualifying Facility (QF) will be sold only to EKPC. (T)

2. Seller must provide good quality electric power within a reasonable range of voltage, frequency, flicker, harmonic currents, and power factor. (T)

DATE OF ISSUE May 8, 2008  
Month / Date / Year

DATE EFFECTIVE June 1, 2008  
Month / Date / Year

ISSUED BY Robert [Signature]  
(Signature of Officer)

TITLE President/CEO

BY AUTHORITY OF ORDER OF THE PUBLIC SERVICE COMMISSION  
IN CASE NO. 2008-00128 DATED April 28, 2008

PUBLIC SERVICE COMMISSION  
OF KENTUCKY  
EFFECTIVE  
6/1/2008  
PURSUANT TO 807 KAR 5:011  
SECTION 9 (1)

By [Signature]  
Executive Director

Exhibit B  
Page 58 of 61

FOR Entire Territory Served  
Community, Town or City

P S C KY. NO. 6

Original SHEET NO. 41C

CANCELLING P S C KY. NO. \_\_\_\_\_

\_\_\_\_\_ SHEET NO. \_\_\_\_\_

Owen Electric Cooperative, Inc.  
(Name of Utility)

CLASSIFICATION OF SERVICE

COGENERATION AND SMALL POWER PRODUCTION  
POWER PURCHASE RATE SCHEDULE  
OVER 100 kW (continued - Page 3 of 3)

(T)

- 3. Qualifying Facility (QF) shall provide reasonable protection for EKPC and Owen Electric Cooperative, Inc.
- 4. Qualifying Facility (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.
- 5. Qualifying Facility shall reimburse EKPC and Owen Electric Cooperative, Inc. for all costs incurred as a result of interconnecting with the QF, including operation, maintenance, administration, and billing.
- 6. Qualifying Facility shall obtain insurance in the following minimum amounts for each occurrence:
  - a. Public Liability for Bodily Injury - \$1,000,000.00
  - b. Property Damage - \$500,000.00
- 7. Initial contract term shall be for a minimum of five years. (N)
- 8. Qualifying Facilities proposing to supply as available (non-firm) electric power shall not be entitled to a capacity payment. (N)
- 9. Qualifying cogeneration and small power production facilities must meet the definition set forth in 807 KAR 5:054 to be eligible for this tariff. (N)
- 10. Updated rates will be filed with the Public service Commission of Kentucky by March 31 of each year. (N)

DATE OF ISSUE May 8, 2008  
Month / Date / Year

DATE EFFECTIVE June 1, 2008  
Month / Date / Year

ISSUED BY [Signature]  
(Signature of Officer)

TITLE President/CEO

BY AUTHORITY OF ORDER OF THE PUBLIC SERVICE COMMISSION  
IN CASE NO. 2008-00128 DATED April 28, 2008

PUBLIC SERVICE COMMISSION  
OF KENTUCKY  
EFFECTIVE  
6/1/2008  
PURSUANT TO 807 KAR 5:011  
SECTION 9 (1)

By [Signature]  
Executive Director

FOR Entire Territory Served  
Community, Town or City

P.S.C. KY. NO. 6

1st Revised SHEET NO. 59

CANCELLING P.S.C. KY. NO. 6

Original SHEET NO. 59

Owen Electric Cooperative, Inc.

\_\_\_\_\_  
(Name of Utility)

RULES AND REGULATIONS

**31. COLLECTION OF DELINQUENT ACCOUNTS**

Should it become necessary for the Cooperative to send a serviceman to the member's premises for collection or disconnection of a delinquent account, there will be a one-time field collection charge of \$30.00 per trip, as stated in the second notice, which will be due and payable at the time such delinquent account is collected, provided service is either disconnected or account is collected, with the exception of those members connected under the Winter Hardship Reconnection Provision of 807 KAR 5:006, Section 15.

I

In the event a member is disconnected for non-payment of a delinquent account and requests a reconnection during regular working hours, a \$60.00 charge, payable in advance, will be made. After regular working hours, a \$80.00 charge, payable in advance, will be made. These charges include both the cost of disconnection and reconnection.

I

DATE OF ISSUE August 27, 2008  
Month / Date / Year

DATE EFFECTIVE September 27, 2008  
Month / Date / Year

ISSUED BY \_\_\_\_\_  
(Signature of Officer)

TITLE President/CEO

BY AUTHORITY OF ORDER OF THE PUBLIC SERVICE COMMISSION

IN CASE NO. 2008-00154 DATED \_\_\_\_\_

Exhibit B  
Page 60 of 61

FOR Entire Territory Served  
Community, Town or City

P.S.C. KY. NO. 6

1st Revised SHEET NO. 60

CANCELLING P.S.C. KY. NO. 6

Original SHEET NO. 60

Owen Electric Cooperative, Inc.  
(Name of Utility)

RULES AND REGULATIONS

**32. CHECKS RETURNED – UNHONORED BY BANK**

When a check received in payment of a member's account is returned unpaid by the bank for any reason, the Cooperative will notify such member by form letter, notice of returned check, stating the amount of the check and reason for its return. Returned checks will then be considered the same as a delinquent account and if payment in full is not received for the check within in ten (10) business days after notice, service to the member will be discontinued twenty-seven (27) days after mailing date of the original bill for which such returned check was intended to pay, as prescribed under the sections of rules dealing with unpaid accounts. An \$25.00 service charge will be added to all returned unhonored checks.

I

The Cooperative shall have the right to refuse to accept checks in payment of an account from any member that has demonstrated poor credit risk by having two or more checks returned unpaid from a bank for any reason.

The Cooperative shall not accept a check to pay for and redeem another check or accept a two-party check for cash or payment of an account.

Where a member has been mailed a notice of termination for non-payment and subsequently presents an insufficient check as payment, the original termination date will remain unchanged. The presentation of an insufficient-funds check does not constitute payment of the account. The Cooperative will attempt to contact the member by telephone or mail to request payment, but no further time for payment will be extended beyond that stated on the original termination notice.

DATE OF ISSUE August 27, 2008  
Month / Date / Year

DATE EFFECTIVE September 27, 2008  
Month / Date / Year

ISSUED BY \_\_\_\_\_  
(Signature of Officer)

TITLE President/CEO

BY AUTHORITY OF ORDER OF THE PUBLIC SERVICE COMMISSION

IN CASE NO. 2008-00154 DATED \_\_\_\_\_

Exhibit B  
PAGE 61 of 61

FOR Entire Territory Served  
Community, Town or City

P.S.C. KY. NO. 6

1st Revised SHEET NO. 75

CANCELLING P.S.C. KY. NO. 6

Original SHEET NO. 75

Owen Electric Cooperative, Inc.  
(Name of Utility)

RULES AND REGULATIONS

**41. METER TESTING**

Each and every watt-hour meter installed by the Cooperative on member's premises shall be tested periodically without charge to the member. Any other request for meter test shall be complied with by the Cooperative only if the member agrees to pay a \$50.00 meter test deposit. If the meter tests more that 2% fast, the \$50.00 deposit shall be returned to the member and a credit, based on Public Service Commission rules and regulations shall be issued by the Cooperative to the member. If the meter is more than 2% slow, the member may be billed for the difference for the previous twelve-month period and the \$50.00 may be applied toward that balance. The customer will not be required to repay any underbilling over a shorter period of time than a period co-extensive with the underbillings.

I

I

I

DATE OF ISSUE August 27, 2008  
Month / Date / Year

DATE EFFECTIVE September 27, 2008  
Month / Date / Year

ISSUED BY \_\_\_\_\_  
(Signature of Officer)

TITLE President/CEO

BY AUTHORITY OF ORDER OF THE PUBLIC SERVICE COMMISSION

IN CASE NO. 2008-00154 DATED \_\_\_\_\_

FOR Entire Territory Served  
Community, Town or City

P.S.C. KY. NO. 6

7th Revised SHEET NO. 1

CANCELLING P.S.C. KY. NO. 6

6th Revised SHEET NO. 1

Owen Electric Cooperative, Inc.

(Name of Utility)

CLASSIFICATION OF SERVICE

**SCHEDULE I - FARM AND HOME**

- A. Applicable to entire territory served.
- B. Available to farm and residential consumers.
- C. Type of Service - Single phase, 60 cycles, 120/240 volt.
- D. Rate

**I**

Customer Charge  
All KWH

~~\$ 5.64~~  
\$.07533

Per Month \$ 11.20  
Per KWH

(I)

E. Terms of Payment - The above rates are net, the gross being five percent (5%) higher. In the event the current monthly bill is not paid within fifteen (15) days from the date bill was rendered, the prompt payment discount shall be forfeited and the gross amount shall apply.

\* The monthly kilowatt hour usage shall be subject to plus or minus an adjustment per KWH determined in accordance with the "Fuel Adjustment Clause".

This tariff is subject to the Energy Emergency Control Program as filed with the Kentucky Energy Regulatory Commission (now the Public Service Commission) on February 23, 1981, in Administrative Case No. 240, and as approved by the Commission Order of March 31, 1981.

DATE OF ISSUE August 10, 2007

Month / Date / Year

DATE EFFECTIVE August 1, 2007

Month / Date / Year

ISSUED BY *Robert A. Adams*

(Signature of Officer)

TITLE President / CEO

BY AUTHORITY OF ORDER OF THE PUBLIC SERVICE COMMISSION

IN CASE NO. 2006-00522 DATED July 25, 2007

PUBLIC SERVICE COMMISSION  
OF KENTUCKY  
EFFECTIVE  
8/1/2007  
PURSUANT TO 807 KAR 5:011  
SECTION 9 (1)

By *[Signature]*  
Executive Director

Exhibit C  
Page 2 of 61

FOR Entire Territory Served  
Community, Town or City

P.S.C. KY. NO. 6

6th Revised SHEET NO. 2

CANCELLING P.S.C. KY. NO. 6

5th Revised SHEET NO. 2

Owen Electric Cooperative, Inc.  
(Name of Utility)

CLASSIFICATION OF SERVICE

**SCHEDULE I-A FARM AND HOME  
OFF - PEAK MARKETING RATE\***

Page One

- A. Applicable - to entire territory served.
- B. Available - to consumers eligible for SCHEDULE I - FARM AND HOME. The electric power and energy furnished under this SCHEDULE I-A shall be separately metered for each point of delivery. Other power and energy furnished will be billed under SCHEDULE I -FARM AND HOME.
- C. Type of Service - Single phase, 60 cycle, 120/240 volt.
- I D. Rate  
All KWH \$ .04520 per KWH  
Same as Schedule I - Farm & Home, less 40%
- E. Schedule of Hours  
This rate is only applicable for the below-listed off-peak hours:

<u>Months</u>	<u>Off-Peak Hours - EST</u>
October thru April	12:00 Noon to 5:00 P.M. 10:00 P.M. to 7:00 A.M.
May thru September	10:00 P.M. to 10:00 A.M.

DATE OF ISSUE August 10, 2007  
Month / Date / Year

DATE EFFECTIVE August 1, 2007  
Month / Date / Year

ISSUED BY *Ralph A. [Signature]*  
(Signature of Officer)

TITLE President/CEO

BY AUTHORITY OF ORDER OF THE PUBLIC SERVICE COMMISSION

IN CASE NO. 2006-00522 DATED July 25, 2007

PUBLIC SERVICE COMMISSION  
OF KENTUCKY  
EFFECTIVE  
8/1/2007  
PURSUANT TO 807 KAR 5:011  
SECTION 9 (1)

By *[Signature]*  
Executive Director



Exhibit C  
Page 3 of 61

FOR Entire Territory Served  
Community, Town or City

P.S.C. KY. NO. 6

3rd Revised SHEET NO. 3

CANCELLING P.S.C. KY. NO. 6

2nd Revised SHEET NO. 3

Owen Electric Cooperative, Inc.

(Name of Utility)

CLASSIFICATION OF SERVICE

**SCHEDULE I-A FARM AND HOME  
OFF PEAK MARKETING RATE\***

Page Two

F. Terms and Conditions

The retail marketing rate applies only to programs which are expressly approved by the Commonwealth of Kentucky Public Service Commission to be offered under the Marketing Rate of East Kentucky Power's Wholesale Power Rate Schedule A.

Under this rate a separate contract will be executed between the Cooperative and the Consumer/Member, a sample copy of which is filed as part of this tariff.

R

G. Terms of Payment

The above rates are net, the gross being five percent (5%) higher. In the event the current monthly bill is not paid within fifteen (15) days from the date the bill was rendered, the prompt payment discount shall be forfeited and the gross amount shall apply.

\* The monthly kilowatt hour usage shall be subject to plus or minus an adjustment per KWH determined in accordance with the "Fuel Adjustment Clause".

This tariff is subject to the Energy Emergency Control Program as filed with the Kentucky Energy Regulatory Commission (now the Public Service Commission) on February 23, 1981, in Administrative Case No. 240, and as approved by the Commission Order of March 31, 1981.

DATE OF ISSUE September 1, 2003  
Month / Date / Year

DATE EFFECTIVE October 1, 2003  
Month / Date / Year

ISSUED BY [Signature]  
(Signature of Officer)

TITLE President/CEO

BY AUTHORITY OF ORDER OF THE PUBLIC SERVICE COMMISSION

IN CASE NO. \_\_\_\_\_ DATED August 28, 2003

PUBLIC SERVICE COMMISSION  
OF KENTUCKY  
EFFECTIVE

OCT 01 2003

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

BY [Signature]  
EXECUTIVE DIRECTOR

FOR Entire Territory Served  
Community, Town or City

P.S.C. KY. NO. 6

2<sup>nd</sup> Revised SHEET NO. 4

CANCELLING P.S.C. KY. NO. 6

1<sup>st</sup> Revised SHEET NO. 4

Owen Electric Cooperative, Inc.  
(Name of Utility)

CLASSIFICATION OF SERVICE

OFF-PEAK ELECTRIC THERMAL STORAGE HEATING CONTRACT

This Agreement made and entered into between Owen Electric Cooperative, Inc., Inc. (hereinafter called "OEC")  
and

(hereinafter called Member, whether singular or plural)

WITNESSETH:

That in consideration of the mutual promises and covenants hereinafter set forth, the parties agree as follows:

1. Installation of the special metering and wiring required for electric thermal storage units must comply with the specifications set forth by OEC before the special discounted electric rate can be granted. An inspection by a certified electrical inspector will be required for any wiring changes in order to certify conformance with applicable specifications and safety standards as outlined in the National Electric Code.
2. After installation of the unit(s), OEC guarantees a minimum of ten (10) hours off-peak storage availability per day for ten (10) years from the date of installation.
3. OEC further guarantees, subject to the approval of the Public Service Commission, that the rate for energy used by off-peak ETS unit(s) pursuant to Farm and Home Service tariff marketing rate, shall be discounted no less than forty percent below the per kWh rate for regular residential services, as appropriate, and as modified and approved from time to time by the Public Service Commission, for ten (10) years from date of installation.
4. Member agrees to participate in any electronic load control program initiated by OEC, and approved by the Public Service Commission, that insures a minimum of ten (10) hours per day charging time for ETS unit(s).

DATE OF ISSUE May 12, 2003  
Month / Date / Year

DATE EFFECTIVE May 1, 2003  
Month / Date / Year

ISSUED BY [Signature]  
(Signature of Officer)

TITLE President/CEO

PUBLIC SERVICE COMMISSION  
OF KENTUCKY  
EFFECTIVE

MAY 01 2003

BY AUTHORITY OF ORDER OF THE PUBLIC SERVICE COMMISSION  
IN CASE NO 2002-00447 DATED April 23, 2003

PURSUANT TO 807 KAR 5:011  
SECTION 9 (1)  
BY [Signature]  
EXECUTIVE DIRECTOR

Exhibit C  
Page 5 of 61

Form for filing Rate Schedules

FOR <u>Entire Territory Served</u>	
Community, Town or City	
P.S.C. No. <u>6</u>	
<u>1st Revised</u> SHEET No. <u>5</u>	
CANCELING P.S.C. No. <u>6</u>	
<u>Original</u> SHEET No. <u>5</u>	

Owen Electric Cooperative, Inc.  
Name of Issuing Corporation

CLASSIFICATION OF SERVICE

OFF-PEAK ELECTRIC THERMAL STORAGE HEATING CONTRACT Page 2

5. The rate discount offered herein may be transferred or assigned to another member of OEC who resides in, rents, leases or purchases a residence equipped with approved ETS unit(s), providing such member abides by the terms of this contract and accompanying tariff.
6. OEC retains the right to periodically inspect ETS unit(s) installations through its employees or representatives.
7. Discounted rates for ETS energy used are contingent upon modified wiring, equipment, and/or timing devices operating as specified by OEC employees or representatives. In the event such operation is circumvented by causes other than negligence by authorized installers, or defects in material and/or equipment, or other causes beyond the reasonable control of Member, penalty equal to the product of 1.4 multiplied by the regular residential rate shall apply to all ETS energy used.
8. OEC, its employees or representatives, shall not be held liable for any damages resulting from the use of ETS unit(s) and members shall indemnify, defend, and save OEC harmless therefrom.

This \_\_\_\_\_ day of \_\_\_\_\_.

Owen Electric Cooperative, Inc.

By: \_\_\_\_\_  
Employee/Representative

Member: \_\_\_\_\_  
Signature

Member # \_\_\_\_\_

Location # \_\_\_\_\_

Meter # \_\_\_\_\_

Telephone # \_\_\_\_\_

Name: \_\_\_\_\_

Address: \_\_\_\_\_

PUBLIC SERVICE COMMISSION  
OF KENTUCKY  
EFFECTIVE

SEP 01 1997

PURSUANT TO 307 KAR 5:011,  
SECTION 9 (1)

BY: Stephan B. Bell  
SECRETARY OF THE COMMISSION

DATE OF ISSUE August 25, 1997

DATE EFFECTIVE September 1, 1997

ISSUED BY [Signature]  
Name of Officer

TITLE President/CEO

Issued by authority of an Order of the Public Service Commission of Kentucky  
in Case No. 96-543 Appendix A Dated August 20, 1997.

Exhibit C  
Page 6 of 61

FOR Entire Territory Served  
Community, Town or City

P.S.C. KY. NO. 6

7th Revised SHEET NO. 8

CANCELLING P.S.C. KY. NO. 6

6th Revised SHEET NO. 8

Owen Electric Cooperative, Inc.  
(Name of Utility)

CLASSIFICATION OF SERVICE

**SCHEDULE I - SMALL COMMERCIAL\***

- A. Applicable to entire territory served.
- B. Available for commercial, industrial and three-phase farm service under 50 KW for all uses, including lighting, heating and power.
- C. Type of Service - Single-phase and three-phase, 60 cycle at available secondary voltage.
- D. Rate (Monthly)  
Customer Charge ~~\$ 5.64~~ per Month      \$ 13.48 (I)  
All KWH      \$.07534 per KWH
- E. Minimum Charge under the above rate shall be \$.75 per KVA of installed transformer capacity. Where it is necessary to extend or reinforce existing distribution facilities, the minimum monthly charge may be increased to assure adequate compensation for the added facilities.
- F. Terms of Payment - The above rates are net, the gross being five percent (5%) higher. In the event the current monthly bill is not paid within fifteen (15) days from the date bill was rendered, the prompt payment discount shall be forfeited and the gross amount shall apply.

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\* The monthly kilowatt hour usage shall be subject to plus or minus an adjustment per KWH determined in accordance with the "Fuel Adjustment Clause".

This tariff is subject to the Energy Emergency Control Program as filed with the Kentucky Energy Regulatory Commission (now the Public Service Commission) on February 23, 1981, in Administrative Case No. 240, and as approved by the Commission Order of March 31, 1981.

DATE OF ISSUE August 10, 2007  
Month / Date / Year

DATE EFFECTIVE August 1, 2007  
Month / Date / Year

ISSUED BY *Robert...*  
(Signature of Officer)

TITLE President/CEO

BY AUTHORITY OF ORDER OF THE PUBLIC SERVICE COMMISSION

IN CASE NO. 2006-00522 DATED July 25, 2007

PUBLIC SERVICE COMMISSION  
OF KENTUCKY  
EFFECTIVE  
8/1/2007  
PURSUANT TO 807 KAR 5:011  
SECTION 9 (1)

By *[Signature]*  
Executive Director

Exhibit C  
Page 7 of 61

FOR Entire Territory Served  
Community, Town or City

P.S.C. KY. NO. 6

6th Revised SHEET NO. 9

CANCELLING P.S.C. KY. NO. 6

5th Revised SHEET NO. 9

**Owen Electric Cooperative, Inc.**

(Name of Utility)

CLASSIFICATION OF SERVICE

**SCHEDULE II - LARGE POWER\***

Page One

- A. Applicable - to entire territory served.
- B. Available to all commercial, industrial and farm consumers whose kilowatt demand shall exceed 50 KW for lighting and/or heating and/or power.
- C. Character of Service - the electric service furnished under this schedule will be three-phase, 60 cycle, alternating current at available nominal voltage.
- D. Agreement - An "Agreement for Purchase of Power" shall be executed by the consumer for service under this schedule.
- E. Rates

All KW Demand	\$ 5.25	Per KW of Billing Demand
Customer Charge	\$ 20.50	Per Month
All KWH	\$.05528	Per KWH
- F. Determination of Billing Demand - the billing demand shall be the maximum kilowatt demand established by the consumer for any period of fifteen consecutive minutes during the month for which the bill is rendered, as indicated or recorded by a demand meter and adjusted for power factor as provided below.
- G. Power Factor Adjustment - the consumer agrees to maintain unity power factor as nearly as practicable. Power factor may be measured at any time. Should such measurements indicate that the power factor at the time of his maximum demand is less than 90%, the demand for billing purposes shall be the demand as indicated or recorded by the demand meter, multiplied by 90%, and divided by the percent power factor.

I

DATE OF ISSUE August 10, 2007

Month / Date / Year

DATE EFFECTIVE August 1, 2007

Month / Date / Year

ISSUED BY [Signature]

(Signature of Officer)

TITLE President/CEO

BY AUTHORITY OF ORDER OF THE PUBLIC SERVICE COMMISSION

IN CASE NO. 2006-00522 DATED July 25, 2007

PUBLIC SERVICE COMMISSION  
OF KENTUCKY  
EFFECTIVE  
8/1/2007  
PURSUANT TO 807 KAR 5:011  
SECTION 9 (1)

[Signature]  
Executive Director

Exhibit C  
Page 8 of 61

FOR Entire Territory Served  
Community, Town or City

P.S.C. KY. NO. 6

3rd Revised SHEET NO. 10

CANCELLING P.S.C. KY. NO. 6

2nd Revised SHEET NO. 10

Owen Electric Cooperative, Inc.

(Name of Utility)

CLASSIFICATION OF SERVICE

**SCHEDULE II - LARGE POWER\***

Page Two

H. Minimum Charge - Shall be the highest one of the following charges:

1. The minimum monthly charge as specified in the contract for service.
2. A charge of \$.75 per KVA per month of contract capacity.

I. Special Provisions: Delivery Point - If service is to be furnished at secondary voltage, the delivery point shall be the metering point unless otherwise specified in contract for service. All wiring, pole lines and other electric equipment on the load side of the delivery point shall be owned and maintained by the consumer. If service is furnished at sellers' primary line voltage, the delivery point shall be the point of attachment of sellers' primary line to consumer's transformer structure unless otherwise specified in the contract for service. All wiring, pole lines, and other electric equipment (except metering equipment) on the load side of the delivery point shall be owned and maintained by the consumer.

Primary Service - If service is furnished at primary distribution voltage, a discount of five percent (5%) shall apply to the demand and energy charges. The seller shall have the option of metering at secondary voltage.

**R**  
**T** J. Terms of Payment - The above rates are net, the gross being five percent (5%) higher. In the event the current monthly bill is not paid within fifteen (15) days from the date bill was rendered, the prompt payment discount shall be forfeited and the gross amount shall apply.

\* The monthly kilowatt hour usage shall be subject to plus or minus an adjustment per KWH determined in accordance with the "Fuel Adjustment Clause".

This tariff is subject to the Energy Emergency Control Program as filed with the Kentucky Energy Regulatory Commission (now the Public Service Commission) on February 23, 1981, in Administrative Case No. 240, and as approved by the Commission Order of March 31, 1981.

DATE OF ISSUE September 1, 2003  
Month / Date / Year

DATE EFFECTIVE October 1, 2003  
Month / Date / Year

ISSUED BY [Signature]  
(Signature of Officer)

TITLE President/CEO

BY AUTHORITY OF ORDER OF THE PUBLIC SERVICE COMMISSION

IN CASE NO. \_\_\_\_\_ DATED August 28, 2003

PUBLIC SERVICE COMMISSION  
OF KENTUCKY  
EFFECTIVE

OCT 01 2003

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

BY [Signature]  
EXECUTIVE DIRECTOR

Exhibit C  
Page 9 of 61

FOR Entire Territory Served  
Community, Town, or City  
P.S.C. No. 6  
Original Sheet No. 10A  
P.S.C. No. \_\_\_\_\_  
Sheet No. \_\_\_\_\_

Owen Electric Cooperative, Inc.  
Name of Issuing Corporation

CLASSIFICATION OF SERVICE

SCHEDULE 5 - RENEWABLE RESOURCE POWER SERVICE

Page One

N

STANDARD RIDER - This Renewable Resource Power Service is a rider to all currently applicable rate schedules. The purpose of this rider is to provide the consumer with a renewable source of energy that may be considered more environmentally friendly.

- A. Applicable - to the entire territory served.
- B. Available - This schedule shall be made available to any consumer in the following listed block amounts:

100 kWh Block (Minimum size) or Greater

AND where the consumer will contract with the Cooperative to purchase these blocks under this Retail Rider.

- C. Agreement - An "Agreement for Purchase of Renewable Resource Power" shall be executed by the consumer prior to service under this schedule.
- D. Rates - The monthly rate for this service will be a renewable power premium, i.e. an added charge, for all renewable power supplied to the customer. The renewable power rate premium will be as provided below:

\$0.0275 per kWh or \$2.75 per 100 kWh Block

This rate is in addition to the regular retail rates for power.

PUBLIC SERVICE COMMISSION  
OF KENTUCKY

DATE OF ISSUE August 30, 2001 DATE EFFECTIVE October 1, 2001  
ISSUED BY [Signature] TITLE President /CEO

Name of Officer

OCT 01 2001

Issued by authority of an Order of the Public Service Commission of Kentucky in Case No. \_\_\_\_\_ Dated \_\_\_\_\_

PURSUANT TO 807 KAR 5.011, SECTION 9 (1)

BY: [Signature]  
SECRETARY OF THE COMMISSION

Exhibit C  
Page 10 of 61

FOR Entire Territory Served  
Community, Town, or City  
P.S.C. No. 6  
Original Sheet No. 10B  
P.S.C. No. \_\_\_\_\_  
Sheet No. \_\_\_\_\_

Owen Electric Cooperative, Inc.  
Name of Issuing Corporation

CLASSIFICATION OF SERVICE

SCHEDULE 5 - RENEWABLE RESOURCE POWER SERVICE Page Two

N

- E. Billing and Minimum Charge - Blocks of power contracted for under this tariff shall constitute the minimum amount of kWhs the customer will be billed for during a normal billing period. For all power purchased in excess of the contracted Renewable Resource amount, the customer shall be billed at the normal rate for that class. For periods shorter than a normal monthly billing cycle (i.e. termination of service and final bill of a service) and actual kWh use is less than the contracted Renewable kWh amount, the customer shall pay for the full monthly block of kWhs originally contracted for.
- F. Terms of Service and Payment - This rider tariff shall be subject to all other terms of service and payment of the applicable tariffs to which it is applied for each customer.
- G. Conditions of Service - The rate granted under this Retail Rider shall be supported by one (1) year contracts between the customer and the cooperative.

This tariff is subject to the Energy Emergency Control Program as filed with the Kentucky Energy Regulatory Commission ( now the Public Service Commission) on February 23, 1981, in Administrative Case No. 240, and as approved by the Commission Order of March 31, 1981.

PUBLIC SERVICE COMMISSION  
OF KENTUCKY

DATE OF ISSUE August 30, 2001 DATE EFFECTIVE October 1, 2001  
 ISSUED BY [Signature] TITLE President /CEO  
 Name of Officer

OCT 01 2001

Issued by authority of an Order of the Public Service Commission of  
 Kentucky in Case No. \_\_\_\_\_ Dated \_\_\_\_\_  
 PURSUANT TO 007 KAR 5.011,  
 SECTION 9 (1)  
 BY [Signature]  
 SECRETARY OF THE COMMISSION



Exhibit C  
Page 11 of 61

FOR Entire Territory Served  
Community, Town or City

P.S.C. KY. NO. 6

8th Revised SHEET NO. 11

CANCELLING P.S.C. KY. NO. 6

7th Revised SHEET NO. 11

Owen Electric Cooperative, Inc.  
(Name of Utility)

CLASSIFICATION OF SERVICE

**SCHEDULE III - SECURITY LIGHTS\***

- A. Applicable to entire territory served.
- B. Availability: Restricted to customers being billed on this tariff prior to January 1, 2004. This tariff will remain in effect for those customers after January 1, 2004 for as long as the same customer continues the same lighting service uninterrupted. This tariff is not available to new requests for security lighting on or after January 1, 2004.

I

C. Rates

Installed on existing pole where  
120 volts are available:

One Pole Added:

Two Poles Added:

Three Poles Added:

Four Poles Added:

\$	<del>5.51</del>	\$	7.71
\$	<del>7.19</del>	\$	9.39
\$	<del>8.87</del>	\$	11.07
\$	<del>10.55</del>	\$	12.75
\$	<del>12.23</del>	\$	14.43

(I)

Where a transformer is required, there is an additional charge of ~~\$50~~ per month. \$ 0.65

- D. Terms of Payment - The above rates are net, the gross being five percent (5%) higher. In the event the current monthly bill is not paid within fifteen (15) days from the date bill was rendered, the prompt payment discount shall be forfeited and the gross amount shall apply.

\* The monthly kilowatt hour usage shall be subject to plus or minus an adjustment per KWH determined in accordance with the "Fuel Adjustment Clause".

This tariff is subject to the Energy Emergency Control Program as filed with the Kentucky Energy Regulatory Commission (now the Public Service Commission, on February 23, 1981, in Administrative Case No. 240 and as approved by Commission Order of March 31, 1981.

DATE OF ISSUE August 10, 2007  
Month / Date / Year

DATE EFFECTIVE August 1, 2007  
Month / Date / Year

ISSUED BY Ronald A. Shaw  
(Signature of Officer)

TITLE President/CEO

BY AUTHORITY OF ORDER OF THE PUBLIC SERVICE COMMISSION  
IN CASE NO. 2006-00522 DATED July 25, 2007

PUBLIC SERVICE COMMISSION  
OF KENTUCKY  
EFFECTIVE  
8/1/2007  
PURSUANT TO 807 KAR 5:011  
SECTION 9 (1)

By [Signature]  
Executive Director

Exhibit C  
Page 12 of 61

FOR Entire Territory Served  
Community, Town or City

P.S.C. KY. NO. 6

7th Revised SHEET NO. 12

CANCELLING P.S.C. KY. NO. 6

6th Revised SHEET NO. 12

Owen Electric Cooperative, Inc.  
(Name of Utility)

CLASSIFICATION OF SERVICE

**SCHEDULE VIII - LARGE INDUSTRIAL RATE LPC1**

Page One

- A. Applicable to all territory served by the Seller.
- B. Available to all consumers which are or shall be members of the Seller where the monthly contract demand is 1,000 - 2,499 KW with a monthly energy usage equal to or greater than 425 hours per KW of billing demand.

C. Rates

	Customer charge	\$1,464.04	Per Month
I	Demand Charge	5.53	Per KW of Billing Demand
I	Energy Charge	.04226	Per KWH for all KWH equal to 425 per KW of Billing Demand
I	Energy Charge	.03834	Per KWH for all KWH in excess of 425 per KW of Billing Demand

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

<u>Months</u>	<u>Hours Applicable for Demand Billing-EST</u>
October thru April	7:00 AM-12:00 Noon; 5:00 PM-10:00 PM
May thru September	10:00 AM-10:00 PM

DATE OF ISSUE August 10, 2007  
Month / Date / Year

DATE EFFECTIVE August 1, 2007  
Month / Date / Year

ISSUED BY *Ralph A. ...*  
(Signature of Officer)

TITLE President/CEO

BY AUTHORITY OF ORDER OF THE PUBLIC SERVICE COMMISSION

IN CASE NO. 2006-00522 DATED July 25, 2007

PUBLIC SERVICE COMMISSION  
OF KENTUCKY  
EFFECTIVE  
8/1/2007  
PURSUANT TO 807 KAR 5:011  
SECTION 9 (1)

By *[Signature]*  
Executive Director

Exhibit C  
Page 13 of 61

FOR Entire Territory Served  
Community, Town or City

P.S.C. KY. NO. 6

2nd Revised SHEET NO. 13

CANCELLING P S C KY. NO. 6

1st Revised SHEET NO. 13

Owen Electric Cooperative, Inc.  
(Name of Utility)

CLASSIFICATION OF SERVICE

SCHEDULE VIII - LARGE INDUSTRIAL RATE LPC1

Page Two

E. Minimum Monthly Charge

The minimum monthly charge shall not be less than the sum of (a), (b), and (c) below:

- (a) The product of the billing demand multiplied by the demand charge, plus
- (b) The product of the billing demand multiplied by 425 hours and the energy charge per kWh, plus
- (c) The customer charge.

F. Power Factor Adjustment

The consumer agrees to maintain a unity power factor as nearly as practicable at each delivery point at the time of the monthly maximum demand. When the power factor is determined to be less than 90%, the monthly maximum demand at the delivery point will be adjusted by multiplying the actual monthly maximum demand by the 90% and dividing this product by the actual power factor at the time of the monthly maximum demand.

G. Fuel Adjustment Clause

The monthly kilowatt hour usage shall be subject to plus or minus an adjustment per KWH determined in accordance with the "Fuel Adjustment Clause".

DATE OF ISSUE May 12, 2003  
Month / Date / Year

DATE EFFECTIVE May 1, 2003  
Month / Date / Year

ISSUED BY [Signature]  
(Signature of Officer)

TITLE President/CEO

PUBLIC SERVICE COMMISSION  
OF KENTUCKY  
EFFECTIVE

MAY 01 2003

BY AUTHORITY OF ORDER OF THE PUBLIC SERVICE COMMISSION

IN CASE NO 2002-00447 DATED April 23, 2003

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

BY [Signature]  
EXECUTIVE DIRECTOR

Exhibit C  
Page 14 of 61

FOR Entire Territory Served  
Community, Town or City

P.S.C. KY NO. 6

3rd Revised SHEET NO. 14

CANCELLING P.S.C. KY NO. 6

2nd Revised SHEET NO. 14

Owen Electric Cooperative, Inc.  
(Name of Utility)

CLASSIFICATION OF SERVICE

SCHEDULE VIII - LARGE INDUSTRIAL RATE LPC1

Page Three

H. Special Provisions:

1. Delivery Point - If service is furnished at secondary voltage, the delivery point shall be the metering point unless otherwise specified in the contract for service.

All wiring, pole lines, and other electric equipment on the load side of the delivery point shall be owned and maintained by the consumer.

2. If service is furnished at Seller's primary line voltage, the delivery point shall be the point of attachment of Seller's primary line to consumer's transformer structure unless otherwise specified in the contract for service. All wiring, pole lines and other electric equipment (except metering equipment) on the load side of the delivery point shall be owned and maintained by the consumer.

R  
T

I. Terms of Payment

The above rates are net, the gross being five percent (5%) higher. In the event the current monthly bill is not paid within fifteen (15) days from the date the bill was rendered, the prompt payment discount shall be forfeited and the gross amount shall apply.

This tariff is subject to the Energy Emergency Control Program as filed with the Kentucky Energy Regulatory Commission (now the Public Service Commission) on February 23, 1981, in Administrative Case No. 240, and as approved by the Commission's Order of March 31, 1981.

DATE OF ISSUE September 1, 2003  
Month / Date / Year

DATE EFFECTIVE October 1, 2003  
Month / Date / Year

ISSUED BY [Signature]  
(Signature of Officer)

TITLE President/CEO

BY AUTHORITY OF ORDER OF THE PUBLIC SERVICE COMMISSION  
IN CASE NO. \_\_\_\_\_ DATED August 28, 2003

PUBLIC SERVICE COMMISSION  
OF KENTUCKY  
EFFECTIVE

OCT 01 2003

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

BY [Signature]  
EXECUTIVE DIRECTOR

Exhibit C  
Page 15 of 61

FOR Entire Territory Served  
Community, Town or City

P.S.C. KY. NO. 6

7th Revised SHEET NO. 15

CANCELLING P.S.C. KY. NO. 6

6th Revised SHEET NO. 15

**Owen Electric Cooperative, Inc.**  
\_\_\_\_\_  
(Name of Utility)

CLASSIFICATION OF SERVICE

**SCHEDULE IX - LARGE INDUSTRIAL RATE LPC2**

Page One

- A. Applicable to all territory served by the Seller
- B. Available to all consumers which are or shall be members of the Seller where the monthly contract demand is 5,000 KW or over, with a monthly usage equal to or greater than 425 hours per KW of billing demand.
- C. Rates

	Customer Charge	\$2,927.05	Per Month
I	Demand Charge	\$ 5.53	Per KW of Billing Demand
I	Energy Charge	\$ .03714	Per KWH for all KWH equal to 425 hours per KW of Billing Demand
I	Energy Charge	\$ .03577	Per KWH for all KWH in excess of 425 hours per KW of Billing Demand

D. Billing Demand

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

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

<u>Months</u>	<u>Hours Applicable for Demand Billing EST</u>
October thru April	7AM - 12 Noon; 5PM - 10PM
May thru September	10AM - 10PM

DATE OF ISSUE August 10, 2007  
Month / Date / Year

DATE EFFECTIVE August 1, 2007  
Month / Date / Year

ISSUED BY [Signature]  
(Signature of Officer)

TITLE President/CEO

BY AUTHORITY OF ORDER OF THE PUBLIC SERVICE COMMISSION

IN CASE NO. 2006-00522 DATED July 23, 2007

**PUBLIC SERVICE COMMISSION  
OF KENTUCKY**  
EFFECTIVE  
8/1/2007  
PURSUANT TO 807 KAR 5:011  
SECTION 9 (1)

[Signature]  
Executive Director

Exhibit C  
Page 16 of 61

FOR Entire Territory Served  
Community, Town or City

P.S.C. KY. NO. 6

2nd Revised SHEET NO. 16

CANCELLING P.S.C. KY. NO. 6

1st Revised SHEET NO. 16

Owen Electric Cooperative, Inc.  
(Name of Utility)

CLASSIFICATION OF SERVICE

**SCHEDULE IX - LARGE INDUSTRIAL RATE LPC2**

Page Two

E. Minimum Monthly Charge -The minimum monthly charge shall not be less than the sum of (a), (b), and (c) below:

- (a) The product of the billing demand multiplied by the demand charge, plus
- (b) The product of the billing demand multiplied by 425 hours and the energy charge per kWh, plus
- (c) The customer charge.

F. Power Factor Adjustment

The consumer agrees to maintain a unity power factor as nearly as practicable at each delivery point at the time of the monthly maximum demand. When the power factor is determined to be less than 90%, the monthly maximum demand at the delivery point will be adjusted by multiplying the actual monthly maximum demand by 90% and dividing this product by the actual power factor at the time of the monthly maximum demand.

G. Fuel Adjustment Clause

The monthly kilowatt hour usage shall be subject to plus or minus an adjustment per kWh determined in accordance with the "Fuel Adjustment Clause".

DATE OF ISSUE May 12, 2003  
Month / Date / Year

DATE EFFECTIVE May 1, 2003  
Month / Date / Year

ISSUED BY [Signature]  
(Signature of Officer)

TITLE President/CEO

BY AUTHORITY OF ORDER OF THE PUBLIC SERVICE COMMISSION  
IN CASE NO. 2002-00447 DATED April 23, 2003

PUBLIC SERVICE COMMISSION  
OF KENTUCKY  
EFFECTIVE

MAY 01 2003

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

BY [Signature]  
EXECUTIVE DIRECTOR

Exhibit C  
Page 17 of 61

FOR Entire Territory Served  
Community, Town or City

P.S.C KY NO. 6

3rd Revised SHEET NO. 17

CANCELLING P.S.C KY. NO. 6

2nd Revised SHEET NO. 17

Owen Electric Cooperative, Inc.  
(Name of Utility)

CLASSIFICATION OF SERVICE

SCHEDULE IX - LARGE INDUSTRIAL RATE LPC 2

Page Three

H. Special Provisions

1. **Delivery Point-** If service is furnished at secondary voltage, the delivery point shall be the metering point, unless otherwise specified in the contract for service.

All wiring, pole lines, and other electric equipment on the load side of the delivery point shall be owned and maintained by the consumer.

2. If service is furnished at Seller's primary line voltage, the delivery point shall be the point of attachment of Seller's primary line to consumer's transformer structure unless otherwise specified in the contract for service. All wiring, pole lines and other electric equipment (except metering equipment) on the load side of the delivery point shall be owned and maintained by the consumer.

R  
I

I. Terms of Payment

The above rates are net, the gross being five percent (5%) higher. In the event the current monthly bill is not paid within fifteen (15) days from the date the bill was rendered, the prompt payment discount shall be forfeited and the gross amount shall apply.

This tariff is subject to the Energy Emergency Control Program as filed with the Kentucky Energy Regulatory Commission (now the Public Service Commission) on February 23, 1981, in Administrative Case No. 240, and as approved by the Commission Order of March 31, 1981.

DATE OF ISSUE September 1, 2003  
Month / Date / Year

DATE EFFECTIVE October 1, 2003  
Month / Date / Year

ISSUED BY [Signature]  
(Signature of Officer)

TITLE President/CEO

BY AUTHORITY OF ORDER OF THE PUBLIC SERVICE COMMISSION  
IN CASE NO \_\_\_\_\_ DATED August 28, 2003

PUBLIC SERVICE COMMISSION  
OF KENTUCKY  
EFFECTIVE

OCT 01 2003

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

BY [Signature]  
EXECUTIVE DIRECTOR

Exhibit C  
Page 18 of 61

FOR Entire Territory Served  
Community, Town or City

P.S.C. KY. NO. 6

7th Revised SHEET NO. 18

CANCELLING P.S.C. KY. NO. 6

6th Revised SHEET NO. 18

**Owen Electric Cooperative, Inc.**

(Name of Utility)

CLASSIFICATION OF SERVICE

**SCHEDULE X - LARGE INDUSTRIAL RATE LPC1-A**

Page One

- A. Applicable - to all territory served by the Seller.
- B. Available - to all consumers which are or shall be members of the Seller where the monthly contract demand is 2,500 - 4,999 KW with a monthly energy usage equal to or greater than 425 hours per KW of billing demand.

C. Rates

	Customer charge	\$1,464.04	
I	Demand Charge	5.53	Per KW of Billing Demand
		.04021	Per KWH of all KWH equal to 425 hours per KW of Billing Demand
I	Energy Charge	.03731	Per KWH for all KWH in excess of 425 hours per KW of Billing Demand

D. Billing Demand - The monthly billing demand shall be the greater of (a) or (b) listed below:

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

<u>Months</u>	<u>Hours Applicable for Demand Billing-EST</u>
October thru April	7:00 AM-12:00 Noon; 5:00 PM-10:00 PM
May thru September	10:00 AM-10:00 PM

DATE OF ISSUE August 10, 2007

Month / Date / Year

DATE EFFECTIVE August 1, 2007

Month / Date / Year

ISSUED BY [Signature]  
(Signature of Officer)

TITLE President/CEO

BY AUTHORITY OF ORDER OF THE PUBLIC SERVICE COMMISSION

IN CASE NO. 2006-00522 DATED July 25, 2007

**PUBLIC SERVICE COMMISSION  
OF KENTUCKY**  
EFFECTIVE  
8/1/2007  
PURSUANT TO 807 KAR 5:011  
SECTION 9 (1)

By [Signature]  
Executive Director



EXHIBIT C  
Page 19 of 61

FOR Entire Territory Served  
Community, Town or City

P.S.C. KY NO. 6

2nd Revised SHEET NO. 19

CANCELLING P.S.C. KY NO. 6

1st Revised SHEET NO. 19

Owen Electric Cooperative, Inc.  
(Name of Utility)

CLASSIFICATION OF SERVICE

**SCHEDULE X - LARGE INDUSTRIAL RATE LPC1-A**

Page Two

E. Minimum Monthly Charge

The minimum monthly charge shall not be less than the sum of (a), (b), and (c) below:

- (a) The product of the billing demand multiplied by the demand charge, plus
- (b) The product of the billing demand multiplied by 425 hours and the energy charge per kWh, plus
- (c) The customer charge.

F. Power Factor Adjustment

The consumer agrees to maintain a unity power factor as nearly as practicable at each delivery point at the time of the monthly maximum demand. When the power factor is determined to be less than 90%, the monthly maximum demand at the delivery point will be adjusted by multiplying the actual monthly maximum demand by the 90% and dividing this product by the actual power factor at the time of the monthly maximum demand.

G. Fuel Adjustment Clause

The monthly kilowatt hour usage shall be subject to plus or minus an adjustment per KWH determined in accordance with the "Fuel Adjustment Clause".

DATE OF ISSUE May 12, 2003  
Month / Date / Year

DATE EFFECTIVE May 1, 2003  
Month / Date / Year

ISSUED BY [Signature]  
(Signature of Officer)

TITLE President/CEO

BY AUTHORITY OF ORDER OF THE PUBLIC SERVICE COMMISSION  
IN CASE NO 2002-00447 DATED April 23, 2003

PUBLIC SERVICE COMMISSION  
OF KENTUCKY  
EFFECTIVE

MAY 01 2003

PURSUANT TO 507 KAR 5:011  
SECTION 9 (1)

BY [Signature]  
EXECUTIVE DIRECTOR

Exhibit C  
Page 20 of 61

FOR Entire Territory Served  
Community, Town or City

P.S.C. KY. NO. 6

3rd Revised SHEET NO. 20

CANCELLING P.S.C. KY. NO. 6

2nd Revised SHEET NO. 20

Owen Electric Cooperative, Inc.  
(Name of Utility)

CLASSIFICATION OF SERVICE

SCHEDULE X - LARGE INDUSTRIAL RATE LPC1-A

Page Three

H. Special Provisions:

1. **Delivery Point** - If service is furnished at secondary voltage, the delivery point shall be the metering point unless otherwise specified in the contract for service.

All wiring, pole lines, and other electric equipment on the load side of the delivery point shall be owned and maintained by the consumer.

2. If service is furnished at Seller's primary line voltage, the delivery point shall be the point of attachment of Seller's primary line to consumer's transformer structure unless otherwise specified in the contract for service. All wiring, pole lines and other electric equipment (except metering equipment) on the load side of the delivery point shall be owned and maintained by the consumer.

I. Terms of Payment

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T

The above rates are net, the gross being five percent (5%) higher. In the event the current monthly bill is not paid within fifteen (15) days from the date the bill was rendered, the prompt payment discount shall be forfeited and the gross amount shall apply.

This tariff is subject to the Energy Emergency Control Program as filed with the Kentucky Energy Regulatory Commission (now the Public Service Commission) on February 23, 1981, in Administrative Case No. 240, and as approved by the Commission's Order of March 31, 1981.

DATE OF ISSUE September 1, 2003  
Month / Date / Year

DATE EFFECTIVE October 1, 2003  
Month / Date / Year

ISSUED BY [Signature]  
(Signature of Officer)

TITLE President/CEO

BY AUTHORITY OF ORDER OF THE PUBLIC SERVICE COMMISSION  
IN CASE NO. \_\_\_\_\_ DATED August 28, 2003

PUBLIC SERVICE COMMISSION  
OF KENTUCKY  
EFFECTIVE

OCT 01 2003

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

BY [Signature]  
EXECUTIVE DIRECTOR

Exhibit C  
Page 21 of 61

FOR Entire Territory Served  
Community, Town or City

P.S.C. KY. NO. 6

5th Revised SHEET NO. 20A

CANCELLING P.S.C. KY. NO. 6

4th Revised SHEET NO. 20A

**Owen Electric Cooperative, Inc.**

(Name of Utility)

CLASSIFICATION OF SERVICE

**SCHEDULE XI - LARGE INDUSTRIAL RATE LPB1**

Page One

- A. Applicable to all territory served by the Seller.
- B. Available to all consumers which are or shall be members of the Cooperative where the monthly contract demand is 1,000 - 2,499 KW with a monthly energy usage equal to or greater than 425 hours per KW of contract demand.
- C. Rates

Customer Charge	\$1,464.04	Per Month
Demand Charge	\$ 5.53	Per KW of Demand of Contract Demand
	\$ 8.02	Per KW of Demand in Excess of Contract Demand
<b>I</b> Energy Charge	\$ 0.04226	Per KWH for all KWH equal to 425 hours per KW of Billing Demand
<b>I</b> Energy Charge	\$0.03834	Per KWH for all KWH in excess of 425 hours per KW of Billing Demand

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

<u>Months</u>	<u>Hours Applicable for Demand Billing EST</u>
October through April	7AM - 12:00 Noon; 5PM - 10PM
May through September	10AM - 10PM

DATE OF ISSUE August 10, 2007  
Month / Date / Year

DATE EFFECTIVE August 1, 2007  
Month / Date / Year

ISSUED BY *Robert A. ...*  
(Signature of Officer)

TITLE President/CEO

BY AUTHORITY OF ORDER OF THE PUBLIC SERVICE COMMISSION

IN CASE NO. 2006-00522 DATED July 25, 2007

PUBLIC SERVICE COMMISSION  
OF KENTUCKY  
EFFECTIVE  
8/1/2007  
PURSUANT TO 807 KAR 5:011  
SECTION 9 (1)

By *[Signature]*  
Executive Director

Exhibit C  
Page 22 of 61

FOR Entire Territory Served  
Community, Town or City

P.S.C. KY. NO. 6

1st Revised SHEET NO. 20B

CANCELLING P.S.C. KY. NO. 6

Original SHEET NO. 20B

Owen Electric Cooperative, Inc.

(Name of Utility)

CLASSIFICATION OF SERVICE

SC HEDULE XI - LARGE INDUSTRIAL RATE LPB1

Page Two

- E. Billing Energy - The billing energy shall be the contract demand multiplied by 425 hours or the actual energy used in the current month by the load center, whichever is greater.
- F. Minimum Monthly Charge - The minimum monthly charge shall not be less than the sum of (1), (2), and (3) below:
  - (1) The product of the contract demand multiplied by the contract demand charge, plus the product of the demand in excess of the contract demand multiplied by the in excess of contract demand charge.
  - (2) The product of the contract demand multiplied by 425 hours and the energy charge per KWh.
  - (3) The customer charge.
- G. Power Factor Adjustment - The consumer agrees to maintain a unity power factor as nearly as practicable at each delivery point at the time of the monthly maximum demand. When the power factor is determined to be less than 90%, the monthly maximum demand at the delivery point will be adjusted by multiplying the actual monthly maximum demand by 90% and dividing this product by the actual power factor at the time of the monthly maximum demand.
- H. Fuel Adjustment Clause - The monthly kilowatt-hour usage shall be subject to plus or minus an adjustment per kWh determined in accordance with the "Fuel Adjustment Clause."

DATE OF ISSUE May 12, 2003  
Month / Date / Year

DATE EFFECTIVE May 1, 2003  
Month / Date / Year

ISSUED BY [Signature]  
(Signature of Officer)

TITLE President/CEO

BY AUTHORITY OF ORDER OF THE PUBLIC SERVICE COMMISSION  
IN CASE NO. 2002-00447 DATED April 23, 2003

PUBLIC SERVICE COMMISSION  
OF KENTUCKY  
EFFECTIVE

MAY 01 2003

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

BY [Signature]  
EXECUTIVE DIRECTOR

EXHIBIT C  
Page 23 of 61

FOR Entire Territory Served  
Community, Town or City

P.S.C. KY. NO. 6

1st Revised SHEET NO. 20C

CANCELLING P.S.C. KY. NO. 6

Original SHEET NO. 20C

Owen Electric Cooperative, Inc.  
(Name of Utility)

CLASSIFICATION OF SERVICE

SCHEDULE XI - LARGE INDUSTRIAL RATE LPB1

Page Three

I. Special Provisions

1. **Delivery Point** - If service is furnished at secondary voltage, the delivery point shall be the metering point unless otherwise specified in the contract for service. All wiring, pole lines and other electric equipment on the load side of the delivery point shall be owned and maintained by the consumer.
2. If service is furnished at Seller's primary line voltage, the delivery point shall be the point of attachment of Seller's primary line to consumer's transformer structure unless otherwise specified in the contract for service. All wiring, pole lines and other electric equipment (except metering equipment) on the load side of the delivery point shall be owned and maintained by the consumer.

J. Terms of Payment - The above rates are net, the gross being five percent (5%) higher. In the event the current monthly bill is not paid within fifteen (15) days from the date the bill was rendered, the prompt payment discount shall be forfeited and the gross amount shall apply.

This tariff is subject to the Energy Emergency Control Program as filed with the Kentucky Energy Regulatory Commission (now the Public Service Commission) on February 23, 1981, in Administrative Case No. 240, and as approved by the Commission Order of March 31, 1981

DATE OF ISSUE May 12, 2003  
Month / Date / Year

DATE EFFECTIVE May 1, 2003  
Month / Date / Year

ISSUED BY [Signature]  
(Signature of Officer)

TITLE President/CEO

BY AUTHORITY OF ORDER OF THE PUBLIC SERVICE COMMISSION  
IN CASE NO 2002-00447 DATED April 23, 2003

PUBLIC SERVICE COMMISSION  
OF KENTUCKY  
EFFECTIVE

MAY 01 2003

PURSUANT TO 807 KAR 5:011  
SECTION 8 (1)  
BY [Signature]  
EXECUTIVE DIRECTOR

Exhibit C  
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FOR Entire Territory Served  
Community, Town or City

P.S.C. KY. NO. 6

**5th Revised** SHEET NO. 21A

CANCELLING P.S.C. KY. NO. 6

**4th Revised** SHEET NO. 21A

**Owen Electric Cooperative, Inc.**  
(Name of Utility)

CLASSIFICATION OF SERVICE

**SCHEDULE XII - LARGE INDUSTRIAL RATE LPB1-A**

Page One

- A. Applicable to all territory served by the Seller.
- B. Available to all consumers which are or shall be members of the Seller where the monthly contract demand is 2,500 - 4,999 KW with a monthly energy usage equal to or greater than 425 hours per KW of billing contract.

C. Rates

	Customer Charge	\$ 1,464.04	Per Month
	Demand Charge	\$ 5.53	Per KW of Billing Demand of Contract Demand
		\$ 8.02	Per KW of Billing Demand in excess of Contract Demand
<b>I</b>	Energy Charge	\$ 0.04021	Per KWH for all KWH equal to 425 hours per KW of Billing Demand
<b>I</b>	Energy Charge	\$ 0.03731	Per KWH for all KWH in excess of 425 hours per KW of Billing Demand

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

<u>Months</u>	<u>Hours Applicable for Demand Billing EST</u>
October thru April	7AM - 12:00 Noon; 5PM - 10PM
May thru September	10AM - 10PM

DATE OF ISSUE August 10, 2007  
Month / Date / Year

DATE EFFECTIVE August 1, 2007  
Month / Date / Year

ISSUED BY [Signature]  
(Signature of Officer)

TITLE President/CEO

BY AUTHORITY OF ORDER OF THE PUBLIC SERVICE COMMISSION  
IN CASE NO. 2006-00522 DATED July 25, 2007

PUBLIC SERVICE COMMISSION  
OF KENTUCKY  
EFFECTIVE  
8/1/2007  
PURSUANT TO 807 KAR 5:011  
SECTION 9 (1)

By [Signature]  
Executive Director

Exhibit C  
Page 25 of 61

FOR Entire Territory Served  
Community, Town or City

P.S.C. KY. NO. 6

1st Revised SHEET NO. 21B

CANCELLING P.S.C. KY. NO. 6

Original SHEET NO. 21B

Owen Electric Cooperative, Inc.  
(Name of Utility)

CLASSIFICATION OF SERVICE

SC HEDULE XII - LARGE INDUSTRIAL RATE LPB1-A

Page Two

- E. Billing Energy - The billing energy shall be the contract demand multiplied by 425 hours or the actual energy used in the current month by the load center, whichever is greater.
- F. Minimum Monthly Charge - The minimum monthly charge shall not be less than the sum of (1), (2), and (3) below:
  - (1) The product of the contract demand multiplied by the contract demand charge, plus the product of the demand in excess of the contract demand multiplied by the in excess of contract demand charge.
  - (2) The product of the contract demand multiplied by 425 hours and the energy charge per KWh.
  - (3) The customer charge.
- G. Power Factor Adjustment - The consumer agrees to maintain a unity power factor as nearly as practicable at each delivery point at the time of the monthly maximum demand. When the power factor is determined to be less than 90%, the monthly maximum demand at the delivery point will be adjusted by multiplying the actual monthly maximum demand by 90% and dividing this product by the actual power factor at the time of the monthly maximum demand.
- H. Fuel Adjustment Clause - The monthly kilowatt-hour usage shall be subject to plus or minus an adjustment per kWh determined in accordance with the "Fuel Adjustment Clause."

DATE OF ISSUE May 12, 2003  
Month / Date / Year

DATE EFFECTIVE May 1, 2003  
Month / Date / Year

ISSUED BY [Signature]  
(Signature of Officer)

TITLE President/CEO

BY AUTHORITY OF ORDER OF THE PUBLIC SERVICE COMMISSION  
IN CASE NO 2002-00447 DATED April 23, 2003

PUBLIC SERVICE COMMISSION  
OF KENTUCKY  
EFFECTIVE

MAY 01 2003

PURSUANT TO 807 KAR 5.011  
SECTION 9 (1)

BY [Signature]  
EXECUTIVE DIRECTOR

EXHIBIT C  
PAGE 26 of 61

FOR Entire Territory Served  
Community, Town or City

P.S.C. KY. NO. 6

1st Revised SHEET NO. 21C

CANCELLING P.S.C. KY. NO. 6

Original SHEET NO. 21C

Owen Electric Cooperative, Inc.  
(Name of Utility)

CLASSIFICATION OF SERVICE

**SCHEDULE XII - LARGE INDUSTRIAL RATE LPB1-A**

Page Three

I. Special Provisions

1. **Delivery Point** - If service is furnished at secondary voltage, the delivery point shall be the metering point unless otherwise specified in the contract for service. All wiring, pole lines and other electric equipment on the load side of the delivery point shall be owned and maintained by the consumer.
2. If service is furnished at Seller's primary line voltage, the delivery point shall be the point of attachment of Seller's primary line to consumer's transformer structure unless otherwise specified in the contract for service. All wiring, pole lines and other electric equipment (except metering equipment) on the load side of the delivery point shall be owned and maintained by the consumer.

J. Terms of Payment - The above rates are net, the gross being five percent (5%) higher. In the event the current monthly bill is not paid within fifteen (15) days from the date the bill was rendered, the prompt payment discount shall be forfeited and the gross amount shall apply.

This tariff is subject to the Energy Emergency Control Program as filed with the Kentucky Energy Regulatory Commission (now the Public Service Commission) on February 23, 1981, in Administrative Case No. 240, and as approved by the Commission Order of March 31, 1981

DATE OF ISSUE May 12, 2003  
Month / Date / Year

DATE EFFECTIVE May 1, 2003  
Month / Date / Year

ISSUED BY [Signature]  
(Signature of Officer)

TITLE President/CEO

BY AUTHORITY OF ORDER OF THE PUBLIC SERVICE COMMISSION  
IN CASE NO 2002-00447 DATED April 23, 2003

PUBLIC SERVICE COMMISSION  
OF KENTUCKY  
EFFECTIVE

MAY 01 2003

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

BY [Signature]  
EXECUTIVE DIRECTOR



Exhibit C  
Page 27 of 61

FOR Entire Territory Served  
Community, Town or City

P.S.C. KY. NO. 6

5th Revised SHEET NO. 22A

CANCELLING P.S.C. KY. NO. 6

4th Revised SHEET NO. 22A

**Owen Electric Cooperative, Inc.**  
\_\_\_\_\_  
(Name of Utility)

CLASSIFICATION OF SERVICE

**SCHEDULE XIII - LARGE INDUSTRIAL RATE LPB2**

Page One

- A. Applicable to all territory served by the Seller.
- B. Available to all consumers which are or shall be members of the Seller where the monthly contract demand is 5,000 KW or over with a monthly energy usage equal to or greater than 425 hours per KW of billing contract demand.
- C. Rates

	Customer Charge	\$ 2,927.05	Per Month
	Demand Charge	\$ 5.53	Per KW of Billing Demand of Contract Demand
		\$ 8.02	Per KW of Billing Demand in excess of Contract Demand
<b>I</b>	Energy Charge	\$ 0.03714	Per KWH for KWH equal to 425 hours per KW of Billing Demand
<b>I</b>	Energy Charge	\$ 0.03577	Per KWH for all KWH in excess of 425 hours per KW of Billing Demand

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

<u>Months</u>	<u>Hours Applicable for Demand Billing - EST</u>
October thru April	7:00 AM - 12:00 Noon; 5:00 PM - 10:00 PM
May thru September	10:00 AM - 10:00 PM

DATE OF ISSUE August 10, 2007  
Month / Date / Year

DATE EFFECTIVE August 1, 2007  
Month / Date / Year

ISSUED BY *Ralph A. ...*  
(Signature of Officer)

TITLE President/CEO

BY AUTHORITY OF ORDER OF THE PUBLIC SERVICE COMMISSION  
IN CASE NO. 2006-00522 DATED July 25, 2007

PUBLIC SERVICE COMMISSION  
OF KENTUCKY  
EFFECTIVE  
8/1/2007  
PURSUANT TO 807 KAR 5:011  
SECTION 9 (1)

By *[Signature]*  
Executive Director

Exhibit C  
Page 28 of 61

FOR Entire Territory Served  
Community, Town or City

P.S.C. KY. NO. 6

1st Revised SHEET NO. 22B

CANCELLING P.S.C. KY. NO. 6

Original SHEET NO. 22B

Owen Electric Cooperative, Inc.  
(Name of Utility)

CLASSIFICATION OF SERVICE

SC HEDULE XII - LARGE INDUSTRIAL RATE LPB2

Page Two

- E. Billing Energy - The billing energy shall be the contract demand multiplied by 425 hours or the actual energy used in the current month by the load center, whichever is greater.
- F. Minimum Monthly Charge - The minimum monthly charge shall not be less than the sum of (1), (2), and (3) below:
  - (1) The product of the contract demand multiplied by the contract demand charge, plus the product of the demand in excess of the contract demand multiplied by the in excess of contract demand charge.
  - (2) The product of the contract demand multiplied by 425 hours and the energy charge per KWh.
  - (3) The customer charge.
- G. Power Factor Adjustment - The consumer agrees to maintain a unity power factor as nearly as practicable at each delivery point at the time of the monthly maximum demand. When the power factor is determined to be less than 90%, the monthly maximum demand at the delivery point will be adjusted by multiplying the actual monthly maximum demand by 90% and dividing this product by the actual power factor at the time of the monthly maximum demand.
- H. Fuel Adjustment Clause - The monthly kilowatt-hour usage shall be subject to plus or minus an adjustment per kWh determined in accordance with the "Fuel Adjustment Clause."

DATE OF ISSUE May 12, 2003  
Month / Date / Year

DATE EFFECTIVE May 1, 2003  
Month / Date / Year

ISSUED BY [Signature]  
(Signature of Officer)

TITLE President/CEO

BY AUTHORITY OF ORDER OF THE PUBLIC SERVICE COMMISSION  
IN CASE NO. 2002-00447 DATED April 23, 2003

PUBLIC SERVICE COMMISSION  
OF KENTUCKY  
EFFECTIVE

MAY 01 2003

PURSUANT TO 807 KAR 5:011  
SECTION 9 (1)  
BY [Signature]  
EXECUTIVE DIRECTOR

FOR Entire Territory Served  
Community, Town or City  
P.S.C. KY. NO. 6  
1st Revised SHEET NO. 22C  
CANCELLING P.S.C. KY. NO. 6  
Original SHEET NO. 22C

Owen Electric Cooperative, Inc.  
(Name of Utility)

CLASSIFICATION OF SERVICE

SCHEDULE XII - LARGE INDUSTRIAL RATE LPB2

Page Three

I. Special Provisions

1. **Delivery Point** - If service is furnished at secondary voltage, the delivery point shall be the metering point unless otherwise specified in the contract for service. All wiring, pole lines and other electric equipment on the load side of the delivery point shall be owned and maintained by the consumer.
2. If service is furnished at Seller's primary line voltage, the delivery point shall be the point of attachment of Seller's primary line to consumer's transformer structure unless otherwise specified in the contract for service. All wiring, pole lines and other electric equipment (except metering equipment) on the load side of the delivery point shall be owned and maintained by the consumer.

J. Terms of Payment - The above rates are net, the gross being five percent (5%) higher. In the event the current monthly bill is not paid within fifteen (15) days from the date the bill was rendered, the prompt payment discount shall be forfeited and the gross amount shall apply.

This tariff is subject to the Energy Emergency Control Program as filed with the Kentucky Energy Regulatory Commission (now the Public Service Commission) on February 23, 1981, in Administrative Case No. 240, and as approved by the Commission Order of March 31, 1981

DATE OF ISSUE May 12, 2003  
Month / Date / Year

DATE EFFECTIVE May 1, 2003  
Month / Date / Year

ISSUED BY [Signature]  
(Signature of Officer)

TITLE President/CEO

BY AUTHORITY OF ORDER OF THE PUBLIC SERVICE COMMISSION  
IN CASE NO. 2002-00447 DATED April 23, 2003

PUBLIC SERVICE COMMISSION  
OF KENTUCKY  
EFFECTIVE

MAY 01 2003

PURSUANT TO 807 KAR 5:011  
SECTION 9 (1)  
BY [Signature]  
EXECUTIVE DIRECTOR

Exhibit C  
Page 30 of 61

FOR Entire Territory Served  
Community, Town or City

P.S.C. KY. NO. 6

3rd Revised SHEET NO. 22D

CANCELLING P.S.C. KY NO. 6

2nd Revised SHEET NO. 22D

Owen Electric Cooperative, Inc.  
(Name of Utility)

CLASSIFICATION OF SERVICE

**SCHEDULE XIV - LARGE INDUSTRIAL RATE LPB**

Page One

- A. Applicable to all territory served by the Seller.
- B. Available as an optional rate to all consumers which are or shall be members of the Seller where the monthly contract demand is 500 - 999 KW with a monthly energy usage equal to or greater than 425 hours per KW of billing contract demand.
- C. Rates

Customer Charge	\$ 1,464.04	Per Month
Demand Charge	\$ 5.53	Per KW of Billing Demand of Contract Demand
	\$ 8.02	Per KW of Billing Demand in Excess of Contract Demand
Energy Charge	\$ 0.04431	Per KWH

I

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

<u>Months</u>	<u>Hours Applicable for Demand Billing - EST</u>
October thru April	7:00 AM - 12:00 Noon; 5:00 PM - 10:00 PM
May thru September	10:00 AM - 10:00 PM

DATE OF ISSUE August 10, 2007  
Month / Date / Year

DATE EFFECTIVE August 1, 2007  
Month / Date / Year

ISSUED BY *Robert A. Adams*  
(Signature of Officer)

TITLE President/CEO

BY AUTHORITY OF ORDER OF THE PUBLIC SERVICE COMMISSION

IN CASE NO. 2006-00522 DATED July 25, 2007

PUBLIC SERVICE COMMISSION  
OF KENTUCKY  
EFFECTIVE  
8/1/2007  
PURSUANT TO 807 KAR 5:011  
SECTION 9 (1)

By *[Signature]*  
Executive Director

FOR Entire Territory Served  
Community, Town or City

P.S.C. KY. NO. 6

Original SHEET NO. 22E

**Owen Electric Cooperative, Inc.**

(Name of Utility)

CLASSIFICATION OF SERVICE

**SCHEDULE XIV - LARGE INDUSTRIAL RATE LPB**

Page Two

- E. Billing Energy - The billing energy shall be the contract demand multiplied by 425 hours or the actual energy used in the current month by the load center, whichever is greater.
- F. Minimum Monthly Charge - The minimum monthly charge shall not be less than the sum of (1), (2), and (3) below.
  - (1) The product of the contract demand multiplied by the contract demand charge, plus the product of the demand in excess of the contract demand multiplied by the in excess of contract demand charge.
  - (2) The product of the contract demand multiplied by 425 hours and the energy charge per KWH.
  - (3) The customer charge.
- G. Power Factor Adjustment - The consumer agrees to maintain a unity power factor as nearly as practicable at each delivery point at the time of the monthly maximum demand. When the power factor is determined to be less than 90%, the monthly maximum demand at the delivery point will be adjusted by multiplying the actual monthly maximum demand by 90% and dividing this product by the actual power factor at the time of the monthly maximum demand.
- H. Fuel Adjustment Clause - The monthly kilowatt-hour usage shall be subject to plus or minus an adjustment per KWH determined in accordance with the "Fuel Adjustment Clause"

DATE OF ISSUE June 30, 2003  
Month / Date / Year

DATE EFFECTIVE August 1, 2003  
Month / Date / Year

ISSUED BY [Signature]  
(Signature of Officer)

TITLE President/CEO

BY AUTHORITY OF ORDER OF THE PUBLIC SERVICE COMMISSION  
IN CASE NO. \_\_\_\_\_ DATED \_\_\_\_\_

PUBLIC SERVICE COMMISSION  
OF KENTUCKY  
EFFECTIVE

AUG 01 2003

PURSUANT TO 807 KAR 5:011  
SECTION 6(1)

BY [Signature]  
EXECUTIVE DIRECTOR

Exhibit C  
Page 32 of 61

FOR Entire Territory Served  
Community, Town or City

P.S.C. KY. NO. 6

Original SHEET NO. 22F

Owen Electric Cooperative, Inc.  
(Name of Utility)

CLASSIFICATION OF SERVICE

**SCHEDULE XIV - LARGE INDUSTRIAL RATE LPB**

Page Three

I. Special Provisions

- 1. **Delivery Point** - If service is furnished at secondary voltage, the delivery point shall be the metering point unless otherwise specified in the contract for service. All wiring, pole lines and other electric equipment on the load side of the delivery point shall be owned and maintained by the consumer.
- 2. If service is furnished at Seller's primary line voltage, the delivery point shall be the point of attachment of Seller's primary line to consumer's transformer structure unless otherwise specified in the contract for service. All wiring, pole lines and other electric equipment (except metering equipment) on the load side of the delivery point shall be owned and maintained by the consumer.

J. Terms of Payment - The above rates are net, the gross being five percent (5%) higher. In the event the current monthly bill is not paid within fifteen (15) days from the date the bill was rendered, the prompt payment discount shall be forfeited and the gross amount shall apply.

This tariff is subject to the Energy Emergency Control Program as filed with the Kentucky Energy Regulatory Commission (now the Public Service Commission) on February 23, 1981, in Administrative Case No. 240, and as approved by the Commission Order of March 31, 1981

DATE OF ISSUE June 30, 2003  
Month / Date / Year

DATE EFFECTIVE August 1, 2003  
Month / Date / Year

ISSUED BY [Signature]  
(Signature of Officer)

TITLE President/CEO

BY AUTHORITY OF ORDER OF THE PUBLIC SERVICE COMMISSION  
IN CASE NO. \_\_\_\_\_ DATED \_\_\_\_\_

PUBLIC SERVICE COMMISSION  
OF KENTUCKY  
EFFECTIVE

AUG 01 2003

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

BY [Signature]  
EXECUTIVE DIRECTOR

Exhibit E  
Page 33 of 61

FOR Entire Territory Served  
Community, Town or City  
P.S.C. KY. NO. 6

4th Revised SHEET NO. 23

CANCELLING P.S.C. KY. NO. 6

3rd Revised SHEET NO. 23

**Owen Electric Cooperative, Inc.**  
(Name of Utility)

**CLASSIFICATION OF SERVICE**

**SCHEDULE 1-B - FARM & HOME - TIME OF DAY**

- A. Applicable - to the entire territory served.
- B. Available - Available to all consumers eligible for Schedule I--Farm and Home.
- C. Type of Service - Single Phase, 60 cycle, 120/240 volt.

D. Rate

Customer Charge (no usage)	\$17.69 per meter, per month
Energy Charge per kWh	
On-Peak Energy	\$0.085881
Off-Peak Energy	\$0.049244

I

E. Schedule of Hours

On-Peak and Off-Peak Hours

<u>Months</u>	<u>On-Peak Hours</u>	<u>Off-Peak Hours</u>
May thru September	10:00 a.m. to 10:00 p.m.	10:00 p.m. to 10:00 a.m.
October thru April	7:00 a.m. to 12:00 noon 5:00 p.m. to 10:00 p.m.	12:00 noon to 5:00 p.m. 10:00 p.m. to 7:00 a.m.

- F. Terms of Payment - the above rates are net, the gross being five percent (5%) higher. In the event the current monthly bill is not paid within fifteen days from the date the bill was rendered, the prompt payment discount will be forfeited and the gross amount shall apply.

The monthly kilowatt hour usage shall be subject to plus or minus an adjustment per kWh determined in accordance with the Fuel Adjustment Clause.

The tariff is subject to the Energy Emergency Control Program as filed with the Kentucky Energy Regulatory Commission (now the Public Service Commission) on February 23, 1981, in Administrative Case No. 240, and as approved by the Commission Order of March 31, 1981.

DATE OF ISSUE August 10, 2007  
Month / Date / Year

DATE EFFECTIVE August 1, 2007  
Month / Date / Year

ISSUED BY [Signature]  
(Signature of Official)

TITLE President/CEO

BY AUTHORITY OF ORDER OF THE PUBLIC SERVICE COMMISSION  
IN CASE NO. 2006-00522 DATED July 25, 2007

PUBLIC SERVICE COMMISSION  
OF KENTUCKY  
EFFECTIVE  
8/1/2007  
PURSUANT TO 807 KAR 5:011  
SECTION 9 (1)

By [Signature]  
Executive Director

FOR Entire Territory Served  
Community, Town or City

P.S.C. KY. NO. 6

4th Revised SHEET NO. 24

CANCELLING P.S.C. KY. NO. 6

3rd Revised SHEET NO. 24

**Owen Electric Cooperative, Inc.**  
  
(Name of Utility)

CLASSIFICATION OF SERVICE

**SCHEDULE I-C - SMALL COMMERCIAL - TIME OF DAY**

- A. Applicable - to the entire territory served.
- B. Available - Available to all consumers eligible for Schedule I - Small Commercial, under 50 kW demand.
- C. Type of Service - Single Phase and three phase, 60 cycle, at available secondary voltage.
- D. Rate

I

Customer Charge (no usage)	\$23.58 per meter, per month
Energy Charge per kWh	
On-Peak Energy	\$0.082839
Off-Peak Energy	\$0.049244

E. Schedule of Hours

	<u>On-Peak and Off-Peak Hours</u>	
<u>Months</u>	<u>On-Peak Hours</u>	<u>Off-Peak Hours</u>
May thru September	10:00 a.m. to 10:00 p.m.	10:00 p.m. to 10:00 a.m.
October thru April	7:00 a.m. to 12:00 Noon 5:00 p.m. to 10:00 p.m.	12:00 noon to 5:00 p.m. 10:00 p.m. to 7:00 a.m.

F. Terms of Payment - the above rates are net, the gross being five percent (5%) higher. In the event the current monthly bill is not paid within fifteen days from the date the bill was rendered, the prompt payment discount will be forfeited and the gross amount shall apply.

The monthly kilowatt hour usage shall be subject to plus or minus an adjustment per kWh determined in accordance with the Fuel Adjustment Clause.

This tariff is subject to the Energy Emergency Control Program as filed with the Kentucky Energy Regulatory Commission (now the Public Service Commission) on February 23, 1981, in Administrative Case No. 240, and as approved by the Commission Order of March 31, 1981.

DATE OF ISSUE August 10, 2007  
Month / Date / Year

DATE EFFECTIVE August 1, 2007  
Month / Date / Year

ISSUED BY [Signature]  
(Signature of Officer)

TITLE President/CEO

BY AUTHORITY OF ORDER OF THE PUBLIC SERVICE COMMISSION  
IN CASE NO. 2006-00522 DATED July 25, 2007

PUBLIC SERVICE COMMISSION  
OF KENTUCKY  
EFFECTIVE  
8/1/2007  
PURSUANT TO 807 KAR 5:011  
SECTION 9 (1)

By [Signature]  
Executive Director



Exhibit C  
Page 35 of 61

FOR Entire Territory Served  
Community, Town or City

P.S.C. KY. NO. 6

4th Revised SHEET NO. 25

CANCELLING P.S.C. KY. NO. 6

3rd Revised SHEET NO. 25

Owen Electric Cooperative, Inc.  
(Name of Utility)

CLASSIFICATION OF SERVICE

**SCHEDULE 2-A - LARGE POWER - TIME OF DAY**

Page One

- A. Applicable - to the entire territory served.
- B. Available - Available to all commercial, industrial, and farm consumers whose kWh demand shall exceed 50 kW demand for lighting, heating or power, and are eligible for the Schedule II, Large Power.
- C. Type of Service - Three phase, 60 cycle, at available nominal voltage.

D. Rate

Customer Charge (no usage)	\$59.00 per meter, per month
Energy Charge per kWh	
On-Peak Energy	\$0.086460
Off-Peak Energy	\$0.053543

I

E. Schedule of Hours

On-Peak and Off-Peak Hours

<u>Months</u>	<u>On-Peak Hours</u>	<u>Off-Peak Hours</u>
May thru September	10:00 a.m. to 10:00 p.m.	10:00 p.m. to 10:00 a.m.
October thru April	7:00 a.m. to 12:00 Noon 5:00 p.m. to 10:00 p.m.	12:00 noon to 5:00 p.m. 10:00 p.m. to 7:00 a.m.

DATE OF ISSUE August 10, 2007  
Month / Date / Year

DATE EFFECTIVE August 1, 2007  
Month / Date / Year

ISSUED BY *Robert D. ...*  
(Signature of Officer)

TITLE President/CEO

BY AUTHORITY OF ORDER OF THE PUBLIC SERVICE COMMISSION

IN CASE NO. 2006-00522 DATED July 25, 2007

PUBLIC SERVICE COMMISSION  
OF KENTUCKY  
EFFECTIVE  
8/1/2007  
PURSUANT TO 807 KAR 5:011  
SECTION 9 (1)

By *[Signature]*  
Executive Director

Exhibit C  
Page 36 of 61

FOR Entire Territory Served  
Community, Town or City

P.S.C. KY. NO. 6

1st Revised SHEET NO. 26

CANCELLING P.S.C. KY. NO. 6

Original SHEET NO. 26

Owen Electric Cooperative, Inc.  
\_\_\_\_\_  
(Name of Utility)

CLASSIFICATION OF SERVICE

SCHEDULE 2-A - LARGE POWER - TIME OF DAY

Page Two

F. Special Provisions - Delivery Point - If service is to be furnished at secondary voltage, the delivery point shall be the metering point unless otherwise specified in contract for service. All wiring, pole lines and other electric equipment on the load side of the delivery point shall be owned and maintained by the consumer. If the service is furnished at seller's primary line voltage, the delivery point shall be the point of attachment of sellers' primary line to consumer's transformer structure unless other electric equipment (except metering equipment) on the load side of the delivery point shall be owned and maintained by the consumer.

Primary Service - If service is furnished at primary distribution voltage, a discount of five percent (5%) shall apply to the energy charges. The seller shall have the option of metering at secondary voltage.

G. Terms of Payment - The above rates are net, the gross being five percent (5%) higher. In the event the current monthly bill is not paid within fifteen days from the date the bill was rendered, the prompt payment discount will be forfeited and the gross amount shall apply.

The monthly kilowatt hour usage shall be subject to plus or minus an adjustment per kWh determined in accordance with the Fuel Adjustment Clause.

This tariff is subject to the Energy Emergency Control Program as filed with the Kentucky Energy Regulatory Commission (now the Public Service Commission) on February 23, 1981, in Administrative Case No. 240, and as approved by the Commission Order of March 31, 1981.

DATE OF ISSUE May 12, 2003  
Month / Date / Year

DATE EFFECTIVE May 1, 2003  
Month / Date / Year

ISSUED BY [Signature]  
(Signature of Officer)

TITLE President/CEO

BY AUTHORITY OF ORDER OF THE PUBLIC SERVICE COMMISSION

IN CASE NO 2002-00447 DATED April 23, 2003

PUBLIC SERVICE COMMISSION  
OF KENTUCKY  
EFFECTIVE

MAY 01 2003

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

BY [Signature]  
EXECUTIVE DIRECTOR

Owen Electric Cooperative, Inc.  
 Name of Issuing Corporation

CLASSIFICATION OF SERVICE

SCHEDULE 14 VOLUNTARY INTERRUPTIBLE SERVICE Page 1

- A. Standard Rider - This Voluntary Interruptible Service is a rider to Rate Schedules 2, 2A, 8, 9, 10, 11, 12, and 13.
- B. Applicable - to the entire territory served. No interruptible demand which is already under contract under any other Interruptible Rider is eligible for this service.
- C. Available - This schedule shall be made available to any load center, to any cooperative member where an ultimate "Customer" is capable of interrupting at least 1,000 kW upon request and has contracted with the Cooperative to do so under a retail contract rider.

D. Conditions of Service

- 1) Any request for interruption under this Rider shall be made by the Cooperative.
- 2) Each interruption will be strictly voluntary.
- 3) No responsibility of any kind shall attach to the Cooperative for, or on the account of, any loss or damage caused by, or resulting from, any interruption or curtailment of this service.
- 4) The Customer shall agree by contract to own, operate, and maintain all necessary equipment for receiving electric energy and all telemetering and communications equipment, within the Customer's premises, required for interruptible service.
- 5) It is the Cooperative's responsibility to notify the Customer and execute an interruption request. Therefore, the Cooperative and the Customer shall mutually agree upon the manner by which the Cooperative shall notify the Customer of a request for interruption. Such an agreement shall include the means by which the Cooperative shall communicate the interruption request (e.g. email, phone, pager, etc.) and the Customer's point of contact to receive such a request.

DATE OF ISSUE October 15, 2001 DATE EFFECTIVE December 1, 2001  
 ISSUED BY [Signature] TITLE President / CEO PURSUANT TO 807 KAR 5011, SECTION 9(1)  
 Name of Officer

Issued by authority of an Order of the Public Service Commission of Kentucky in Case No. \_\_\_\_\_ Dated \_\_\_\_\_  
 BY: [Signature] SECRETARY OF THE COMMISSION

FOR Entire Territory Served  
Community, Town, or City  
P.S.C. No. 6  
Original Sheet No. 28  
P.S.C. No. \_\_\_\_\_  
Sheet No. \_\_\_\_\_

Owen Electric Cooperative, Inc.  
Name of Issuing Corporation

CLASSIFICATION OF SERVICE

SCHEDULE 14 VOLUNTARY INTERRUPTIBLE SERVICE

Page 2

- 6) The Cooperative will attempt to provide as much advance notice as possible for requests for interruption. However, upon the Customer's acceptance of the Terms of Interruption, the Customer's load shall be interrupted with as little as one (1) hour of advance notification.
- 7) The Cooperative reserves the right to require verification of a Customer's ability to interrupt its load.
- 8) The Customer is not eligible for the Interruption Credits for any interruption when the Customer's interruptible load is down for other reasons during the period of the requested interruption. Such down time would include any event outside of the Customer's normal operating circumstances such as planned or unplanned outages due to renovation, repair, vacation, refurbishment, renovation, strike, or force majeure.

E. Interruptible Customer Data Report

The Customer shall furnish to the Cooperative an Interruptible Customer Data Report. Such a report shall include information such as:

- 1) The maximum number of hours per day and the time of day that the Customer has the ability to interrupt.
- 2) The maximum number of days and the maximum number of consecutive days that the Customer has the ability to interrupt.
- 3) The maximum interruptible demand and the minimum interruptible demand by the Customer upon request.
- 4) The minimum price at which each Customer is willing to interrupt.

PUBLIC SERVICE COMMISSION  
OF KENTUCKY  
EFFECTIVE

DEC 01 2001

F. Demand and Energy Interruption

The Customer will agree by contract, within an agreed time after receiving notice, to comply to the extent possible with the Cooperative's request to interrupt load.

PURSUANT TO 807 KAR 5.011,  
SECTION 9(H)  
BY: Stephan W. Boyd  
SECRETARY OF THE COMMISSION

DATE OF ISSUE October 15, 2001 DATE EFFECTIVE December 1, 2001  
ISSUED BY [Signature] TITLE President /CEO  
Name of Officer

FOR Entire Territory Served  
Community, Town, or City  
P.S.C. No. 6  
Original Sheet No. 29  
P.S.C. No.  
Sheet No.

Owen Electric Cooperative, Inc.  
Name of Issuing Corporation

CLASSIFICATION OF SERVICE

SCHEDULE 14 VOLUNTARY INTERRUPTIBLE SERVICE

Page 3

The Cooperative is the sole judge of the need for interruption of load. The Cooperative is the sole judge of the amount of interruptible demand provided by the Customer, based on the following calculation:

The average of the integrated fifteen-minute demand for the two hours prior to the hour immediately preceding the call for interruption will be used as the basis for establishing the existing demand level. The hourly interruptible demands for each customer will be the difference between the existing demand level and the actual demand measured during each hour of the interruption period. The interrupted energy of each interruption period shall be the sum of the hourly interrupted demands. These type of interruptions will cover a period of no more than six hours.

For interruptions longer than six hours in duration, the Customer's average load usage for the same hours as the interruption hours in the two preceding business days prior to the day of notice will be used as the basis for determining the demand level for interruption. The average hourly usage for these business days, based on the average integrated fifteen minute demand intervals, minus the actual load during the interruption period will equal the amount of interruptible load. The interrupted energy of each interruption period shall be the sum of the hourly interrupted demands.

G. Terms of Interruption

For each interruption request, the Cooperative shall identify the Customer to be interrupted. The Cooperative shall inform the Customer of an interruption request in accordance with the agreed upon method of notification. The Terms of ~~PUBLIC SERVICE COMMISSION~~ OF KENTUCKY include the following:

- 1) The time at which each interruption shall begin is to be established by the Cooperative. At least one (1) hour of advance notice of each request for interruption shall be provided by the Cooperative.
- 2) The duration in clock hours of the interruption request is to be established by the Cooperative.

DEC 01 2001  
PURSUANT TO 807 KAR 5.011,  
SECTION 9 (1)  
BY: Stevan BO  
SECRETARY OF THE COMMISSION

DATE OF ISSUE October 16, 2001 DATE EFFECTIVE December 1, 2001  
ISSUED BY [Signature] TITLE President /CEO  
Name of Officer

Issued by authority of an Order of the Public Service Commission of Kentucky in Case No. \_\_\_\_\_ Dated \_\_\_\_\_.

Owen Electric Cooperative, Inc.  
Name of Issuing Corporation

CLASSIFICATION OF SERVICE

SCHEDULE 14 VOLUNTARY INTERRUPTIBLE SERVICE

Page 4

- 3) The price and the potential savings - this savings will be determined by the Cooperative on a case-by-case basis and will be based on a percentage of the market price of power at the time of the interruption.
- 4) The Customer shall specify:
  - a. The maximum demand in kW that will be interrupted.
  - b. The maximum firm demand that the Customer will purchase through the Cooperative during the interruption.

H. Interruption Credits

The interruption credit for each interruption period shall be equal to the interrupted energy kWh times the amount by which the quoted price for each interruption exceeds the Customer's regular tariff rate. The sum of the interruption credits for the billing month will be allocated as follows:

The interruption credit to the Customer shall be equal to the product of the interrupted energy multiplied by the interruption price for each interruption.

I. Failure to Interrupt

For those Customers failing to interrupt a minimum of 80% of their agreed amount of interruptible load of 5,000 kW or greater, an excess energy charge will be applicable. This excess energy is equal to the difference of 80% of the interruptible interrupted load. Excess energy shall be charged to the Customer at a price equal to 125% of the interruption price plus the standard rate applicable to this load.

J. Term

The minimum original contract period shall be one (1) year and shall remain in effect thereafter until either party provides to the other at least thirty (30) days previous written notice.

DEC 01 2001

Pursuant to 807 KAR 5011,  
SECTION 9(1)  
BY: [Signature]  
SECRETARY OF THE COMMISSION

DATE OF ISSUE October 15, 2001 DATE EFFECTIVE December 1, 2001  
ISSUED BY [Signature] TITLE President /CEO  
Name of Officer

Issued by authority of an Order of the Public Service Commission of  
Kentucky in Case No. \_\_\_\_\_ Dated \_\_\_\_\_.

Owen Electric Cooperative, Inc.  
 Name of Issuing Corporation

CLASSIFICATION OF SERVICE

SCHEDULE 15 COMMERCIAL AND INDUSTRIAL INTERRUPTIBLE SERVICE Page 1

- A. Standard Rider - This Interruptible Service Rate is a rider to Rate Schedules 2, 2A, 8, 9, 10, 11, 12, and 13.
- B. Applicable - to the entire territory served.
- C. Available - This schedule shall be made available to any member where that member will contract for an interruptible demand of not less than 250 kW and not more than 20,000 kW, subject to a maximum number of hours of interruption per year and a notice period as listed below.
- D. Monthly Rate - A monthly demand credit per kW is to be based on the following matrix:

Annual Hours of Interruption

Notice Minutes	200	300	400
10	\$2.70	\$3.15	\$3.60
60	\$2.25	\$2.70	\$3.15

- E. Determination of Measured Load - Billing Demand

The monthly billing demand shall be the highest average rate at which energy is used during any fifteen consecutive minute period during the below listed hours:

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

\* For purposes of measurement of demand, Daylight Savings Time is not observed in this rate tariff. During the period when Daylight Savings Time is normally observed, the above demand billing times would move forward one hour for the beginning and ending hours (i.e. May - September 11:00 a.m. to 11:00 p.m.)

PUBLIC SERVICE COMMISSION  
 OF KENTUCKY  
 EFFECTIVE  
 DEC 01 2001  
 PURSUANT TO 807 KAR 50.11  
 SECTION 9(1)  
 BY: Stephan Bull  
 SECRETARY OF THE COMMISSION

DATE OF ISSUE October 15, 2001 DATE EFFECTIVE December 1, 2001  
 ISSUED BY [Signature] TITLE President /CEO  
 Name of Officer

Issued by authority of an Order of the Public Service Commission of Kentucky in Case No. \_\_\_\_\_ Dated \_\_\_\_\_.

Community, Town, or City

P.S.C. No. 6

Original Sheet No. 32

P.S.C. No. \_\_\_\_\_

Sheet No. \_\_\_\_\_

Owen Electric Cooperative, Inc.  
Name of Issuing Corporation

CLASSIFICATION OF SERVICE

SCHEDULE 15 COMMERCIAL AND INDUSTRIAL INTERRUPTIBLE SERVICE Page 2

E. Determination of Measured Load - Billing Demand - continued

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

F. Conditions of Service for Member Contract

1. The member will upon notification by the Cooperative, reduce his load being supplied by the Cooperative to the contract capacity level specified by the contract.
2. The Cooperative will endeavor to provide the member with as much advance notice as possible of the interruption of service. However, the member shall interrupt service within the notice period as contracted.
3. Service will be furnished under the Cooperative's "Rules and Regulations" except as set out herein and/or provisions agreed to by written contract.
4. No responsibility of any kind shall attach to the Cooperative for, or on account of, any loss or damage caused by, or resulting from, any interruption or curtailment of this service.
5. The Customer shall arrange his wiring so that interruptible service supplied under this rider shall be separately metered and segregated from firm service.
6. The Member shall own, operate, and maintain all necessary equipment for receiving electric energy and also for metering and communications equipment, within the Member's premises, required for interruptible service.

DEC 01 2001

PURSUANT TO 807 KAR 5.011,  
SECTION 9 (1)

BY: Stephan B. Blevins  
SECRETARY OF THE COMMISSION

DATE OF ISSUE October 15, 2001 DATE EFFECTIVE December 1, 2001  
ISSUED BY [Signature] TITLE President /CEO  
Name of Officer

Issued by authority of an Order of the Public Service Commission of Kentucky in Case No. \_\_\_\_\_ Dated \_\_\_\_\_.



Owen Electric Cooperative, Inc.  
Name of Issuing Corporation

CLASSIFICATION OF SERVICE

SCHEDULE 15 COMMERCIAL AND INDUSTRIAL INTERRUPTIBLE SERVICE Page 3

F. Conditions of Service for Member Contract - continued

- 7. A Member's plant is considered as one or more buildings which are served by a single electrical distribution system, provided and operated by the Member. When the size of the Member's load necessitates the delivery of energy to the Member's plant over more than one circuit, the Cooperative may elect to connect its circuits to different points on the Member's system.
- 8. The minimum original contract period shall be one year and thereafter until terminated by giving at least six months advance written notice. The Cooperative may require a contract be executed for a longer initial term when deemed necessary by the size of the load or other conditions.
- 9. Any transformers required in excess of those used for regular firm power shall be owned and maintained by the Member.
- 10. The Fuel Adjustment Clause, as specified in the prevailing rate schedule is applicable.

G. Calculation of Monthly Bill

The monthly bill is calculated on the following basis:

- A. Sum of the customer charge, plus
- B. Minimum billing demand in kW multiplied by the firm capacity rate, plus
- C. Interruptible billing demand in kW multiplied by interruptible rate, plus
- D. Energy usage in kWh multiplied by the energy rate.

PUBLIC SERVICE COMMISSION  
OF KENTUCKY  
EFFECTIVE

DEC 01 2001

H. Number and Duration of Interruptions

- A. Winter Season: There shall be no more than four (4) interruptions during any 24 hour calendar day. No interruption shall last more than six hours.

PUBLIC SERVICE COMMISSION  
OF KENTUCKY  
SECTION 10.011,  
(2)  
By Atty. Gen. No  
SECRETARY OF THE COMMISSION

DATE OF ISSUE October 15, 2001 DATE EFFECTIVE December 1, 2001  
ISSUED BY [Signature] TITLE President /CEO  
Name of Officer

Owen Electric Cooperative, Inc.  
Name of Issuing Corporation

CLASSIFICATION OF SERVICE

SCHEDULE 15 COMMERCIAL AND INDUSTRIAL INTERRUPTIBLE SERVICE Page 4

H. Number and Duration of Interruptions - continued

B. Summer Season: There shall be no more than one (1) interruption during any 24 hour calendar day. No interruption shall last more than twelve hours.

C. The maximum number of annual hours of interruption shall be in accordance with the customer contracted level of interruptible service.

I. Charge for Failure to Interrupt

If the member fails to interrupt load as requested by the Cooperative, the Cooperative shall bill the entire billing demand at a rate equal to five (5) times the applicable firm power demand charge for that billing month.

PUBLIC SERVICE COMMISSION  
OF KENTUCKY  
EFFECTIVE

DEC 01 2001

PURSUANT TO 807 KAR 5.011,  
SECTION 9(1)

BY: Stephan Bue  
SECRETARY OF THE COMMISSION

DATE OF ISSUE October 15, 2001 DATE EFFECTIVE December 1, 2001  
ISSUED BY [Signature] TITLE President /CEO  
Name of Officer

Issued by authority of an Order of the Public Service Commission of Kentucky in Case No. \_\_\_\_\_ Dated \_\_\_\_\_.

Exhibit C  
Page 45 of 61

FOR Entire Territory Served  
Community, Town or City

P.S.C. KY. NO. 6

3rd Revised SHEET NO. 35A

CANCELLING P.S.C. KY. NO. 6

2nd Revised SHEET NO. 35A

**Owen Electric Cooperative, Inc.**

(Name of Utility)

**CLASSIFICATION OF SERVICE**

**SCHEDULE I OLS – OUTDOOR LIGHTING SERVICE**

Page One

- A. Applicable – to the entire territory served.
- B. Available – available to all member/consumers requesting luminaries for dusk to dawn outdoor or street lighting service as provided below. The cooperative reserves the right to limit the types of lights and the type of installations in this tariff.
- C. Type of Service – the cooperative will install and maintain automatic outdoor or street lighting of the desired type by the customer, single phase, 60 cycles at available secondary voltage.
- D. Monthly Rates:

I

100 Watt High Pressure Sodium Area Lighting	(Monthly energy usage – 40 kWh)	\$8.85 per Light <del>7.34</del> (I)
Cobrahead Lighting		
100 Watt High Pressure Sodium	(Monthly energy usage – 40 kWh)	\$11.54 per Light 12 17
250 Watt High Pressure Sodium	(Monthly energy usage – 83 kWh)	\$15.56 per Light 16 42
400 Watt High Pressure Sodium	(Monthly energy usage – 154 kWh)	\$19.18 per Light 20 23
Directional Lighting		
100 Watt High Pressure Sodium	(Monthly energy usage – 40 kWh)	\$10.80 per Light 11 39
250 Watt High Pressure Sodium	(Monthly energy usage – 83 kWh)	\$13.14 per Light 13 86
400 Watt High Pressure Sodium	(Monthly energy usage – 154 kWh)	\$16.52 per Light 17 43

Rate for one additional pole if light is not installed on a currently used pole \* \$ 4.69 per Light

\* If any additional poles or facilities are needed to provide electric service to the light, the consumer shall be required to pay, prior to construction, a non-refundable construction charge for those facilities.

- E. Terms of Payment – the above rates are net, the gross being five percent (5%) higher. In the event the current monthly bill is not paid within fifteen days from the date bill was rendered, the prompt payment discount will be forfeited and the gross amount shall apply.

DATE OF ISSUE August 10, 2007

Month / Date / Year

DATE EFFECTIVE August 1, 2007

Month / Date / Year

ISSUED BY *Robert M. Adams*

(Signature of Officer)

TITLE President/CEO

BY AUTHORITY OF ORDER OF THE PUBLIC SERVICE COMMISSION

IN CASE NO. 2006-00522 DATED July 25, 2007

PUBLIC SERVICE COMMISSION  
OF KENTUCKY  
EFFECTIVE  
8/1/2007  
PURSUANT TO 807 KAR 5:011  
SECTION 9 (1)

By *[Signature]*  
Executive Director

Exhibit C  
Page 46 of 61

FOR Entire Territory Served  
Community, Town or City

P.S.C. KY. NO. 6

Original SHEET NO. 35B

CANCELLING P.S.C. KY. NO. \_\_\_\_\_

\_\_\_\_\_ SHEET NO. \_\_\_\_\_

**Owen Electric Cooperative, Inc.**

\_\_\_\_\_  
(Name of Utility)

CLASSIFICATION OF SERVICE

SCHEDULE I OLS - OUTDOOR LIGHTING SERVICE

Page Two

F. Conditions of Service - the cooperative will furnish all necessary material to install the special lighting desired by the customer. Lighting shall be furnished from dusk to dawn. Lamp and photo cell replacements will be made by the cooperative without cost during normal work hours. Outages will be reported promptly. The lighting equipment, poles and related facilities shall remain the property of the cooperative. The consumer shall be responsible for fixture replacement and repairs when such replacements or repairs are caused by willful damage, vandalism, or causes other than normal burnouts. The consumer shall allow authorized representatives of the cooperative to enter upon the consumer's premises and to trim trees and shrubs as necessary for the maintenance of the lighting equipment and for removal of lighting equipment upon termination of service under this rate schedule. The cooperative and the consumer shall execute an agreement for service under this schedule for a period of not less than three years, except that in the event additional poles are required, in which case, the agreement will be for ten years. Cancellation by the consumer prior to the initial term will require the consumer to pay the cooperative its cost of installation and any removal of facilities plus the non-salvageable material, prorated on the basis of the remaining portion of the initial term of the contract. Any relocation of existing facilities, at the request of the consumer, shall be done at the consumer's expense and paid prior to construction.

\* The monthly kilowatt hour usage shall be subject to plus or minus an adjustment per kWh determined in accordance with the "Fuel Adjustment Clause."

This tariff is subject to the Energy Emergency Control Program as filed with the Kentucky Energy Regulatory Commission (Kentucky Public Service Commission) on February 23, 1981, in Administrative Case No. 240, and as approved by the Commission Order of March 31, 1981.

DATE OF ISSUE July 1, 2003  
Month / Date / Year

DATE EFFECTIVE September 23, 2003  
Month / Date / Year

ISSUED BY [Signature]  
(Signature of Officer)

TITLE President/CEO

BY AUTHORITY OF ORDER OF THE PUBLIC SERVICE COMMISSION  
IN CASE NO. 2003-00278 DATED 09/22/2003

PUBLIC SERVICE COMMISSION  
OF KENTUCKY  
EFFECTIVE

SEP 22 2003

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

BY [Signature]  
EXECUTIVE DIRECTOR

FOR Entire Territory Served  
Community, Town or City

P.S.C. KY. NO. 6

3rd Revised SHEET NO. 36A

CANCELLING P.S.C. KY. NO. 6

2nd Revised SHEET NO. 36A

**Owen Electric Cooperative, Inc.**

(Name of Utility)

CLASSIFICATION OF SERVICE

**SCHEDULE II SOLS – SPECIAL OUTDOOR LIGHTING SERVICE**

Page One

- A. Applicable – to the entire territory served.
- B. Available – available to all member, neighborhood/homeowner associations and governmental agencies requesting luminaries for dusk to dawn outdoor or street lighting service of a type provided below. The cooperative reserves the right to limit the type of lights and the type of installations in this tariff.
- C. Type of Service – the cooperative will install and maintain automatic outdoor or street lighting of the desired type by the customer, single phase, 60 cycles at available secondary voltage.
- D. Investment – the member, neighborhood/homeowner associations, and governmental agencies requesting this service will pay for all the costs required to install the below listed types of lighting and meet all requirements of the cooperative for service. Costs of installation include all material costs, direct and indirect labor costs plus any equipment costs and other overhead costs associated with the installation of these lights.
- E. Monthly Rates: the below listed rates provide for the power costs associated with lights along with all operations and maintenance costs, all administrative costs and normal equipment replacement costs.

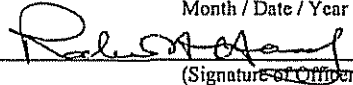
I

Traditional Light with Fiberglass Pole (Monthly energy usage – 40 kWh)	\$9.33 <sup>¢</sup> 12.13 (I)
Holophane Light with Fiberglass Pole (Monthly energy usage – 40 kWh)	<del>\$11.11<sup>¢</sup></del> 14.44 /

- F. Terms of Payment – the above rates are net, the gross being five percent (5%) higher. In the event the current monthly bill is not paid within fifteen days from the date bill was rendered, the prompt payment discount will be forfeited and the gross amount shall apply.

DATE OF ISSUE August 10, 2007  
Month / Date / Year

DATE EFFECTIVE August 1, 2007  
Month / Date / Year

ISSUED BY   
(Signature of Officer)

TITLE President/CEO

BY AUTHORITY OF ORDER OF THE PUBLIC SERVICE COMMISSION  
IN CASE NO. 2006-00522 DATED July 25, 2007

PUBLIC SERVICE COMMISSION  
OF KENTUCKY  
EFFECTIVE  
8/1/2007  
PURSUANT TO 807 KAR 5:011  
SECTION 9 (1)


By   
Executive Director

Exhibit C  
Page 48 of 61

FOR Entire Territory Served  
Community, Town or City

P.S.C. KY. NO. 6

**Original** SHEET NO. 36B

CANCELLING P.S.C. KY. NO. \_\_\_\_\_

SHEET NO. \_\_\_\_\_

**Owen Electric Cooperative, Inc.**

\_\_\_\_\_  
(Name of Utility)

**CLASSIFICATION OF SERVICE**

**SCHEDULE II SOLS - SPECIAL OUTDOOR LIGHTING SERVICE**

**Page Two**

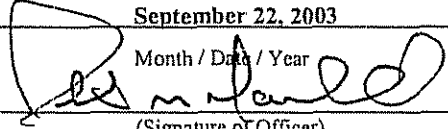
G. Conditions of Service - the cooperative will furnish all necessary material to install the special lighting desired by the customer. Lighting shall be furnished from dusk to dawn. Lamp and photo cell replacements will be made by the cooperative without cost during normal work hours. Outages will be reported promptly. The lighting equipment, poles and related facilities shall remain the property of the cooperative. The consumer shall be responsible for fixture replacement and repairs when such replacements or repairs are caused by willful damage, vandalism, or causes other than normal burnouts. The consumer shall allow authorized representatives of the cooperative to enter upon the consumer's premises and to trim trees and shrubs as necessary for the maintenance of the lighting equipment and for removal of lighting equipment upon termination of service under this rate schedule. The cooperative and the consumer shall execute an agreement for service under this schedule for a period of not less than three years, except that in the event additional poles are required, in which case, the agreement will be for ten years. Cancellation by the consumer prior to the initial term will require the consumer to pay the cooperative its cost of installation and any removal of facilities plus the non-salvageable material, prorated on the basis of the remaining portion of the initial term of the contract. Any relocation of existing facilities, at the request of the consumer, shall be done at the consumer's expense and paid prior to construction.

\* The monthly kilowatt hour usage shall be subject to plus or minus an adjustment per kWh determined in accordance with the "Fuel Adjustment Clause."

This tariff is subject to the Energy Emergency Control Program as filed with the Kentucky Energy Regulatory Commission (Kentucky Public Service Commission) on February 23, 1981, in Administrative Case No. 240, and as approved by the Commission Order of March 31, 1981.

DATE OF ISSUE July 1, 2003  
Month / Date / Year

DATE EFFECTIVE September 22, 2003  
Month / Date / Year

ISSUED BY   
(Signature of Officer)

TITLE President/CEO

BY AUTHORITY OF ORDER OF THE PUBLIC SERVICE COMMISSION  
IN CASE NO. 2003-00278 DATED 09/22/2003

PUBLIC SERVICE COMMISSION  
OF KENTUCKY  
EFFECTIVE

SEP 22 2003


PURSUANT TO 907 KAR 5:011  
SECTION 9 (1)  
BY   
EXECUTIVE DIRECTOR

Exhibit C  
Page 49 of 61

FOR Entire Territory Served  
Community, Town or City

P.S.C. KY. NO. 6

3rd Revised SHEET NO. 37A

CANCELLING P.S.C. KY. NO. 6

2nd Revised SHEET NO. 37A

**Owen Electric Cooperative, Inc.**  
(Name of Utility)

CLASSIFICATION OF SERVICE

**SCHEDULE III SOLS – SPECIAL OUTDOOR LIGHTING SERVICE**

Page One

- A. Applicable – to the entire territory served.
- B. Available – available to all member/consumers requesting luminaries for dusk to dawn outdoor or street lighting service of a type not provided for under other outdoor or street lighting schedules. The cooperative reserves the right to limit the type of lights and the type of installations in this tariff.
- C. Type of Service – the cooperative will install and maintain automatic outdoor or street lighting of the desired type by the customer, single phase, 60 cycles at available secondary voltage.
- D. Monthly Rates:
  - I 1. The energy rate for each type of lamp shall be \$0.052114 per rate kWh per month as determined by the following formula:  
  

$$\text{Monthly Rated kWh} = (4100 \text{ hours per year} \times \text{Manufacturer's suggested watts}/1000)/12$$
  - 2. Facilities charge – the books of the cooperative shall accurately reflect the cooperative's total investment in facilities for each individual, agency or organization receiving service under this tariff. The monthly facilities charge for each month shall be 1.75 percent of the said total investment in these special facilities.
- E. Terms of Payment – the above rates are net, the gross being five percent (5%) higher. In the event the current monthly bill is not paid within fifteen days from the date bill was rendered, the prompt payment discount will be forfeited and the gross amount shall apply.

DATE OF ISSUE August 10, 2007  
Month / Date / Year

DATE EFFECTIVE August 1, 2007  
Month / Date / Year

ISSUED BY   
(Signature of Officer)

TITLE President/CEO

BY AUTHORITY OF ORDER OF THE PUBLIC SERVICE COMMISSION  
IN CASE NO. 2006-00522 DATED July 25, 2007

PUBLIC SERVICE COMMISSION  
OF KENTUCKY  
EFFECTIVE  
8/1/2007  
PURSUANT TO 807 KAR 5:011  
SECTION 9 (1)

By   
Executive Director

Exhibit C  
Page 50 of 61

FOR Entire Territory Served  
Community, Town or City

P.S.C. KY. NO. 6

Original SHEET NO. 37B

CANCELLING P.S.C. KY. NO. \_\_\_\_\_

SHEET NO. \_\_\_\_\_

Owen Electric Cooperative, Inc.  
(Name of Utility)

CLASSIFICATION OF SERVICE

**SCHEDULE III SOLS – SPECIAL OUTDOOR LIGHTING SERVICE**

Page Two

F. Conditions of Service – the cooperative will furnish all necessary material to install the special lighting desired by the customer. Lighting shall be furnished from dusk to dawn. Lamp and photo cell replacements will be made by the cooperative without cost during normal work hours. Outages will be reported promptly. The lighting equipment, poles and related facilities shall remain the property of the cooperative. The consumer shall be responsible for fixture replacement and repairs when such replacements or repairs are caused by willful damage, vandalism, or causes other than normal burnouts. The consumer shall allow authorized representatives of the cooperative to enter upon the consumer's premises and to trim trees and shrubs as necessary for the maintenance of the lighting equipment and for removal of lighting equipment upon termination of service under this rate schedule. The cooperative and the consumer shall execute an agreement for service under this schedule for a period of not less than three years, except that in the event additional poles are required, in which case, the agreement will be for ten years. Cancellation by the consumer prior to the initial term will require the consumer to pay the cooperative its cost of installation and any removal of facilities plus the non-salvageable material, prorated on the basis of the remaining portion of the initial term of the contract. Any relocation of existing facilities, at the request of the consumer, shall be done at the consumer's expense and paid prior to construction.

\* The monthly kilowatt hour usage shall be subject to plus or minus an adjustment per kWh determined in accordance with the "Fuel Adjustment Clause."

This tariff is subject to the Energy Emergency Control Program as filed with the Kentucky Energy Regulatory Commission (Kentucky Public Service Commission) on February 23, 1981, in Administrative Case No. 240, and as approved by the Commission Order of March 31, 1981.

DATE OF ISSUE July 1, 2003  
Month / Date / Year

DATE EFFECTIVE September 22, 2003  
Month / Date / Year

ISSUED BY [Signature]  
(Signature of Officer)

TITLE President/CEO

BY AUTHORITY OF ORDER OF THE PUBLIC SERVICE COMMISSION  
IN CASE NO. 2003-00278 DATED 09/22/2003

PUBLIC SERVICE COMMISSION  
OF KENTUCKY  
EFFECTIVE

SEP 22 2003

PURSUANT TO 807 KAR 5:011  
SECTION 9 (1)  
BY [Signature]  
EXECUTIVE DIRECTOR



P.S.C. KY. NO. 6

Original SHEET NO. 38

Owen Electric Cooperative, Inc.

**CLASSIFICATION OF SERVICE**

**RATES SCHEDULE ES – ENVIRONMENTAL SURCHARGE**

**AVAILABILITY**

In all of the Company's service territory.

**APPLICABILITY**

This rate schedule shall apply to all electric rate schedules and special contracts.

**RATE**

$CES(m) = ES(m) - BESF$

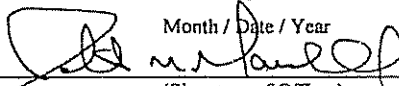
where CES(m) = Current Month Environmental Surcharge Factor  
ES(m) = Current Month Environmental Surcharge Calculation  
BESF = Base Environmental Surcharge Factor of 0%

$ES(m) = [((WESF) \times (\text{Average of 12-months ended revenues from sales to Member System, excluding environmental surcharge})) + (\text{Over/Under Recovery})] \text{ divided by } [(\text{Average of 12-months ending Retail Revenue (excluding environmental surcharge)})] = \underline{\hspace{2cm}} \%$

where WESF = Wholesale Environmental Surcharge Factor for Current Expense Month

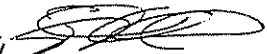
DATE OF ISSUE March 17, 2005  
Month / Date / Year

DATE EFFECTIVE Service rendered beginning July 1, 2005  
Month / Date / Year

ISSUED BY   
(Signature of Officer)

TITLE President/CEO

BY AUTHORITY OF ORDER OF THE PUBLIC SERVICE COMMISSION  
IN CASE NO. 2004-00372 DATED March 17, 2005

PUBLIC SERVICE COMMISSION  
OF KENTUCKY  
EFFECTIVE  
7/1/2005  
PURSUANT TO 807 KAR 5:011  
SECTION 9 (1)  
  
By   
Executive Director

P.S.C. KY. NO. 6

Original SHEET NO. 39

Owen Electric Cooperative, Inc.

**CLASSIFICATION OF SERVICE**

(Over)/Under Recovery =

6-months cumulative (over)/under recovery as defined by amount billed by EKPC to Member System minus the amount billed by Member System to retail customer. Over or under recoveries shall be amortized over a six-month period.

BESF = zero

**BILLING**

The current expense month (m) shall be the second month preceding the month in which the Environmental Surcharge is billed.

DATE OF ISSUE March 17, 2005  
Month / Date / Year

DATE EFFECTIVE Service rendered beginning July 1, 2005  
Month / Date / Year

ISSUED BY *[Signature]*  
(Signature of Officer)

TITLE President/CEO

BY AUTHORITY OF ORDER OF THE PUBLIC SERVICE COMMISSION  
IN CASE NO. 2004-00372 DATED March 17, 2005

PUBLIC SERVICE COMMISSION  
OF KENTUCKY  
EFFECTIVE  
7/1/2005  
PURSUANT TO 807 KAR 5:011  
SECTION 9 (1)

By *[Signature]*  
Executive Director

FOR Entire Territory Served  
Community, Town or City

P.S.C. KY. NO. 6

1st Revised SHEET NO. 40A

CANCELLING P.S.C. KY. NO. 6

Original SHEET NO. 40A

Owen Electric Cooperative, Inc.

(Name of Utility)

**CLASSIFICATION OF SERVICE**

**COGENERATION AND SMALL POWER PRODUCTION**  
**POWER PURCHASE RATE SCHEDULE**  
**LESS THAN 100 kW (Page 1 of 3)**

(T)

**AVAILABILITY**

Available only to qualified cogeneration or small power production facilities with a design capacity of less than 100 kW which have executed a contract with Owen Electric Cooperative, Inc. and East Kentucky Power Cooperative, Inc. ("EKPC") for the purchase of electric power by EKPC.

(T)

**RATES**

1. Capacity

a. \$40.40 per kW per year is applicable if cogenerator or small power producer is dispatched by EKPC.

(T)

b. \$0.00614 per kWh is applicable if cogenerator or small power producer is not dispatched by EKPC.

(T)

2. Energy – A base payment per kWh is listed below for a time-differentiated basis or a non-time differentiated basis for the specified years.

a. Time Differentiated Rates:

Year	Winter		Summer	
	On-Peak	Off-Peak	On-Peak	Off-Peak
2008	\$0.06032	\$0.04293	\$0.06637	\$0.03199
2009	\$0.05722	\$0.03881	\$0.05447	\$0.02094
2010	\$0.05647	\$0.03461	\$0.05069	\$0.02203
2011	\$0.06015	\$0.03899	\$0.06448	\$0.03069
2012	\$0.05875	\$0.03817	\$0.05737	\$0.02486

(T)

(T)

(T)

(T)

(T)

DATE OF ISSUE May 8, 2008  
Month / Date / Year

DATE EFFECTIVE June 1, 2008  
Month / Date / Year

ISSUED BY [Signature]  
(Signature of Officer)

TITLE President/CEO

BY AUTHORITY OF ORDER OF THE PUBLIC SERVICE COMMISSION  
IN CASE NO 2008-00128 DATED April 28, 2008

PUBLIC SERVICE COMMISSION  
OF KENTUCKY  
EFFECTIVE  
6/1/2008  
PURSUANT TO 807 KAR 5:011  
SECTION 9 (1)

By [Signature]  
Executive Director

Exhibit C  
Page 54 of 61

FOR Entire Territory Served  
Community, Town or City

P.S.C. KY. NO. 6

1<sup>st</sup> Revised SHEET NO. 40B

CANCELLING P.S.C. KY. NO. 6

Original SHEET NO. 40B

Owen Electric Cooperative, Inc.

(Name of Utility)

**CLASSIFICATION OF SERVICE**

**COGENERATION AND SMALL POWER PRODUCTION  
POWER PURCHASE RATE SCHEDULE  
LESS THAN 100 kW (continued - Page 2 of 3)**

(T)

b. Non-Time Differentiated Rates:

Year	2008	2009	2010	2011	2012
Rate	\$0.05120	\$0.04428	\$0.04219	\$0.04933	\$0.04596

(T)

The on-peak and off-peak energy rates are applicable during the hours listed below for each season:

Winter (October – April)

**On-Peak** 7:00 a.m. - 12:00 noon  
5:00 p.m. - 10:00 p.m.

**Off-Peak** 12:00 noon - 5:00 p.m.  
10:00 p.m. - 7:00 a.m.

Summer (May – September)

**On-Peak** 10:00 a.m. - 10:00 p.m.

**Off-Peak** 10:00 p.m. - 10:00 a.m.

**TERMS AND CONDITIONS**

1. All power from a Qualifying Facility (QF) will be sold only to EKPC. (T)

2. Seller must provide good quality electric power within a reasonable range of voltage, frequency, flicker, harmonic currents, and power factor. (T)

DATE OF ISSUE May 8, 2008

Month / Date / Year

DATE EFFECTIVE June 1, 2008

Month / Date / Year

ISSUED BY [Signature]

(Signature of Officer)

TITLE President/CEO

BY AUTHORITY OF ORDER OF THE PUBLIC SERVICE COMMISSION

IN CASE NO. 2008-00128 DATED April 28, 2008

PUBLIC SERVICE COMMISSION  
OF KENTUCKY  
EFFECTIVE  
6/1/2008  
PURSUANT TO 807 KAR 5:011  
SECTION 9 (1)

By [Signature]  
Executive Director

FOR Entire Territory Served  
Community, Town or City

P.S.C. KY. NO. 6

1<sup>st</sup> Revision SHEET NO. 40C

CANCELLING P.S.C. KY. NO. 6

Original SHEET NO. 40C

Owen Electric Cooperative, Inc.  
(Name of Utility)

CLASSIFICATION OF SERVICE

COGENERATION AND SMALL POWER PRODUCTION  
POWER PURCHASE RATE SCHEDULE  
LESS THAN 100 kW (continued - Page 3 of 3)

(1)

- 3. Qualifying Facility (QF) shall provide reasonable protection for EKPC and Owen Electric Cooperative Inc.
- 4. Qualifying Facility (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.
- 5. Qualifying Facility shall reimburse EKPC and Owen Electric Cooperative, Inc. for all costs incurred as a result of interconnecting with the QF, including operation, maintenance, administration, and billing.
- 6. Qualifying Facility shall obtain insurance in the following minimum amounts for each occurrence:
  - a. Public Liability for Bodily Injury - \$1,000,000.00
  - b. Property Damage - \$500,000.00
- 7. Initial contract term shall be for a minimum of five years. (N)
- 8. Qualifying Facilities proposing to supply as available (non-firm) electric power shall not be entitled to a capacity payment. (N)
- 9. Qualifying cogeneration and small power production facilities must meet the definition set forth in 807 KAR 5:054 to be eligible for this tariff. (N)
- 10. Updated rates will be filed with the Public service Commission of Kentucky by March 31 of each year. (N)

DATE OF ISSUE May 8, 2008  
Month / Date / Year

DATE EFFECTIVE June 1, 2008  
Month / Date / Year

ISSUED BY [Signature]  
(Signature of Officer)

TITLE President/CEO

BY AUTHORITY OF ORDER OF THE PUBLIC SERVICE COMMISSION  
IN CASE NO 2008-00128 DATED April 28, 2008

PUBLIC SERVICE COMMISSION  
OF KENTUCKY  
EFFECTIVE  
6/1/2008  
PURSUANT TO 807 KAR 5:011  
SECTION 9 (1)

By [Signature]  
Executive Director

FOR Entire Territory Served  
Community, Town or City

P.S.C. KY NO. 6

Original SHEET NO. 41A

CANCELLING P S C KY NO. \_\_\_\_\_  
SHEET NO \_\_\_\_\_

Owen Electric Cooperative, Inc.  
\_\_\_\_\_  
(Name of Utility)

**CLASSIFICATION OF SERVICE**

**COGENERATION AND SMALL POWER PRODUCTION  
POWER PURCHASE RATE SCHEDULE (T)  
OVER 100 kW (Page 1 of 3)**

**AVAILABILITY**

Available only to qualified cogeneration or small power production facilities with a design capacity of over 100 kW which have executed a contract with Owen Electric Cooperative, Inc. and East Kentucky Power Cooperative, Inc. ("EKPC") for the purchase of electric power by EKPC. (T)

**RATES**

The rates set forth below shall be used as the basis for negotiating a final purchase rate with qualifying facilities pursuant to Section 7 of 807 KAR 5:054.

1. Capacity
  - a. \$40.40 per kW per year is applicable if cogenerator or small power producer is dispatched by EKPC. (I)
  - b. \$0.00614 per kWh is applicable if cogenerator or small power producer is not dispatched by EKPC. (I)
2. Energy – A base payment per kWh is listed below for a time-differentiated basis or a non-time differentiated basis for the specified years.

a. Time Differentiated Rates:

Year	Winter		Summer	
	On-Peak	Off-Peak	On-Peak	Off-Peak
2008	\$0.06032	\$0.04293	\$0.06637	\$0.03199
2009	\$0.05722	\$0.03881	\$0.05447	\$0.02094
2010	\$0.05647	\$0.03461	\$0.05069	\$0.02203
2011	\$0.06015	\$0.03899	\$0.06448	\$0.03069
2012	\$0.05875	\$0.03817	\$0.05737	\$0.02486

DATE OF ISSUE May 8, 2008  
Month / Date / Year

DATE EFFECTIVE June 1, 2008  
Month / Date / Year

ISSUED BY *Robert Jones*  
(Signature of Officer)

TITLE President/CEO

BY AUTHORITY OF ORDER OF THE PUBLIC SERVICE COMMISSION  
IN CASE NO 2008-00128 DATED April 28, 2008

PUBLIC SERVICE COMMISSION  
OF KENTUCKY  
EFFECTIVE  
6/1/2008  
PURSUANT TO 807 KAR 5:011  
SECTION 9 (1)

By *Stephanie Dumb*  
Executive Director

Exhibit C  
Page 57 of 61

FOR Entire Territory Served  
Community, Town or City

P.S.C. KY. NO. 6

Original SHEET NO. 41B

CANCELLING P.S.C. KY. NO. \_\_\_\_\_

\_\_\_\_\_ SHEET NO. \_\_\_\_\_

Owen Electric Cooperative, Inc.

(Name of Utility)

CLASSIFICATION OF SERVICE

COGENERATION AND SMALL POWER PRODUCTION  
POWER PURCHASE RATE SCHEDULE (T)  
OVER 100 kW. (continued - Page 2 of 3)

b. Non-Time Differentiated Rates:

Year	2008	2009	2010	2011	2012
Rate	\$0.05120	\$0.04428	\$0.04219	\$0.04933	\$0.04596

The on-peak and off-peak energy rates are applicable during the hours listed below for each season:

Winter (October - April)

**On-Peak** 7:00 a.m. - 12:00 noon  
5:00 p.m. - 10:00 p.m.

**Off-Peak** 12:00 noon - 5:00 p.m.  
10:00 p.m. - 7:00 a.m.

Summer (May - September)

**On-Peak** 10:00 a.m. - 10:00 p.m.

**Off-Peak** 10:00 p.m. - 10:00 a.m.

TERMS AND CONDITIONS

- All power from a Qualifying Facility (QF) will be sold only to EKPC. (T)
- Seller must provide good quality electric power within a reasonable range of voltage, frequency, flicker, harmonic currents, and power factor. (T)

DATE OF ISSUE May 8, 2008  
Month / Date / Year

DATE EFFECTIVE June 1, 2008  
Month / Date / Year

ISSUED BY [Signature]  
(Signature of Officer)

TITLE President/CEO

BY AUTHORITY OF ORDER OF THE PUBLIC SERVICE COMMISSION  
IN CASE NO 2008-00128 DATED April 28, 2008

PUBLIC SERVICE COMMISSION  
OF KENTUCKY  
EFFECTIVE  
6/1/2008  
PURSUANT TO 807 KAR 5:011  
SECTION 9 (1)

By [Signature]  
Executive Director

Exhibit C  
Page 58 of 61

FOR Entire Territory Served  
Community, Town or City

P S C KY NO. 6

Original SHEET NO. 41C

CANCELLING P S C KY NO. \_\_\_\_\_

\_\_\_\_\_ SHEET NO. \_\_\_\_\_

Owen Electric Cooperative, Inc.  
(Name of Utility)

CLASSIFICATION OF SERVICE

COGENERATION AND SMALL POWER PRODUCTION  
POWER PURCHASE RATE SCHEDULE  
OVER 100 kW (continued - Page 3 of 3)

(T)

- 3. Qualifying Facility (QF) shall provide reasonable protection for EKPC and Owen Electric Cooperative, Inc.
- 4. Qualifying Facility (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.
- 5. Qualifying Facility shall reimburse EKPC and Owen Electric Cooperative, Inc. for all costs incurred as a result of interconnecting with the QF, including operation, maintenance, administration, and billing.
- 6. Qualifying Facility shall obtain insurance in the following minimum amounts for each occurrence:
  - a. Public Liability for Bodily Injury - \$1,000,000.00
  - b. Property Damage - \$500,000.00
- 7. Initial contract term shall be for a minimum of five years. (N)
- 8. Qualifying Facilities proposing to supply as available (non-firm) electric power shall not be entitled to a capacity payment. (N)
- 9. Qualifying cogeneration and small power production facilities must meet the definition set forth in 807 KAR 5:054 to be eligible for this tariff. (N)
- 10. Updated rates will be filed with the Public service Commission of Kentucky by March 31 of each year. (N)

DATE OF ISSUE May 8, 2008  
Month / Date / Year

DATE EFFECTIVE June 1, 2008  
Month / Date / Year

ISSUED BY [Signature]  
(Signature of Officer)

TITLE President/CEO

BY AUTHORITY OF ORDER OF THE PUBLIC SERVICE COMMISSION  
IN CASE NO. 2008-00128 DATED April 28, 2008

PUBLIC SERVICE COMMISSION  
OF KENTUCKY  
EFFECTIVE  
6/1/2008  
PURSUANT TO 807 KAR 5:011  
SECTION 9 (1)

By [Signature]  
Executive Director



Owen Electric Cooperative, Inc.  
Name of Issuing Corporation

RULES AND REGULATIONS

31. COLLECTION OF DELINQUENT ACCOUNTS

Should it become necessary for the Cooperative to send a serviceman to the member's premises for collection or disconnection of a delinquent account, there will be a one-time field collection charge of ~~\$20.00~~ per trip, as stated in the second notice, which will be due and payable at the time such delinquent account is collected, provided service is either disconnected or account is collected, with the exception of those members connected under the Winter Hardship Reconnection Provision of 807 KAR 5:006, Section 15. I \$ 30.00

In the event a member is disconnected for non-payment of a delinquent account and requests a reconnection during regular working hours, a ~~\$40.00~~ charge, payable in advance, will be made. After regular working hours, a ~~\$70.00~~ charge, payable in advance, will be made. These charges include both the cost of disconnection and reconnection. I \$ 60.00 I \$ 80.00

PUBLIC SERVICE COMMISSION  
OF KENTUCKY  
EFFECTIVE

AUG 15 1997

PURSUANT TO 807 KAR 5.011,  
SECTION 9 (1)

BY: Jordan C. Noel  
FOR THE PUBLIC SERVICE COMMISSION

DATE OF ISSUE July 15, 1997 DATE EFFECTIVE August 15, 1997  
ISSUED BY [Signature] TITLE President/CEO  
Name of Officer  
Issued by authority of an Order of the Public Service Commission of  
Kentucky in Case No. \_\_\_\_\_ Dated \_\_\_\_\_

FOR Entire Territory Served  
Community, Town or City  
P.S.C. No. 6  
Original SHEET No. 60  
CANCELING P.S.C. No. 5  
Original SHEET No. 17B

Owen Electric Cooperative, Inc.  
Name of Issuing Corporation

RULES AND REGULATIONS

32. CHECKS RETURNED - UNHONORED BY BANK

When a check received in payment of a member's account is returned unpaid by the bank for any reason, the Cooperative will notify such member by form letter, notice of returned check, stating the amount of the check and reason for its return. Returned checks will then be considered the same as a delinquent account and if payment in full is not received for the check within ten (10) business days after notice, service to the member will be discontinued twenty-seven (27) days after mailing date of the original bill for which such returned check was intended to pay, as prescribed under the sections of these rules dealing with unpaid accounts. An ~~\$8.00~~ service charge will be added to all returned unhonored checks. <sup>E</sup> \$25.00

The Cooperative shall have the right to refuse to accept checks in payment of an account from any member that has demonstrated poor credit risk by having two or more checks returned unpaid from a bank for any reason.

The Cooperative shall not accept a check to pay for and redeem another check or accept a two-party check for cash or payment of an account.

Where a member has been mailed a notice of termination for non-payment and subsequently presents an insufficient check as payment, the original termination date will remain unchanged. The presentation of an insufficient-funds check does not constitute payment of the account. The Cooperative will attempt to contact the member by telephone or mail to request payment, but no further time for payment will be extended beyond that stated on the original termination notice.

PUBLIC SERVICE COMMISSION  
OF KENTUCKY  
EFFECTIVE

AUG 15 1997

PURSUANT TO 807 KAR 5011,  
SECTION 9 (1)

BY: Jordan C. Noel  
FOR THE PUBLIC SERVICE COMMISSION

DATE OF ISSUE July 15, 1997  
ISSUED BY [Signature]  
Name of Officer

DATE EFFECTIVE August 15, 1997  
TITLE President/CEO

Issued by authority of an Order of the Public Service Commission of Kentucky in Case No. \_\_\_\_\_ Dated \_\_\_\_\_.

FOR Entire Territory Served  
Community, Town or City  
P.S.C. No. 6  
Original SHEET No. 75  
CANCELING P.S.C. No. 5  
2nd Revised SHEET No. 29

Owen Electric Cooperative, Inc.  
Name of Issuing Corporation

RULES AND REGULATIONS

41. METER TESTING

Each and every watt-hour meter installed by the Cooperative on member's premises shall be tested periodically without charge to the member. Any other request for meter test shall be complied with by the Cooperative only if the member agrees to pay a \$27.50<sup>1</sup> meter test deposit. If the meter tests more than 2% fast the \$27.50 deposit shall be returned to the member and a credit, based on Public Service Commission rules and regulations shall be issued by the Cooperative to the member. If the meter is more than 2% slow, the member may be billed for the difference for the previous twelve-month period and the \$27.50 may be applied toward that balance. The customer will not be required to repay any underbilling over a shorter period of time than a period co-extensive with the underbillings.

PUBLIC SERVICE COMMISSION  
OF KENTUCKY  
EFFECTIVE

AUG 15 1997

PURSUANT TO 807 KAR 5.011,  
SECTION 9 (1)

BY Jordan C. Neal  
FOR THE PUBLIC SERVICE COMMISSION

DATE OF ISSUE July 15, 1997  
ISSUED BY [Signature]  
Name of Officer

DATE EFFECTIVE August 15, 1997  
TITLE President/CEO

Issued by authority of an Order of the Public Service Commission of Kentucky in Case No. \_\_\_\_\_ Dated \_\_\_\_\_.

**Official Notice**

Owen Electric Cooperative, with its principal office at Owenton, Kentucky and with its address at 8205 Highway 127 North, Owenton, Kentucky 40359, intends to file with the Kentucky Public Service Commission in Case No. 2008-00154 an application to adjust its retail rates and charges. This adjustment will result in a general rate increase to the member-consumers of Owen Electric Cooperative.

The rates proposed in this application are the rates proposed by Owen Electric Cooperative. However, the Kentucky Public Service Commission may order rates to be charged that differ from these proposed rates. Such action may result in rates for consumers other than the rates in this application.

Any corporation, association, body politic or person may by motion within thirty (30) days after publication or mailing of notice of the proposed rate changes request leave to intervene. The motion shall be submitted to the Public Service Commission, 211 Sower Boulevard, P.O. Box 615, Frankfort, Kentucky 40602, and shall set forth the grounds for the request including the status and interest of the party. A copy of the application and testimony shall be available for public inspection at Owen Electric Cooperative's offices, or by calling (502) 484-3471 to request a copy.

The amount and percent of increase are listed below:

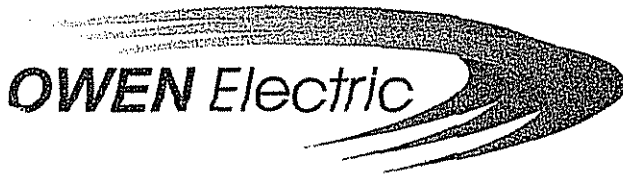
<u>Rate Class</u>	<u>Increase</u>	
	<u>Dollar</u>	<u>Percent</u>
<b>Schedule I</b>		
Farm and Home	\$3,539,796	6%
<b>Schedule I</b>		
Small Commercial	\$221,880	6%
<b>Schedule III</b>		
Security Lights	\$275,730	38%
<b>Schedule OLS</b>		
Outdoor Lighting Service	\$13,086	6%
<b>Schedule II - SOLS</b>		
Special Outdoor Lighting Service	\$12,627	30%


The effect of the proposed rates on the average monthly bill by rate class are listed below:

<u>Rate Class</u>	<u>Increase</u>	
	<u>Dollar</u>	<u>Percent</u>
<b>Schedule I</b>		
Farm and Home	\$6	6%
<b>Schedule I</b>		
Small Commercial	\$8	6%

The present and proposed rate structure of Owen Electric Cooperative are listed below:

<u>Rate Class</u>	<u>Rates</u>	
	<u>Present</u>	<u>Proposed</u>
<b>Schedule 1 and 1-A</b>		
Customer charge	\$5.64	\$11.20
Energy charge	\$0.07533	\$0.07533
Energy charge per ETS	\$0.04520	\$0.04520
<b>Schedule I - Small Commercial</b>		
Customer charge	\$5.64	\$13.48
Energy charge	\$0.07534	\$0.07534
<b>Schedule III - Security Lights</b>		
Existing pole, 120V available	\$5.51	\$7.71
One pole added	\$7.19	\$9.39
Two poles added	\$8.87	\$11.07
Three poles added	\$10.55	\$12.75
Four poles added	\$12.23	\$14.43
Transformer required	\$0.50	\$0.65
<b>Schedule I OLS - Outdoor Lighting Service</b>		
100 Watt, High pressure sodium	\$8.85	\$9.34
Cobrahead Lighting		
100 Watt HPS	\$11.54	\$12.17
250 Watt HPS	\$15.56	\$16.42
400 Watt HPS	\$19.18	\$20.23
Directional Lighting		
100 Watt HPS	\$10.80	\$11.39
250 Watt HPS	\$13.14	\$13.86
400 Watt HPS	\$16.52	\$17.43
<b>Schedule II SOLS - Special Outdoor Lighting Service</b>		
Traditional, w/ fiberglass pole	\$9.33	\$12.13
Holophane, w/ fiberglass pole	\$11.11	\$14.44
<b>Non Recurring Charges</b>		
Return check	\$8.00	\$25.00
Collection	\$20.00	\$30.00
Disconnect	\$40.00	\$60.00
Meter test	\$27.50	\$50.00
Overtime	\$70.00	\$80.00



A Touchstone Energy Cooperative 

CASE NO: 2008-00154

April 25, 2008

RECEIVED

APR 28 2008

PUBLIC SERVICE  
COMMISSION

Stephanie L. Stumbo  
Executive Director  
Kentucky Public Service Commission  
211 Sower Boulevard  
P. O. Box 615  
Frankfort, KY 40602

Dear Ms. Stumbo:

This is to advise, in accordance with the Kentucky Public Service Commission's Administrative Regulation 807 KAR5:001, Section 10(2), that Owen Electric Cooperative intends to file an application for an general increase in its retail rates. The rate application will be supported by a historical test year period ending December 31, 2007. Owen intends to file this application after June 1, 2008.

Please contact me with any questions regarding our intention to file.

Respectfully submitted,

A handwritten signature in black ink, appearing to read "Robert Hood", written in a cursive style.

Robert Hood  
President and CEO

Cc Attorney General  
Utility Intervention and Rate Division  
1024 Capital Center Drive  
Frankfort, KY 40601

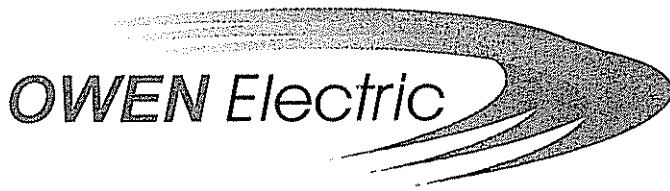



Exhibit E  
Page 2 of 2

ouchstone Energy Cooperative 

April 25, 2008

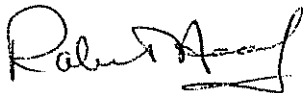
Stephanie L Stumbo  
Executive Director  
Kentucky Public Service Commission  
211 Sower Boulevard  
P. O. Box 615  
Frankfort, KY 40602

Dear Ms. Stumbo:

This is to advise, in accordance with the Kentucky Public Service Commission's Administrative Regulation 807 KAR5:001, Section 10(2), that Owen Electric Cooperative intends to file an application for an general increase in its retail rates. The rate application will be supported by a historical test year period ending December 31, 2007. Owen intends to file this application after June 1, 2008.

Please contact me with any questions regarding our intention to file.

Respectfully submitted,



Robert Hood  
President and CEO

Cc Attorney General  
Utility Intervention and Rate Division  
1024 Capital Center Drive  
Frankfort, KY 40601

**OWEN Electric**

Exhibit F  
Page 1 of 1

**OWEN ELECTRIC COOPERATIVE CORPORATION**

**Board Resolution**

**AUTHORIZATION TO THE PRESIDENT & CEO TO FILE FOR  
A RATE INCREASE WITH THE  
KENTUCKY PUBLIC SERVICE COMMISSION**

**WHEREAS**, to provide its members with a reliable source of power it is the opinion of the Board of Directors of Owen Electric Cooperative Corporation that a rate increase is necessary to maintain Owen Electric Cooperative in a sound financial condition, and

**WHEREAS**, the Board of Directors of Owen Electric Cooperative hereby authorizes and directs its President & CEO, Robert A. Hood, to file with the Kentucky Public Service Commission for a rate increase.

**NOW, THEREFORE BE IT RESOLVED**, that this resolution was properly authorized by the Board of Directors during a monthly Board of Directors meeting held on July 31, 2008.

I, John R. Grant Secretary/Treasurer of the Owen Electric Cooperative Corporation hereby certify that the foregoing is a full, true, and correct copy of the Resolution duly passed by the Board of Directors of Owen Electric Cooperative at a meeting duly called and held in compliance with the By-Laws of the Cooperative on the 31st day of July, 2008, at which meeting a quorum was present, and that the Resolution as set out above appears in the minutes of that meeting in the Minutes Book of the Cooperative dated this 31<sup>st</sup> day of July, 2008.

  
\_\_\_\_\_  
JOHN R. GRANT, SECRETARY / TREASURER

(Seal)





Owen Electric Cooperative  
Case No. 2008-00154  
Revenue Analysis  
December 31, 2007

Exhibit G  
page 1 of 2  
Witness: Alan Zumstein

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Rate Schedule	Kwh Useage	Test Year Revenue	Percent of Total	Normalized Case No. 2006-0522	Percent of Total	Proposed Revenue	Percent of Total	Increase Amount	Increase Percent
Schedule I - Farm and Home	737,788,979	\$55,784,720	68%	\$59,168,372	68%	\$62,708,169	69%	\$3,539,796	6.0%
Schedule IA - Off Peak Marketing	58,772	2,444	0%	2,656	0%	2,656	0%	0	0.0%
Schedule I - Small Commercial	46,804,027	3,466,798	4%	3,685,833	4%	3,907,713	4%	221,880	6.0%
Schedule II - Large Power	184,179,473	12,183,554	15%	13,044,181	15%	13,044,181	14%	0	0.0%
Schedule XI - Large Industrial Rate	68,688,339	3,557,595	4%	3,825,372	4%	3,825,372	4%	0	0.0%
Schedule XIII - Large Industrial Rate	112,662,049	4,586,346	6%	4,958,223	6%	4,958,223	5%	0	0.0%
Schedule XIV - Large Industrial Rate	15,977,494	953,066	1%	1,017,576	1%	1,017,576	1%	0	0.0%
Schedule 2A - Time of Day	4,040,256	275,772	0%	295,556	0%	295,556	0%	0	0.0%
Schedule III - Security Lights	5,721,178	676,195	1%	726,668	1%	1,002,398	1%	275,730	37.9%
Schedule OLS - Outdoor Lighting S	2,315,513	220,912	0%	236,461	0%	249,546	0%	13,086	5.5%
Schedule II SOLS - Special Outdoor	374,423	39,366	0%	42,098	0%	54,725	0%	12,627	30.0%
Envirowatts	2,670,100	63,132	0%	63,132	0%	63,132	0%	0	0.0%
Rounding differences						1,276		1,276	
Subtotal	<u>1,181,280,603</u>	81,809,900	100%	<u>\$87,066,127</u>	100%	<u>\$91,130,522</u>	100%	<u>\$4,064,395</u>	4.7%
Fuel adjustment billed		8,810,136							
Environmental surcharge billed		6,242,128							
Increase		<u>\$96,862,165</u>		<u>\$5,256,227</u>		<u>\$4,064,395</u>			
Industrial customer	986,518,441	\$35,125,060		\$38,931,361		\$38,931,361		0	0.0%
Fuel adjustment billed		6,530,623							
Environmental surcharge billed		2,699,502							
Total from base rates	2,167,799,044	\$116,934,960		\$125,997,488		\$130,061,883		4,064,395	3.2%

Owen Electric Cooperative  
Case No. 2008-00154  
Explanation of Changes

All revenues were normalized using rates that went into effect in connection with a flow through of East Kentucky Power Cooperative's increase in rates in EKPC's Case No. 2006-00509 and Owen Electric Cooperative's flow through Case No. 2006-00522, effective August 1, 2007

The proposed rate increase was allocated in the following manner:

**Schedule I - Farm and Home**

The entire increase was assigned to the customer charge. No changes in the energy rate.

**Schedule I - Small Commercial**

The entire increase was assigned to the customer charge. No changes in the energy rate.

**Schedules II, XI, XII, XIV and 2A**

No changes were proposed for these rate schedules

**Schedules III, OLS, and SOLS**

Lights were increased 30% to arrive at the remaining revenue requirement. The Schedule III lights were increased at a higher rate in an effort to get the various light rates closer together for Schedules OLS and III.

All Customer Charges and Demand Charges were established in Owen Electric's last general rate increase, which was in 1982. These charges were ordered by the Kentucky Public Service Commission based on a Cost of Service Study filed with that general rate increase.

Owen Electric does not have monthly peak demands for rate schedules, only the amount of KW billed to each consumer.



**COMMONWEALTH OF KENTUCKY**

**BEFORE THE PUBLIC SERVICE COMMISSION**

**IN THE MATTER OF ADJUSTMENT  
OF RATES OF OWEN ELECTRIC  
COOPERATIVE CORPORATION**

*Original*  


54

PREPARED TESTIMONY OF ROBERT A. HOOD

Q1. Would you please state your name and business address.

A1. Robert A. Hood, with a business address of 8205 Highway 127 North, Owenton, Kentucky 40359.

Q2. What is your occupation?

A2. President & CEO for Owen Electric Cooperative ("Owen Electric").

Q3. How long have you been employed at Owen Electric?

A3. I was retained by Owen Electric in March 2001 as a consultant to Facilitate Process Improvement throughout the cooperative, but primarily in the engineering and operations areas. In January 2003, I was employed as SR VP of Engineering & Operations and then promoted to President & CEO in December 2006.

Q4. What is your education and work experience?

A4. I graduated from Rollins College University in 1976 with a Bachelor of Science Degree in Business Administration & Economics. I have worked in the electric utility industry for over 42 years in the customer service, operations, engineering and management areas.

Q5. Are you familiar with the contents of the Notice Application of Owen Electric which has been filed with this Commission to Commence this Case?

A5. Yes.

Q6. Please state whether the statements of facts contained in this Notice are true.

A6. Yes. To the best of my knowledge and belief, the statements of facts contained in this Application are true.

Q7. Are you familiar with the exhibits which are filed with and form a part of the Notice Application of this Case?

A7. Yes. I worked with Alan Zumstein, CPA and Jim Adkins, Consultant, in the preparation of these exhibits, and I am familiar with them. In my opinion, the factual material contained in this Application are correct.

Q8. When was the last General Rate Application filed by Owen Electric?

A8. The last General Rate Application filed by Owen Electric was in 1982, in Case No. 8618.

Q9. What is the purpose of this Notice of Application of Owen Electric to this Commission?

A9. To seek an increase in rates in an amount necessary to obtain a Times Interest Earned Ratio ("TIER") of 2.0.

Q10. What considerations were given to increase the rates and charges of Owen Electric?

A10. The purpose of this Application is to support the fact that Owen Electric needs the requested rate relief that is being sought in this rate application. Owen Electric has filed this application due to its need to meet certain financial ratios as required by its mortgage agreements with its lenders: the Rural Utilities Service ("RUS") and the National Rural Utilities Cooperative Finance Corporation ("CFC"). According to those mortgage agreements, Owen Electric is required to maintain a Net TIER of 1.25 and an Operating TIER of 1.1

In addition, this application is necessary for Owen Electric to continue to pay capital credits and maintain adequate equity and cash reserves.

Q11. What is the Test Year used by Owen Electric for its financial data compiled to the Commission in the Application?

A11. The twelve months ended December 31, 2007 was selected as the Test Year. The management and Board of Directors of Owen Electric review the operations and TIER on a monthly basis. Noting the steady decline in margins and TIER, the Board of Directors authorized an Application to be prepared to increase rates and charges sufficient to obtain a TIER of 2.0.

Q12. How was the proposed increase in revenues of \$4,000,728 allocated to rates?

A12. Owen Electric and Jim Adkins have prepared a Cost of Service Study and based its rate design on this study.

Q13. Why was a TIER of 2.0x requested?

A13. The financial condition of Owen Electric Cooperative has deteriorated substantially since 2003. In order to continue to meet debt service obligations, operating costs and maintain the minimum joint mortgage agreement requirements, it was necessary to request a TIER of 2.0 in this Application.

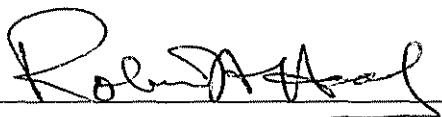
Q14. In your opinion, are the adjusted rates requested in this Case by Owen Electric Cooperative necessary to maintain the financial integrity of the Cooperative?

A14. Yes. To enable Owen Electric to maintain its financial integrity, it is necessary that it be permitted to increase its rates as proposed in this Application.

Q15. Does this conclude your testimony in this case?

A15. Yes, it does.

Affiant, Robert A. Hood, states that the answers given by him to the foregoing questions are true and correct to the best of his knowledge and belief.



Robert A. Hood, President & CEO

Subscribed and sworn to before me by the affiant, Robert A. Hood, this 18 day of August, 2008.

My Commission expires 7-7-2010.



**COMMONWEALTH OF KENTUCKY**  
**BEFORE THE PUBLIC SERVICE COMMISSION**

**IN THE MATTER OF ADJUSTMENT  
OF RATES OF OWEN ELECTRIC  
COOPERATIVE CORPORATION**

**CASE NO. 2008-00154**

PREPARED TESTIMONY OF REBECCA WITT

Q1. Would you please state your name and business address.

A1. Rebecca Witt, with a business address of 8205 Highway 127 North, Owenton, Kentucky 40359.

Q2. What is your occupation?

A2. Senior Vice President of Corporate Services for Owen Electric Cooperative (“Owen Electric”).

Q3. How long have you been employed at Owen Electric?

A3. I was employed in April 2007 as the Chief Financial Officer, and became the Cooperative’s SR VP of Corporate Services in July 2007. Prior to that I was the Manager of Accounting for Kenergy Corporation, in Henderson, Kentucky for approximately four (4) years, the Controller of Wholesale Petroleum in Owensboro Ky for three (3) years, and as a Certified Public Accountant for seven (7) years.

Q4. Are you familiar with accounting work and accounting procedures for rural electric cooperatives?

A4. Yes. I have had much prior experience in electric cooperative accounting and have done accounting work in the preparation of rate cases for Kenergy Corporation for presentation to the Public Service Commission.

Q5. Did you prepare or assist in the preparation of the financial exhibits for Owen Electric filed with its Notice Application in this case?



A5. Yes, I worked with the assistance of Alan Zumstein, CPA and Jim Adkins, Consultant, in the preparation of these exhibits, and am familiar with them. In my opinion, the factual material contained in these are correct.

Q6. Please state whether the statements of facts contained in this Notice are true.

A6. Yes. To the best of my knowledge and belief, the statements of facts contained in this Application are true.

Q7. What is the purpose of this Notice of Application of Owen Electric to this Commission?

A7. To seek an increase in rates in an amount necessary to obtain a Times Interest Earned Ratio ("TIER") of 2.0.

Q8. What considerations were given to increase the rates and charges of Owen Electric?

A8. The mortgage agreements require that Owen Electric Cooperative maintain TIER of above 1.25 based on an average of two of the three most recent years. The TIER for the Test Year of December 31, 2007 was 0.78. The TIER has decreased consistently from a TIER of 2.55 in 2004. The TIER, giving effect to the normalized adjustments without an increase in revenues, as reflected in Exhibit S, page 2 or 4, would result in a TIER on only 1.06 for the Test Year.

Q9. What is the Test Year used by Owen Electric for its financial data compiled to the Commission in the Application?

A9. The twelve months ended December 31, 2007 was selected as the Test Year. The management and Board of Directors of Owen Electric review the operations and TIER on a monthly basis. Noting the steady decline in margins and TIER, the Board of Directors authorized an Application to be prepared to increase rates and charges sufficient to obtain a TIER of 2.0.

Q10. How was the proposed increase in revenues of \$4,064,395 allocated to rates?

A10. Owen Electric and Jim Adkins have prepared a Cost of Service Study and based its rate design on this study.

Q11. Why was a TIER of 2.0x requested?

A11. The financial condition of Owen Electric Cooperative has deteriorated substantially since 2003. In order to continue to meet debt service obligations, operating costs and maintain the minimum joint mortgage agreement requirements, it was necessary to request a TIER of 2.0 in this Application.

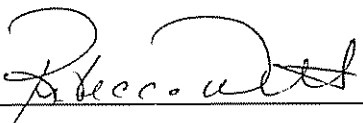
Q12. In your opinion, are the adjusted rates requested in this Case by Owen Electric Cooperative necessary to maintain the financial integrity of the Cooperative?

A12. Yes. To enable Owen Electric to maintain its financial integrity, it is necessary that it be permitted to increase its rates as proposed in this Application.

Q13. Does this conclude your testimony in this case?

A13. Yes, it does.

Affiant, Rebecca Witt, states that the answers given by her to the foregoing questions are true and correct to the best of her knowledge and belief.

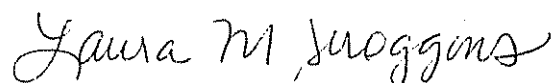


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Rebecca Witt, Senior Vice President of Corporate Services

Subscribed and sworn to before me by the affiant, Rebecca Witt, this 20<sup>th</sup> day of August, 2008.

My Commission expires May 2, 2012.



COMMONWEALTH OF KENTUCKY  
BEFORE THE PUBLIC SERVICE COMMISSION

IN THE MATTER OF ADJUSTMENT  
OF RATES OF OWEN ELECTRIC  
COOPERATIVE CORPORATION

CASE NO. 2008-00154

PREPARED TESTIMONY OF ALAN M. ZUMSTEIN

Q1. Would you please state your name, residence, and occupation.

A1. Alan M. Zumstein, my address is 1032 Chetford Drive, Lexington, Kentucky 40509. I am a self-employed Certified Public Accountant.

Q2. How long have you been practicing your profession?

A2. I have been self-employed for approximately twenty four years. Prior to that, I was employed by a local CPA firm for approximately six years.

Q3. Are you familiar with accounting work and accounting procedures for rural electric cooperatives.

A3. Yes. I have had much prior experience in electric cooperative accounting and have done accounting work in the preparation of rate cases for electric cooperative for presentation to the Public Service Commission.

Q4. Have you appeared before the Kentucky Public Service Commission and given testimony in electric cooperative cases?

A4. Yes, I have.

Q5. Did you prepare or assist in the preparation of the financial exhibits for Owen Electric Cooperative filed with its Notice Application in this case?

A5. Yes.

Q6. What considerations were given to increase the rates and charges of Owen Electric Cooperative.

A6. The mortgage agreements require that Owen Electric Cooperative maintain Times Interest Earned Ratio ("TIER") of above 1.25 based on an average of two of the three most recent years. The TIER for the Test Year of December 31, 2007 was 0.78. The TIER has decreased consistently from a TIER of 2.55 in 2004. The TIER, giving effect to the normalized adjustments without an increase in revenues, as reflected in Exhibit S, page 2 of 4, would result in a TIER of only 1.06 for the Test Year.

Q7. Would you briefly describe the procedures used to arrive at the proposed increase in rates and charges.

A7. The margins and TIER of Owen Electric Cooperative have been reviewed, and giving effect to the steady decline in TIER, it was determined that an application for increase in rates should be filed with the Kentucky Public Service Commission. The twelve months ended December 31, 2007 was selected as the Test Year. All revenues were normalized using rates that went into effect in connection with the roll-in of fuel into the base rates in Case No. 2006-00522, effective August 1, 2007. Other expenses were normalized using rates and known changes, and adjusted as if they were in effect for the entire Test Year. The revenue proposed of \$4,064,395, or approximately 3.2% increase, would provide for a TIER of 2.0x.

Q8. How was the proposed increase in revenues of \$4,064,395 allocated to rates?

A8. Owen Electric Cooperative and Jim Adkins have prepared a Cost of Service Study and based its rate design on this study.

Q9. Why was a TIER of 2.0x requested?

A9. The financial condition of Owen Electric cooperative has deteriorated substantially since 2003. In order to continue to meet debt service obligations, operating costs and maintain the minimum joint mortgage agreement requirements, it was necessary to request a TIER of 2.0x in this Application.

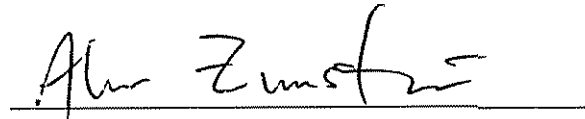
Q10. In your opinion, are the adjusted rates requested in this Case by Owen Electric Cooperative necessary to maintain the financial integrity of the Cooperative?

A10. The financial exhibits as shown in the Application conclusively indicate the adjusted rates arising out of the Application are necessary to prevent problems of a deteriorating financial position.

Q11. Does this conclude your testimony in this case?

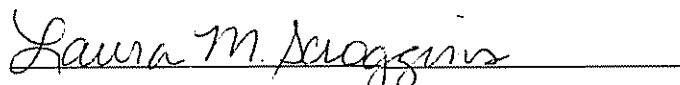
A11. Yes, it does.

Affiant, Alan M. Zumstein, states that the answers given by him to the foregoing questions are true and correct to the best of his knowledge and belief.



Alan M. Zumstein, CPA

Subscribed and sworn to before me by the affiant, Alan M. Zumstein, this 21<sup>st</sup> day of August, 2008.

  
Notary Public, Kentucky State at Large

My Commission expires May 2, 2012.

COMMONWEALTH OF KENTUCKY  
BEFORE THE PUBLIC SERVICE COMMISSION

OWEN ELECTRIC COOPERATIVE  
CASE NO. 2008-00154

DIRECT TESTIMONY OF JAMES R. ADKINS

*Corrected  
H-4  
original*

1 Q. Please state your name, your business address and job position?

2

3 A. My name is James R. Adkins. My business address is 1041 Chasewood  
4 Way, Lexington, KY 40513-1731. I am self-employed providing services  
5 to electric cooperatives in the areas of rates, rate design, cost of service  
6 studies, regulatory affairs, financial forecasting and other services.

7

8 2 Q. What is your education background and business experience?

9

10 A I am a graduate of the University of Kentucky with a Bachelors Degree in  
11 Commerce with a major in banking and finance granted in 1971 and a Masters  
12 of Science Degree in Accounting granted in 1976. My business experience for  
13 the last thirty years has been with the electric utility industry and primarily  
14 with the rural electric cooperatives. I spent almost twenty-five years with East  
15 Kentucky Power Cooperative, Inc. ("EKPC") dealing with rates, regulatory affairs,  
16 cost of service studies, and helping its member distribution systems with their  
17 rate matters. I took an early retirement from EKPC in early 2002 due to health  
18 reasons. Since then I spent time providing consulting services to electric  
19 cooperatives and others. I was member of the Prime Group from early 2002  
20 through the first quarter of 2003 providing assistance in the rate area to  
21 cooperatives in this area of the country. I have been self-employed since  
22 the first quarter of 2003.

23

24 3 Q. Have you ever provided testimony before the Kentucky Public Service  
25 Commission ("Commission")?

26

27 A. I have provided testimony many times before this Commission for EKPC and  
28 its member distribution cooperatives in rate application proceedings for revenue  
29 requirement purposes, cost of service studies, rate design, and other special  
30 types of rates including cogeneration rates, economic development rates, etc.  
31 I have also provided testimony in fuel adjustment cases and administrative cases.

32

33 4 Q. What other professional experience do you have in the electric utility rate area?

34

35 I have made presentations at various rate seminars put on by the National Rural Electric  
36 Cooperative Association ("NRECA") and the Kentucky Association of Electric  
37 Cooperatives ("KAEC"). I have also assisted this Commission through presentations  
38 to the Republic of Armenia Energy Commission in Yerevan, Armenia, in Frankfort, KY  
39 Frankfort, KY and in Winchester, KY on distribution cost of service studies, cost  
40 concepts and interpretation of results along with rate design.

41

42 5 Q. What has been your role in this rate application ?

43

44 A. My role in this rate application has been to provide assistance to Owen Electric  
45 Cooperative ("Owen Electric") in its preparation and filing with this Commission. I have  
46 provided assistance in all areas of its preparation. I am responsible for the Cost  
47 of Service Study and the allocation of increase amounts to the various rate classes, and  
48 the rate design requested in this application. My statement on responsibility means that  
49 these documents have been developed by me or at my request and under my direct  
50 supervision. I am also responsible for testimony on those exhibits and documents.

51

52 6 Q Why does Owen Electric need an increase in rates?

53

54 A. Owen Electric has filed for an increase in rates because its margins have  
55 deteriorated to the point that Owen Electric's Times Interest Earned Ratio ("TIER")  
56 for the test period is below the TIER level specified in its mortgage agreements.  
57 Its mortgage requirements specify a TIER of 1.25x and OTIER of 1.10x. Owen Electric  
58 Energy is requesting a TIER of 2.0x in this application as the basis for the overall  
59 increase amount.

60

61 7 Q Are you responsible for the Cost of Service Study filed in this rate application?

62

63 A I am responsible for the Cost of Service Study ("COSS") in this application.  
64 This COSS is consistent with the 1993 NARUC Electric Utility Cost Allocation  
65 Manual and is based on a methodology generally accepted within the industry.  
66 The results of this study indicate that several of Owen Electric's rate schedules  
67 are not providing revenue sufficient to meet the revenue requirements for those rate  
68 classes. The COSS also indicates that the rates for some of the other rate classes  
69 are providing revenues in excess of their revenue requirements.

70

71

72 8 Q. What are the results of the cost of service study?

73

74 A. From the COSS, it is readily apparent that rate revenues from several rate classes is less  
75 than the costs to serve those rate classes. Those rate classes where rate revenue is less  
76 than costs to serve include the following ones:

77

Schedule I - Farm and Home

78

Schedule I - Small Commercial

79

Schedule III - Security Lights

80

Schedule OLS - Outdoor Lighting Service

81

Schedule II OLS - Special Outdoor Lighting Service

82



83

84 All other rate classes are providing rate revenues in excess of the costs to serve. Also  
85 these same rate classes are providing for margins that result in a TIER greater than 2.0X.

86

87 9 Q. What rate classes should have their rates increased?

88

89 A. The rate classes that should receive an increase are those rate classes identified in the  
90 answer to question No. 9 above. All of these rate classes are receiving rate revenues  
91 substantially less than what they should be recovering.

92

93 10 Q. How was the increase amounts allocated to these rate classes?

94

95 A. Because of the significant under-recovery of revenue requirements by these rate classes  
96 and the decision not to change the rates for other rate classes, it was determined to give  
97 the largest percentage increase to the outdoor lighting rate classes. A thirty percent  
98 increase has been proposed for these classes while the remaining increase has been  
99 allocated to Schedule 1 - Farm and Home and Schedule I - Small Commercial  
100 proportional on revenue.

101

102 11 Q. What is the impact of the proposed increase upon these rate classes if granted as  
103 requested?

104

105 A. The impact on those rate classes as well as all other classes is included as Exhibit I to this  
106 testimony. All rate schedules would be providing rate revenues greater than the costs to  
107 serve except for the three outdoor lighting rate schedules.

108

109 12 Q. What has been the basis for the proposed rate design for those rate classes receiving  
110 changes in base rates?

111

112 A. For Schedule I - Farm and Home and Schedule I - Small Commercial, it has been  
113 determined that the increase in revenues should come from the consumer charge. The

114

115 consumer related costs for Schedule I - Farm and Home and Schedule I - Small

116 Commercial is provided below:

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	<b>Schedule I</b>	<b>Schedule I</b>
	<b>Farm &amp;</b>	<b>Small</b>
	<b><u>Home</u></b>	<b><u>Commercial</u></b>
Lines	4,460,285	182,544
Transformers	692,987	44,975
Services	1,822,882	279,731
Meters	1,761,413	72,088
Cons & Acctg Service	<u>5,219,936</u>	<u>244,066</u>
	13,957,503	823,404
Number of Consumer		
Charges	<u>636,654</u>	<u>28,301</u>
Consumer Related Costs		
Per Month	<u>\$ 21.92</u>	<u>\$ 29.09</u>

132

133

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139

The rate design for the outdoor lighting has been a little different rationale. It was determined to increase the rates for the Schedule III - Security Lights an amount greater than the average increase for lights and Schedule OLS - Outdoor Lighting Service a little less. The rates for Schedule II SOLS - Special Outdoor Lighting Service have been increased by the average increase amount of thirty percent.

140

13 Q. What is the end result?

141

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147

A. The end result in this application is the following in a sequence with the more important listed first.

- 1 Owen will improve its financial condition;
- 2 Owen will better match revenues with costs for all rate classes than previously; and
- 3 Owen will have made some improvement in rate design.

148

149 14 Q. How would the Statement of Operations look for each rate class based on the proposed  
150 revenue requirements and rate design?

151

152 A. Attached you will find JRA Exhibit I to this testimony which provides a Statement of Operations  
153 based on the proposed revenue requirements and rate design in this application. This  
154 exhibit indicates the margins, and the TIER levels for each rate class based on proposed  
155 application.

156

157

158 15 Q. Does this conclude your testimony?

159

160 A. This concludes my testimony.

161

162

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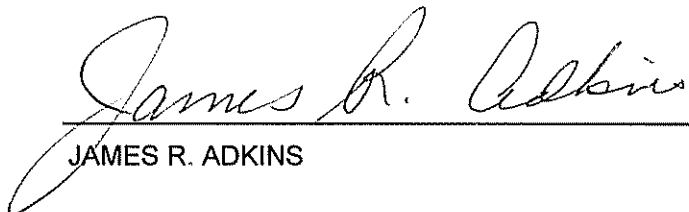
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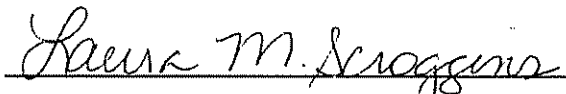
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168

I, James R. Adkins, state that the statements contained in the foregoing testimony are true to the best of my information and belief.

  
\_\_\_\_\_  
JAMES R. ADKINS

Subscribed and sworn to and before me by James R. Adkins on this the 11th day of April, 2008.

  
\_\_\_\_\_  
NOTARY PUBLIC, KENTUCKY STATE AT LARGE  
My Commission Expires: May 2, 2012

OWEN ELEC. COOPERATIVE  
CASE NO. 2008-00154

TESTIMONY OF JAMES R. ADKINS

	Enviro- Watts	Schedule I Farm & Home	Schedule IA Off-peak Mkt	Schedule I Sml Com	Schedule II Large Power	Schedule XI Schedule XI Rate LPB1	Schedule XIII Large Indust Rate LPB2
Revenue from Rates	63,132	62,708,169	2,656	3,907,713	13,044,181	3,825,372	4,958,223
Purchased Power Costs	63,332	41,029,805	2,202	2,560,893	9,545,562	3,164,770	4,371,499
O&M	-	9,088,073	208	535,117	680,987	170,674	180,639
Admin & General	-	2,394,841	43	146,874	196,837	50,581	43,797
Depreciation & Misc.	-	6,563,032	103	445,316	820,901	215,912	187,798
Interest on Long Term Debt	-	3,264,854	51	221,605	408,789	107,524	93,524
Other Interest	-	360,389	6	24,462	45,124	11,869	10,324
Total Costs	63,332	62,700,995	2,612	3,934,267	11,698,200	3,721,328	4,887,580
Operating Margin	(200)	7,174	44	(26,554)	1,345,981	104,044	70,643
Other Income	-	2,007,413	31	136,255	251,346	66,111	57,504
Net Margins	(200)	2,014,587	75	109,701	1,597,327	170,155	128,147
TIER	-	1.62	2.47	1.50	4.91	2.58	2.37
Rate Base	-	98,184,408	1,539	6,664,353	12,293,584	3,233,571	2,812,556
Return	(200)	1,739,644	127	109,426	2,006,117	277,679	221,671
Rate of Return		5.38%	8.23%	4.97%	16.32%	8.59%	7.88%

TESTIMONY OF JAMES R. ADKINS

	Schedule XIV	Schedule 2A	Schedule III	Schedule OLS	Schdeule II	-		
	Large Indust	Schedule 2A	Security	Outdoor	OLS-Spec	Gallatin		
	Rate LPB	TOD	Lights	Lighting	Lights	Steel		Total
Revenue form Rates	1,017,576	295,556	1,002,398	249,546	54,725	38,931,361		130,060,608
Purchased Power Costs	734,152	207,569	278,328	97,219	16,131	38,578,211		100,649,672
O&M	43,668	14,579	457,128	132,104	23,898	1,768		11,328,841
Admin & General	12,986	4,159	61,975	16,750	3,438	69,845		3,002,126
Depreciation & Misc.	55,178	17,062	256,371	71,688	13,308	196		8,646,864
Interest on Long Term Debt	27,478	8,496	127,665	35,701	6,626	96		4,302,408
Other Interest	3,033	938	14,092	3,941	731	11		474,919
								-
Total Costs	876,496	252,804	1,195,558	357,402	64,131	38,650,127	#	128,404,831
								-
Operating Margin	141,080	42,752	(193,160)	(107,856)	(9,406)	281,234	#	1,655,777
								-
Other Income	16,895	5,224	78,495	21,951	4,074	59		2,645,359
Net Margins	157,975	47,976	(114,665)	(85,905)	(5,332)	281,293	#	4,301,136
TIER	6.75	6.65	0.10	(1.41)	0.20	2,930.26		2.00
Rate Base	826,356	255,511	3,959,535	1,110,443	42,194	2,888		129,386,939
Return	185,454	56,473	(262,730)	(63,290)	(11,333)	281,389		4,540,425
Rate of Return	22.44%	22.10%	0.33%	-4.52%	3.07%	9743.77%		6.65%



Owen Electric Cooperative  
Case No. 2008-00154  
Average Bill for Residential Rate Class  
Schedule I - Farm and Home

Customer charge	<u>Present</u>	<u>Proposed</u>			
	\$5.64	\$11.20			
Energy charge	\$0.07533	\$0.07533			
	<u>Existing</u>	<u>Proposed</u>	<u>Increase</u>		
<u>kwh Useage</u>	<u>Rate</u>	<u>Rate</u>	<u>Amount</u>	<u>Percent</u>	
0	\$5.64	\$11.20	\$5.56	49.6%	
25	7.52	13.08	5.56	42.5%	
50	9.41	14.97	5.56	37.1%	
100	13.17	18.73	5.56	29.7%	
150	16.94	22.50	5.56	24.7%	
200	20.71	26.27	5.56	21.2%	
250	24.47	30.03	5.56	18.5%	
300	28.24	33.80	5.56	16.5%	
350	32.01	37.57	5.56	14.8%	
400	35.77	41.33	5.56	13.5%	
450	39.54	45.10	5.56	12.3%	
500	43.31	48.87	5.56	11.4%	
600	50.84	56.40	5.56	9.9%	
700	58.37	63.93	5.56	8.7%	
800	65.90	71.46	5.56	7.8%	
900	73.44	79.00	5.56	7.0%	
1,000	80.97	86.53	5.56	6.4%	
1,100	88.50	94.06	5.56	5.9%	
1,200	96.04	101.60	5.56	5.5%	
1,300	103.57	109.13	5.56	5.1%	
1,400	111.10	116.66	5.56	4.8%	
1,500	118.64	124.20	5.56	4.5%	
1,600	126.17	131.73	5.56	4.2%	
1,700	133.70	139.26	5.56	4.0%	
1,800	141.23	146.79	5.56	3.8%	
1,900	148.77	154.33	5.56	3.6%	
2,000	156.30	161.86	5.56	3.4%	
The average monthly useage					
<b>1,159</b>	<b>92.94</b>	<b>98.50</b>	<b>5.56</b>	<b>5.6%</b>	



Owen Electric Cooperative  
Case No. 2008-00154  
Revenue Analysis  
December 31, 2007

Exhibit J  
page 1 of 14  
Witness: Alan Zumstein

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Rate Schedule	Kwh Useage	Test Year Revenue	Percent of Total	Normalized Case No. 2006-0522	Percent of Total	Proposed Revenue	Percent of Total	<u>Increase</u> Amount Percent	
Schedule I - Farm and Home	737,788,979	\$55,784,720	68%	\$59,168,372	68%	\$62,708,169	69%	\$3,539,796	6.0%
Schedule IA - Off Peak Marketing	58,772	2,444	0%	2,656	0%	2,656	0%	0	0.0%
Schedule I - Small Commercial	46,804,027	3,466,798	4%	3,685,833	4%	3,907,713	4%	221,880	6.0%
Schedule II - Large Power	184,179,473	12,183,554	15%	13,044,181	15%	13,044,181	14%	0	0.0%
Schedule XI - Large Industrial Rate	68,688,339	3,557,595	4%	3,825,372	4%	3,825,372	4%	0	0.0%
Schedule XIII - Large Industrial Rate	112,662,049	4,586,346	6%	4,958,223	6%	4,958,223	5%	0	0.0%
Schedule XIV - Large Industrial Rate	15,977,494	953,066	1%	1,017,576	1%	1,017,576	1%	0	0.0%
Schedule 2A - Time of Day	4,040,256	275,772	0%	295,556	0%	295,556	0%	0	0.0%
Schedule III - Security Lights	5,721,178	676,195	1%	726,668	1%	1,002,398	1%	275,730	37.9%
Schedule OLS - Outdoor Lighting S	2,315,513	220,912	0%	236,461	0%	249,546	0%	13,086	5.5%
Schedule II SOLS - Special Outdoo	374,423	39,366	0%	42,098	0%	54,725	0%	12,627	30.0%
Envirowatts	2,670,100	63,132	0%	63,132	0%	63,132	0%	0	0.0%
Rounding differences						1,276		1,276	
<b>Subtotal</b>	<b><u>1,181,280,603</u></b>	<b>81,809,900</b>	<b>100%</b>	<b><u>\$87,066,127</u></b>	<b>100%</b>	<b><u>\$91,130,522</u></b>	<b>100%</b>	<b><u>\$4,064,395</u></b>	<b>4.7%</b>
Fuel adjustment billed		8,810,136							
Environmental surcharge billed		<u>6,242,128</u>							
		\$96,862,165							
<b>Increase</b>				<b><u>\$5,256,227</u></b>		<b><u>\$4,064,395</u></b>			
Industrial customer	986,518,441	\$35,125,060		\$38,931,361		\$38,931,361		0	0.0%
Fuel adjustment billed		6,530,623							
Environmental surcharge billed		<u>2,699,502</u>							
		\$44,355,185							
<b>Total from base rates</b>	<b>2,167,799,044</b>	<b>\$116,934,960</b>		<b>\$125,997,488</b>		<b>\$130,061,883</b>		<b>4,064,395</b>	<b>3.2%</b>

Schedule I - Farm and Home

Description	Billing Determinants	Test Year Revenues	Normalized Case No. 2006-00522		Proposed	
			Rates	Revenues	Rates	Revenues
Customer Charge	636,654	\$3,355,379	\$5.64	\$3,590,729	\$11.20	\$7,130,525
Energy charge per kWh	737,788,979	52,429,341	\$0.07533	55,577,644	\$0.07533	55,577,644
				0		0
Total from base rates		55,784,720		<u>\$59,168,372</u>		<u>\$62,708,169</u>
Fuel adjustment		5,575,603				
Environmental surcharge		<u>4,286,468</u>				
Total revenues		<u>\$65,646,791</u>				
Amount				\$3,383,653		\$3,539,796
Percent				6.1%		6.0%
Average monthly bill		\$87.62		\$92.94		\$98.50
Amount				\$5.31		\$5.56
Percent				6.1%		6.0%

Schedule I-A, Off-Peak Marketing Rate

<u>Description</u>	Billing Determinants	Test Year Revenues	Normalized Case No. 2006-00522		Proposed	
			Rates	Revenues	Rates	Revenues
Energy charge	58,772	2,444	\$0.04520	2,656	\$0.04520	2,656
				0		0
Total from base rates		2,444		<u>\$2,656</u>		<u>\$2,656</u>
Fuel adjustment		395				
Environmental surcharge		190				
Total revenues		<u>\$3,029</u>				
Amount				\$212		\$0
Percent				8.7%		0.0%

Owen Electric Cooperative  
Case No. 2008-00154  
Billing Analysis  
December 31, 2007

E. it J  
page 4 of 14  
Witness: Alan Zumstein

Schedule I - Small Commercial

<u>Description</u>	Billing Determinants	Test Year Revenues	Normalized Case No. 2006-00522		Proposed	
			Rates	Revenues	Rates	Revenues
Customer Charge	28,301	\$147,188	\$5.64	\$159,618	\$13.48	\$381,497
Energy charge	46,804,027	3,319,610	\$0.07534	3,526,215	\$0.07534	3,526,215
				0		0
Total from base rates		3,466,798		<u>\$3,685,833</u>		<u>\$3,907,713</u>
Fuel adjustment		350,994				
Environmental surcharge		<u>267,307</u>				
Total revenues		<u>\$4,085,099</u>				
Amount				\$219,035		\$221,880
Percent				6.3%		6.0%
Average monthly bill		\$122.50		\$130.24		\$138.08
Amount				\$7.74		\$7.84
Percent				6.3%		6.0%

Schedule II - Large Power

<u>Description</u>	Billing Determinants	Test Year Revenues	Normalized Case No. 2006-00522		Proposed	
			Rates	Revenues	Rates	Revenues
Customer Charge	2,884	55,905	\$20.50	\$59,122	\$20.50	\$59,122
Demand Charge	537,901.551	2,639,184	\$5.25	2,823,983	\$5.25	2,823,983
Energy charge	184,179,473	9,508,830	\$0.05528	10,181,441	\$0.05528	10,181,441
Primary meter discount		<u>(20,365)</u>		<u>(20,365)</u>		<u>(20,365)</u>
Total from base rates		12,183,554		<u>\$13,044,181</u>		<u>\$13,044,181</u>
Fuel adjustment		1,391,217				
Environmental surcharge		<u>927,170</u>				
Total revenues		<u>\$14,501,940</u>				
Amount				\$860,627		\$0
Percent				7.1%		0.0%
Average monthly bill		\$4,224.53		\$4,522.95		\$4,522.95
Amount				\$298.41		\$0.00
Percent				7.1%		0.0%

Schedule XI - Large Industrial Rate LPB1

Rate 9

Description	Billing Determinants	Test Year Revenues	Normalized Case No. 2006-00522		Proposed	
			Rates	Revenues	Rates	Revenues
Customer Charge	98	133,433	\$1,464.04	\$143,476	\$1,464.04	\$143,476
Demand Charge						
Contract demand	133,175.000	684,906	\$5.53	736,458	\$5.53	736,458
Excess demand	9,298.100	69,351	\$8.02	74,571	\$8.02	74,571
Energy charge						
First 425 kwh of billing demand	60,550,066	2,379,727	\$0.04226	2,558,846	\$0.04226	2,558,846
Over 425 kwh of billing demand	8,138,273	290,180	\$0.03834	312,021	\$0.03834	312,021
	<u>68,688,339</u>					
				<u>0</u>		<u>0</u>
Total from base rates		3,557,595		<u>\$3,825,372</u>		<u>\$3,825,372</u>
Fuel adjustment		515,303				
Environmental surcharge		<u>279,530</u>				
Total revenues		<u>\$4,352,428</u>				
Amount				\$267,776		\$0
Percent				7.5%		0.0%
Average monthly bill		\$36,301.99		\$39,034.40		\$39,034.40
Amount				\$2,732.41		\$0.00
Percent				7.5%		0.0%

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Schedule XIII - Large Industrial Rate LPB2

Rate 13

Description	Billing Determinants	Test Year Revenues	Normalized Case No. 2006-00522		Proposed	
			Rates	Revenues	Rates	Revenues
Customer Charge	24	\$65,332	\$2,927.05	\$70,249	\$2,927.05	\$70,249
Demand Charge						
Contract demand	180,900.000	930,351	\$5.53	1,000,377	\$5.53	1,000,377
Excess demand	12,402.330	92,504	\$8.02	99,467	\$8.02	99,467
Interruptible credit	98,418.890	(354,308)	\$3.60	(354,308)	\$3.60	(354,308)
Energy charge						
First 425 kwh of billing demand	82,129,082	2,836,755	\$0.03714	3,050,274	\$0.03714	3,050,274
Over 425 kwh of billing demand	30,532,967	1,015,712	\$0.03577	1,092,164	\$0.03577	1,092,164
	<u>112,662,049</u>			<u>0</u>		<u>0</u>
Total from base rates		4,586,346		<u>\$4,958,223</u>		<u>\$4,958,223</u>
Fuel adjustment		821,671				
Environmental surcharge		<u>369,586</u>				
Total revenues		<u>\$5,777,602</u>				
Amount				\$371,878		\$0
Percent				8.1%		0.0%
Average monthly bill		\$191,097.73		\$206,592.63		\$206,592.63
Amount				\$15,494.90		\$0.00
Percent				8.1%		0.0%

Schedule XIV - Large industrial Rate LPB

Rate 12

Description	Billing Determinants	Test Year Revenues	Normalized Case No. 2006-00522		Proposed	
			Rates	Revenues	Rates	Revenues
Customer Charge	59	77,741	\$1,464.04	\$86,378	\$1,464.04	\$86,378
Demand Charge						
Contract demand	36,000.000	187,135	\$5.53	199,080	\$5.53	199,080
Excess demand	3,011.806	22,705	\$8.02	24,155	\$8.02	24,155
Energy charge	15,977,494	665,485	\$0.04431	707,963	\$0.04431	707,963
				0		0
Total from base rates		953,066		<u>\$1,017,576</u>		<u>\$1,017,576</u>
Fuel adjustment		122,601				
Environmental surcharge		81,058				
Total revenues		<u>\$1,156,726</u>				
Amount				\$64,509		\$0
Percent				6.8%		0.0%
Average monthly bill		\$16,153.67		\$17,247.05		\$17,247.05
Amount				\$1,093.38		\$0.00
Percent				6.8%		0.0%



Schedule 2-A - Large Power - Time of Day

Rate 21/22

Description	Billing Determinants	Test Year Revenues	Normalized Case No. 2006-00522		Proposed	
			Rates	Revenues	Rates	Revenues
Customer Charge	99	5,549	\$59.00	\$5,841	\$59.00	\$5,841
Energy charge						
On-Peak energy	2,229,474	183,122	\$0.086460	192,760	\$0.086460	192,760
Off-Peak energy	1,810,782	87,101	\$0.053543	96,955	\$0.053543	96,955
	<u>4,040,256</u>					
				<u>0</u>		<u>0</u>
Total from base rates		275,772		<u>\$295,556</u>		<u>\$295,556</u>
Fuel adjustment		32,324				
Environmental surcharge		<u>15,545</u>				
Total revenues		<u>\$323,642</u>				
Amount				\$19,784		\$0
Percent				7.2%		0.0%
Average monthly bill		\$2,785.58		\$2,985.41		\$2,985.41
Amount				\$199.84		\$0.00
Percent				7.2%		0.0%

Schedule III - Security Lights

Rate 6

Description	Billing Determinants	Test Year Revenues	Normalized Case No. 2006-00522		Proposed	
			Rates	Revenues	Rates	Revenues
Existing pole, 120V available	104,066	533,539	\$5.51	573,404	\$7.71	802,765
One pole added	19,788	132,392	\$7.19	142,276	\$9.39	185,888
Two poles added	1,006	8,340	\$8.87	8,923	\$11.07	11,140
Three poles added	84	825	\$10.55	886	\$12.75	1,071
Four poles added	0	0	\$12.23	0	\$14.43	0
Transformer required	2,358	1,099	\$0.50	1,179	\$0.65	1,533
kWh	<u>5,721,178</u>					
Billing adjustments				<u>0</u>		<u>0</u>
Total from base rates		676,195		<u>\$726,668</u>		<u>\$1,002,398</u>
Fuel adjustment		28				
Environmental surcharge		<u>15,275</u>				
Total revenues		<u>\$691,498</u>				
Amount				\$50,473		\$275,730
Percent				7.5%		37.9%

Schedule OLS - Outdoor Lighting Service

<u>Description</u>	Billing Determinants	Test Year Revenues	Normalized Case No. 2006-00522		Proposed	
			Rates	Revenues	Rates	Revenues
100 Watt, High pressure sodium Cobrahead Lighting	24,960	206,538	\$8.85	220,896	\$9.34	233,126
100 Watt HPS	127	1,354	\$11.54	1,466	\$12.17	1,546
250 Watt HPS	96	1,379	\$15.56	1,494	\$16.42	1,576
400 Watt HPS	69	1,221	\$19.18	1,323	\$20.23	1,396
Directional Lighting						
100 Watt HPS	110	1,097	\$10.80	1,188	\$11.39	1,253
250 Watt HPS	215	2,610	\$13.14	2,825	\$13.86	2,980
400 Watt HPS	440	6,713	\$16.52	7,269	\$17.43	7,669
kWh	<u>2,315,513</u>					
Billing adjustments				<u>0</u>		<u>0</u>
Total from base rates		220,912		<u>\$236,461</u>		<u>\$249,546</u>
Fuel adjustment						
Environmental surcharge						
Total revenues		<u>\$220,912</u>				
Amount				\$15,549		\$13,086
Percent				7.04%		5.53%

Schedule II SOLS - Special Outdoor Lighting Service

Description	Billing Determinants	Test Year Revenues	Normalized Case No. 2006-00522		Proposed	
			Rates	Revenues	Rates	Revenues
Traditional, w/ fiberglass pole	2,608	22,751	\$9.33	24,333	\$12.13	31,635
Holophane, w/ fiberglass pole	1,599	16,615	\$11.11	17,765	\$14.44	23,090
kWh	<u>374,423</u>					
Billing adjustments				<u>0</u>		<u>0</u>
Total from base rates		39,366		<u>\$42,098</u>		<u>\$54,725</u>
Fuel adjustment Environmental surcharge						
Total revenues		<u>\$39,366</u>				
Amount				\$2,732		\$12,627
Percent				6.9%		30.0%

Envirowatts

<u>Description</u>	Billing Determinants	Test Year Revenues	Normalized Case No. 2006-00522		Proposed	
			Rates	Revenues	Rates	Revenues
Envirowatts		63,132		63,132		63,132
kWh	<u>2,670,100</u>					
Billing adjustments				0		0
Total from base rates		63,132		<u>\$63,132</u>		<u>\$63,132</u>
Fuel adjustment Environmental surcharge						
Total revenues		<u>\$63,132</u>				
Amount				\$0		\$0
Percent				0.0%		0.0%

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Industrial Customer

Billing Determinants	Test Year Revenues	Normalized Case No. 2006-00522		Proposed		
		Rates	Revenues	Rates	Revenues	
Energy Charge:						
On-peak	289,829,611	8,785,572	\$0.033780	9,790,444	\$0.033780	\$9,790,444
Off peak	696,688,830	18,964,308	\$0.030780	21,444,082	\$0.030780	21,444,082
Demand - kW						
Firm kW demand	180,000	1,060,650	\$6.06	1,090,800	\$6.06	1,090,800
10 Min Interruptible kW	1,440,000	3,301,200	\$2.46	3,542,400	\$2.46	3,542,400
90 Min Interruptible	299,785	956,975	\$3.36	1,007,278	\$3.36	1,007,278
Incremental Cost of Buy-Through Energy						
On-peak charges	24,632,221	2,651,229	\$0.033780	2,651,229	\$0.033780	2,651,229
On-peak credits	24,632,221	(729,064)	\$0.033780	(729,064)	\$0.033780	(729,064)
Off-peak charges	508,999	33,589	\$0.033780	33,589	\$0.033780	33,589
Off-peak credits	508,999	(12,547)	\$0.030780	(12,547)	\$0.033780	(12,547)
Distribution charges						
kW Demand	1,919,785	71,991	\$0.037500	71,992	\$0.037500	71,992
kWh Energy	986,518,441	281,157	\$0.000285	281,158	\$0.000285	281,158
Adjustments		<u>(240,000)</u>		<u>(240,000)</u>		<u>(240,000)</u>
Total from base rates		35,125,060		<u>\$38,931,361</u>		<u>\$38,931,361</u>
Fuel adjustment		6,530,623				
Environmental surcharge		<u>2,699,502</u>				
Total revenues		<u>\$44,355,185</u>				
Amount				\$3,806,301		\$0
Percent				10.8%		0.0%

**Owen Electric Cooperative**  
**Case No. 2008-00154**  
**Computation of Rate of Return**  
December 31, 2007

	<u>Actual</u> <u>Test Year</u>	<u>Adjusted</u> <u>Test Year</u>
Net margins	(\$826,057)	\$4,302,409
Non-cash patronage dividends	0	0
Interest on long-term debt	<u>3,823,761</u>	<u>4,302,409</u>
Total	<u>2,997,704</u>	<u>8,604,818</u>
<b>Net rate base</b>	<u>129,159,395</u>	<u>129,193,682</u>
Rate of return	<u>2.32%</u>	<u>6.66%</u>
<b>Equity Capitalization</b>	<u>119,333,457</u>	<u>124,461,923</u>
Rate of return	<u>2.51%</u>	<u>6.91%</u>

**Owen Electric Cooperative**  
**Case No. 2008-00154**  
**Determination of Rate Base**  
December 31, 2007

	<u>Actual</u> <u>Test Year</u>	<u>Adjusted</u> <u>Test Year</u>
Gross rate base:		
Total electric plant	\$187,716,197	\$187,716,197
Material and supplies (13 months average for test year)	1,141,357	1,141,357
Prepayments (13 months average for test year)	483,537	483,537
Working capital: 12.5% of operating expense less cost of power	<u>1,757,084</u>	<u>1,791,371</u>
	191,098,175	191,132,462
Deductions from rate base:		
Accumulated depreciation	61,301,494	61,301,494
Consumer advances	<u>637,286</u>	<u>637,286</u>
Net rate base	<u>\$129,159,395</u>	<u>\$129,193,682</u>

	<u>Material</u>	<u>Prepayments</u>
December 2006	1,183,742	510,140
January 2007	1,058,725	621,417
February	1,215,066	543,579
March	1,248,105	557,991
April	1,251,377	524,317
May	1,145,735	460,294
June	1,135,250	561,263
July	1,200,672	495,539
August	1,237,602	428,971
September	1,274,311	402,845
October	1,046,483	350,161
November	867,708	316,426
December	972,866	513,037
Average	1,141,357	483,537



**Owen Electric Cooperative**  
**Case No. 2008-00154**  
**Computation of Rate of Return**  
December 31, 2007

Test Year	Calendar Year					
	1st	2nd	3rd	4th	5th	
2007	2006	2005	2004	2003	2002	
Net margins	(\$826,057)	\$971,790	\$3,847,830	\$3,233,634	\$6,693,104	\$8,425,299
Interest on long-term debt	3,823,761	3,478,074	2,770,461	2,081,637	2,028,332	2,388,491
<b>Total</b>	<b>2,997,704</b>	<b>4,449,864</b>	<b>6,618,291</b>	<b>5,315,271</b>	<b>8,721,436</b>	<b>10,813,790</b>
Net rate base	129,159,395	121,438,362	112,568,087	107,444,965	101,505,152	90,286,071
<b>Rate of return</b>	<u>2.32%</u>	<u>3.66%</u>	<u>5.88%</u>	<u>4.95%</u>	<u>8.59%</u>	<u>11.98%</u>

Return excluding G & T  
patronage dividends:

Test Year	Calendar Year					
	1st	2nd	3rd	4th	5th	
2007	2006	2005	2004	2003	2002	
Net margins	(\$826,057)	\$971,790	\$3,847,830	\$3,233,634	\$6,693,104	\$8,425,299
G & T patronage dividends	-	-	-	-	3,556,452	5,106,628
Interest on long-term debt	3,823,761	3,478,074	2,770,461	2,081,637	2,028,332	2,388,491
<b>Total</b>	<b>2,997,704</b>	<b>4,449,864</b>	<b>6,618,291</b>	<b>5,315,271</b>	<b>5,164,984</b>	<b>5,707,162</b>
Net rate base	129,159,395	121,438,362	112,568,087	107,444,965	101,505,152	90,286,071
<b>Rate of return, excluding G &amp; T</b>	<u>2.32%</u>	<u>3.66%</u>	<u>5.88%</u>	<u>4.95%</u>	<u>5.09%</u>	<u>6.32%</u>

**Owen Electric Cooperative**  
**Case No. 2008-00154**  
**Determination of Rate Base**  
December 31, 2007

Test Year	Calendar Year					
	1st 2006	2nd 2005	3rd 2004	4th 2003	5th 2002	
<b>Gross rate base:</b>						
Total electric plant	\$187,716,197	\$173,365,645	\$159,561,851	\$149,986,769	\$140,589,363	\$125,640,300
Material and supplies (13 mo. ave test yr)	1,141,357	1,183,742	1,066,909	808,948	609,435	660,276
Prepayments (13 mo. ave test year)	483,537	510,140	647,789	476,896	267,234	195,861
Working capital:						
12.5% of operating expense						
less cost of power	1,757,084	1,841,360	1,587,571	1,642,347	1,537,989	1,425,413
	<u>191,098,175</u>	<u>176,900,887</u>	<u>162,864,120</u>	<u>152,914,960</u>	<u>143,004,021</u>	<u>127,921,850</u>
<b>Deductions from rate base:</b>						
Accumulated depreciation	61,301,494	54,910,130	49,783,961	44,979,538	41,052,797	37,219,139
Consumer advances	637,286	552,395	512,072	490,457	446,072	416,640
	<u>61,938,780</u>	<u>55,462,525</u>	<u>50,296,033</u>	<u>45,470,000</u>	<u>41,498,872</u>	<u>37,635,784</u>
<b>Net rate base</b>	<u>\$129,159,395</u>	<u>\$121,438,362</u>	<u>\$112,568,087</u>	<u>\$107,444,965</u>	<u>\$101,505,152</u>	<u>\$90,286,071</u>

**Owen Electric Cooperative**  
**Case No. 2008-00154**  
**TIER and DSC Calculations**  
December 31, 2007

	<u>Actual</u> <u>Test Year</u>	<u>Adjusted</u> <u>Test Year</u>
<b>TIER:</b>		
Margins, excluding G&T		
capital credits and extraordinary item:	(\$826,057)	\$4,302,409
Interest on long term debt	3,823,761	4,302,409
 TIER	 0.78	 2.00
<b>DSC:</b>		
Margins, excluding G&T		
capital credits	(\$826,057)	\$4,302,409
Depreciation expense	9,656,698	8,481,034
Interest on long term debt	3,823,761	4,302,409
Principal payment on		
long term debt	2,652,028	2,652,028
 DSC	 1.95	 2.46

DSC = (Margins + depreciation + interest  
/ interest + principal payments)

**Owen Electric Cooperative**  
**Case No. 2008-00154**  
**TIER and DSC Calculations**  
December 31, 2007

	Calendar Year					
	Test Year 2007	1st 2006	2nd 2005	3rd 2004	4th 2003	5th 2002
<b>TIER calculations:</b>						
Margins, excluding G&T capital credits	(\$826,057)	\$971,790	\$3,847,830	\$3,233,634	\$3,136,652	\$3,318,671
Interest on long term debt	3,823,761	3,478,074	2,770,461	2,081,637	2,028,332	2,388,491
<b>Modified TIER</b>	<b>0.78</b>	<b>1.28</b>	<b>2.39</b>	<b>2.55</b>	<b>2.55</b>	<b>2.39</b>
Margins, including G&T capital credits	(\$826,057)	\$971,790	\$3,847,830	\$3,233,634	\$6,693,104	\$8,425,299
Interest on long term debt	3,823,761	3,478,074	2,770,461	2,081,637	2,028,332	2,388,491
<b>TIER</b>	<b>0.78</b>	<b>1.28</b>	<b>2.39</b>	<b>2.55</b>	<b>4.30</b>	<b>4.53</b>
<b>DSC calculations:</b>						
DSC = ((Margins + depreciation + interest) / (interest + principal payments))						
Margins, excluding G&T capital credits	(\$826,057)	\$971,790	\$3,847,830	\$3,233,634	\$3,136,652	\$3,318,671
Depreciation expense	9,656,698	7,374,959	6,824,468	6,414,591	5,871,646	5,530,745
Interest on long term debt	3,823,761	3,478,074	2,770,461	2,081,637	2,028,332	2,388,491
Principal payment on long term debt	2,652,028	2,473,176	2,336,728	2,207,266	1,528,839	1,734,823
<b>Modified DSC</b>	<b><u>1.95</u></b>	<b><u>1.99</u></b>	<b><u>2.63</u></b>	<b><u>2.73</u></b>	<b><u>3.10</u></b>	<b><u>2.73</u></b>
Margins, including G&T capital credits	(\$826,057)	\$971,790	\$3,847,830	\$3,233,634	\$6,693,104	\$8,425,299
Depreciation expense	9,656,698	7,374,959	6,824,468	6,414,591	5,871,646	5,530,745
Interest on long term debt	3,823,761	3,478,074	2,770,461	2,081,637	2,028,332	2,388,491
Principal payment on long term debt	2,652,028	2,473,176	2,336,728	2,207,266	1,528,839	1,734,823
<b>DSC</b>	<b><u>1.95</u></b>	<b><u>1.99</u></b>	<b><u>2.63</u></b>	<b><u>2.73</u></b>	<b><u>4.10</u></b>	<b><u>3.96</u></b>

**Owen Electric Cooperative**  
**Case No. 2008-00154**  
**Equity Capitalization**  
**December 31, 2007**

Adjusted Test Year	Test Year 2007	Calendar Year					
		2006	2005	2004	2003	2002	
<b><u>Equity Capitalization:</u></b>							
<b><u>without G&amp;T patronage capital</u></b>							
Total margins and equities	\$58,527,004	\$53,398,538	\$55,426,795	\$55,863,061	\$53,250,086	\$51,206,257	\$45,598,319
Less G&T Patronage capital	17,656,336	17,656,336	17,656,336	17,656,336	17,656,336	14,099,884	8,993,256
	40,870,668	35,742,202	37,770,459	38,206,725	35,593,750	37,106,373	36,605,063
Long-term debt	83,591,255	83,591,255	73,243,283	69,731,460	60,601,453	58,808,720	56,930,261
Total	<u>\$124,461,923</u>	<u>\$119,333,457</u>	<u>\$111,013,742</u>	<u>\$107,938,185</u>	<u>\$96,195,203</u>	<u>\$95,915,093</u>	<u>\$93,535,324</u>
Equity capitalization ratio	<u>33%</u>	<u>30%</u>	<u>34%</u>	<u>35%</u>	<u>37%</u>	<u>39%</u>	<u>39%</u>
<b><u>Equity Capitalization:</u></b>							
<b><u>with G&amp;T patronage capital</u></b>							
Total margins and equities	\$58,527,004	\$53,398,538	\$55,426,795	\$55,863,061	\$53,250,086	\$51,206,257	\$45,598,319
Long-term debt	83,591,255	83,591,255	73,243,283	69,731,460	60,601,453	58,808,720	56,930,261
Total	<u>\$142,118,259</u>	<u>\$136,989,793</u>	<u>\$128,670,078</u>	<u>\$125,594,521</u>	<u>\$113,851,539</u>	<u>\$110,014,977</u>	<u>\$102,528,580</u>
Equity capitalization ratio	<u>41%</u>	<u>39%</u>	<u>43%</u>	<u>44%</u>	<u>47%</u>	<u>47%</u>	<u>44%</u>
<b><u>Equity to Total Assets:</u></b>							
<b><u>with G&amp;T patronage capital</u></b>							
Total margins and debt	\$142,118,259	\$136,989,793	\$128,670,078	\$125,594,521	\$113,851,539	\$110,014,977	\$102,528,580
Total assets	164,712,493	159,543,437	151,937,593	143,995,264	140,082,716	131,278,967	116,083,550
Total	<u>\$306,830,752</u>	<u>\$296,533,230</u>	<u>\$280,607,671</u>	<u>\$269,589,785</u>	<u>\$253,934,255</u>	<u>\$241,293,944</u>	<u>\$218,612,130</u>
Equity to total asset ratio	<u>46%</u>	<u>46%</u>	<u>46%</u>	<u>47%</u>	<u>45%</u>	<u>46%</u>	<u>47%</u>

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**Owen Electric Cooperative**  
**Case No. 2008-00154**  
**Reconciliation of Rate Base and Capital**  
December 31, 2007

Reconciliation of Rate Base and Capital used to determine revenue requirements  
are as follows:

**Equity Capitalization, with  
G&T capital credits**

136,989,793

G&T capital credits

(17,656,336)

119,333,457

Reconciling items:

Capital credits from associated organizations  
(Allocated but unpaid)

(3,962,992)

Working capital requirements

1,757,084

Material and supplies, 13 month average

1,141,357

Prepayments, 13 month average

483,537

Cash and temporary investments

(1,235,808)

Accounts receivable

(8,561,986)

Other receivables

(106,923)

Material and supplies

(972,866)

Prepayments

(513,037)

Other current assets

(263,673)

Other deferred debits

144,887

Accumulated operating provisions

6,151,972

Notes payable

5,720,933

Accounts payable

4,839,938

Consumer deposits

2,352,442

Accrued expenses

2,851,073

0

**Net Rate Base**

129,159,395

Exhibit M  
Page 1 of 15

ACCOUNT	DESCRIPTION	---RUS---	---TVA---	MARGIN	INACTIVE	BANK TRANSIT	BANK NAME
		B/S LINE	B/S LINE	INC ACCOUNT		BANK ACCOUNT	
102.00	ELECTRIC PLANT PURCHASED OR SOLD	1.00	1.00	102.00			0
106.00	COMPLETED CONST. NOT CLASSIFIED	1.00	1.00	106.00			0
107.00	INDIRECT LABOR- CONST. OVERHEAD	2.00	2.00	107.00			0
107.20	CONSTRUCTION WORK IN PROGRESS	2.00	2.00	107.20			0
107.21	C.W.I.P - OVHD ADJ	2.00	2.00	107.21			0
107.30	C.W.I.P. - SPECIAL EQUIPMENT	2.00	2.00	107.30			0
108.00	INDIRECT LABOR- RETIRE. OVERHEAD	4.00	4.00	108.00			0
108.60	ACC.DEPREC.-DISTRIBUTION PLANT	4.00	4.00	108.60			0
108.61	UNAMORTIZED DEPREC.DEFICIENCY	4.00	4.00	108.61			0
108.70	ACC.DEPREC.-STRUCT.&IMPROVEMENTS	4.00	4.00	108.70			0
108.71	ACC.DEPREC.-OFFICE FURNITURE	4.00	4.00	108.71			0
108.72	ACC.DEPREC.-TRANSPORTATION EQUIP	4.00	4.00	108.72			0
108.73	ACC.DEPREC.-STORES	4.00	4.00	108.73			0
108.74	ACC.DEPREC.-SHOP	4.00	4.00	108.74			0
108.75	ACC.DEPREC.-LABORATORY EQUIPMENT	4.00	4.00	108.75			0
108.76	ACC.DEPREC.-POWER OPER.EQUIPMENT	4.00	4.00	108.76			0
108.77	ACC.DEPREC.-COMMUNICATION EQUIP.	4.00	4.00	108.77			0
108.78	ACC.DEPREC.-MISCELLANEOUS	4.00	4.00	108.78			0
108.79	ACC.DEPREC.-OTHER TANGIBLE PROP.	4.00	4.00	108.79			0
108.80	RETIREMENT WORK IN PROGRESS	4.00	4.00	108.80			0
108.81	R.W.I.P - OVHD ADJ	4.00	4.00	108.81			0
111.00	ACCUM.PROV.-AMORTIZATION PLANT	4.00	4.00	111.00			0
123.10	INV.ASSO.CO.-PAT.CAP., ASSO.COOPS	8.00	7.00	123.10			0
123.11	INVESTMENT IN SUBSIDIARY COMPANY	7.00	7.00	123.11			0
123.20	INVEST.IN ASSOC.COMPANIES-OTHER	10.00	9.00	123.20			0
123.21	SUBSCRIPT.TO CAP.TERM CERT.-CFC	39.00	36.00	123.21			0

ACCOUNT	DESCRIPTION	-----RUS----- B/S INC LINE LINE	-----TVA----- B/S INC LINE LINE	MARGIN ACCOUNT	INACTIVE	BANK TRANSIT BANK ACCOUNT	BANK NAME
123.22	INVEST. IN CAPITAL TERM CERT.-CFC	10.00	9.00	123.22		0	
123.23	OTHER INVEST. IN ASSOC. CO.-CFC	10.00	9.00	123.23		0	
123.24	OTHER INVEST. IN ASSOC. CO.-LBC	10.00	9.00	123.24		0	
123.25	OTHER INVEST IN ASSOC CO-MISC CO	10.00	9.00	123.25		0	
123.26	INVEST.-CTC'S-NON INTEREST-CFC	10.00	9.00	123.26		0	
123.27	OTHER INVEST IN ASSOC. CO.-COBANK	10.00	9.00	123.27			
124.10	OTHER INVEST. BUS. DEVL. CORP. KY	12.00	11.00	124.10			
124.11	OTH. INVEST.-OWEN CO. INDUST. FOUND	12.00	11.00	124.11			
124.12	OTHER INVEST-CARROLL. EDUC. FUND	12.00	11.00	124.12			
124.13	OTHER INVEST - CARROLL CO COM DE	12.00	11.00	124.13			
124.14	OTHER INVEST - FIDELITY	12.00	11.00	124.14			
124.20	OTHER INV.-DEFERRED COMPENSATION	12.00	11.00	124.20			
128.00	OTHER SPECIAL FUNDS-DIRECTOR INS	13.00	12.00	128.00			
128.10	OTHER SPECIAL FUNDS-EXEC. RETIRE.	13.00	12.00	128.10			
131.10	CASH- GEN. & OPER.-FIRST FARMERS	15.00	14.00	131.10		13140	FIRST FARMERS BANK & TRUST
131.11	CASH-G60/SEDC	15.00	14.00	131.11		71051024	FIRST FARMERS BANK
131.12	CASH-GRANT OFFICE-BANK OF KY	15.00	14.00	131.12		083903069	BANK OF KENTUCKY
131.13	CASH-BOONE OFFICE-BANK OF KY	15.00	14.00	131.13		71098340	BANK OF KENTUCKY
131.14	CASH-PENDLETON OFFICE-FARMERS	15.00	14.00	131.14		13140	BANK OF KENTUCKY
131.15	PAYROLL ACCOUNT	15.00	14.00	131.15		00164682	THE FARMERS BANK OF BUTLER
131.16	CASH-SCOTT CO-FIRST NAT'L BANK	15.00	14.00	131.16		13140	FIRST FARMERS BANK & TRUST
131.17	LOCK BOX ACCT. BANK OF KENTUCKY	15.00	14.00	131.17		00101575	FIRST NATIONAL BANK & TRUST
131.20	CASH-CONST. FUND TRUSTEE-FARMERS	16.00	15.00	131.20		11111	BANK OF KENTUCKY LOCK BOX
131.30	CASH-CONSUMER REFUND- BANK OF KY	15.00	14.00	131.30		0159077	FIRST FARMERS BANK & TRUST
131.40	TRANSFER OF CASH	15.00	14.00	131.40		13140	BANK OF KENTUCKY
131.60	CASH-CAPITAL CREDITS- BANK OF KY	15.00	14.00	131.60		00159107	TRANSFER ACCOUNT ONLY
						13140	BANK OF KENTUCKY
						00159115	

Exhibit M  
Page 2 of 15



ACCOUNT MASTER LISTING  
ALL ACCOUNTS

OWEN ELECTRIC COOP., INC.  
PRG. GLACC

RUN DATE 06/18/08 08:49 AM

J

Exhibit M  
Page 3 of 15

ACCOUNT	DESCRIPTION	-----RUS----- B/S LINE	INC LINE	-----TVA----- B/S LINE	INC LINE	MARGIN ACCOUNT	INACTIVE	BANK TRANSIT BANK ACCOUNT	BANK NAME
134.00	OTHER SPECIAL DEPOSITS	17.00	16.00			134.00			
135.00	WORKING FUNDS	15.00	14.00			135.00			
136.00	TEMPORARY CASH INVESTMENTS	18.00	17.00			136.00			
142.00	CONSUMER ACCOUNTS RECEIVABLE	20.00	20.00			142.00			
142.10	GALLATIN STEEL ACCOUNTS RECEIV	20.00	20.00			142.10			
143.00	OTHER ACCTS.REC.-EMPLOYEE/DIREC.	21.00	20.00			143.00			
143.10	OTHER ACCTS.REC-EMPLOYEE MED.INS	21.00	20.00			143.10			
143.20	OTHER ACCOUNTS RECEIVABLE-CALICO	21.00	20.00			143.20			
143.30	OTHER ACCTS.REC.-RETIREMENT INS.	21.00	20.00			143.30			
143.40	OTHER ACCTS.REC.-CREDIT UNION	21.00	20.00			143.40			
143.50	OTHER ACCTS.REC.-MISC.BILLING	21.00	20.00			143.50			
143.51	MISC. BILLING - SHELBY RECC	21.00	20.00			143.51			
143.52	OTHER ACCTS. REC. - MISC.1-1-07	21.00	20.00			143.52			
143.60	ACCOUNTS RECEIVABLE UNITED WAY	21.00	20.00			143.60			
143.70	ACCOUNTS RECEIVE.-OWEN SERVICES	21.00	20.00			143.70			
143.90	OTHER ACCTS.REC-RCCU WITHDRAWALS	21.00	21.00			143.90			
144.10	ACCUM.PROV.FOR UNCOLL.CONS.ACCTS	20.00	19.00			144.10			
144.40	ACCU.PROV.FOR UNCOLL.ACCTS.-OTH.	21.00	20.00			144.40			
154.10	PLANT MATERIALS	22.00	21.00			154.10			
154.20	TANK GASOLINE-WALTON WHSE	22.00	21.00			154.20			
154.30	PLANT MATERIALS-METER BASES	22.00	21.00			154.30			
154.40	TANK GASOLINE-HEADQUARTERS	22.00	21.00			154.40			
154.50	TANK GASOLINE- SERVICE CENTER	22.00	21.00			154.50			
155.00	MERCHANDISE	22.00	21.00			155.00			
155.10	MERCHANDISE-APPLIANCES	22.00	21.00			155.10			
155.20	MERCHANDISE-APPLI.SALES-CLEARING	22.00	21.00			155.20			

Exhibit M  
Page 4 of 15

ACCOUNT	DESCRIPTION	-----RUS----- B/S LINE	INC LINE	-----TVA----- B/S LINE	INC LINE	MARGIN ACCOUNT	INACTIVE	BANK TRANSIT BANK ACCOUNT	BANK NAME
163.00	STORES EXPENSES-CLEARING	22.00	21.00	163.00					
163.10	MINOR MATERIAL	22.00	21.00	163.10					
163.20	Plant Clearing Account	22.00	21.00	163.20					
165.00	PREPAYMENTS	23.00	22.00	165.00					
165.10	PREPAYMENTS-INSURANCE	23.00	22.00	165.10					
165.20	PREPAYMENTS-EXEC.RETIREMENT INS.	23.00	22.00	165.20					
165.30	PREPAYMENTS-PREPAID EXPENSES	23.00	22.00	165.30					
165.50	PREPAYMENTS-PREPAID SALES TAX	23.00	22.00	165.50					
165.60	PREPAYMENTS-DIRECTOR LIFE INS.	23.00	22.00	165.60					
171.10	INTEREST & DIVI.RECEIVABLE-MISC.	24.00	23.00	171.10					
171.12	INTEREST & DIVID.RECEIVABLE-CFC	24.00	23.00	171.12					
171.13	INT.& DIV.REC.-KAEC HEADQUARTERS	24.00	23.00	171.13					
171.14	INT.& DIV.REC.-KAEC CONSUMER CR.	24.00	23.00	171.14					
171.15	INT.& DIV.REC.-PCB DETOX.CERT.	24.00	23.00	171.15					
172.00	RENTS REC.-JOINT USE POLE RENTAL	24.00	23.00	172.00					
181.00	UNAMORTIZED DEBT EXPENSE	27.00	25.00	181.00					
184.40	TRANSPORTATION EXPENSE	27.00	25.00	184.40					
186.00	MISCELLANEOUS DEFERRED DEBITS	27.00	25.00	186.00					
186.10	DEFERRED BENEFITS EXPENSES	27.00	25.00	186.10					
186.20	MISC.DEF.DEBITS-NEW HEADQUARTERS	27.00	25.00	186.20					
186.30	DEFERRED-EMPLOYER 401K MATCH EXP	27.00	25.00	186.30					
186.40	WALTON FACILITY EXPANSION	27.00	25.00	186.40					
186.50	TELEPHONE & OTHER EXP - CLEARING	27.00	25.00	186.50					
186.60	MISC. AMI EXPENSES	27.00	25.00	186.60					
186.70	Fixed Assets Additions/Adj	27.00	25.00	186.70					
200.10	MEMBERSHIPS ISSUED - \$5,\$10,\$25	29.00	27.00	200.10					

ACCOUNT	DESCRIPTION	-----RUS----- B/S LINE	-----TVA----- B/S LINE	MARGIN ACCOUNT	INACTIVE	BANK TRANSIT BANK ACCOUNT	BANK NAME
201.10	PATRONS CAPITAL CREDITS	30.00	28.00	201.10			
201.11	PATRONS CAP. CRED.-ASSOC. ORGAN.	30.00	28.00	201.11			
201.20	PATRONAGE CAPITAL ASSIGNABLE	30.00	28.00	201.20			
201.21	PAT. CAP. ASIGN.-PRIOR YRS.N-OPR	30.00	28.00	201.21			
208.00	DONATED CAPITAL	34.00	32.00	208.00			
217.00	RETIRED CAPITAL CREDITS - GAIN	34.00	32.00	217.00			
219.10	OPERATING MARGINS	32.00	30.00	219.10			
219.20	NON-OPERATING MARGINS	33.00	31.00	219.20			
224.11	OTHER LONG-TERM DEBT-SUBSCR.-CFC	39.00	36.00	224.11			
224.12	OTHER LONG-TERM DEBT - CFC	39.00	36.00	224.12			
224.13	CFC NOTES EXECUTED- DEBIT	39.00	36.00	224.13			
224.30	LONG-TERM DEBT-RUS CONST. NOTES	36.00	34.00	224.30			
224.40	RUS NOTES EXECUTED - CONST. - DR	36.00	34.00	224.40			
224.50	INTER. ACCRUAL-DEFER.-REA CONST.	36.00	34.00	224.50			
228.30	ACCUM.PROVISION FOR BENEFITS	44.00	43.00	228.30			
228.31	ACCUM.PROV.FOR BENEFITS-FUNDED	44.00	43.00	228.31			
231.00	NOTES PAYABLE	46.00	39.00	231.00			
232.00	ACCOUNTS PAYABLE	47.00	40.00	232.00			
232.10	ACCOUNTS PAYABLE - CUSTOMER REF.	47.00	40.00	232.10			
232.15	PO Receiving Liability Account	47.00	40.00	232.15			
232.20	ACCOUNTS PAYABLE - UNION DUES	47.00	40.00	232.20			
232.25	ACCOUNTS PAYABLE - ACRE W/H	47.00	40.00	232.25			
232.26	ACCOUNTS PAYABLE - UNITED WAY	47.00	40.00	232.26			
232.27	ACCOUNTS PAYABLE-UNITED CHARITY	47.00	40.00	232.27			
232.28	ACCOUNTS PAYABLE - EMP.FUND	47.00	40.00	232.28			
232.30	ACCOUNTS PAYABLE - 401K CONTRIB.	47.00	40.00	232.30			

Exhibit M  
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ACCOUNT	DESCRIPTION	-----RUS----- B/S LINE	-----TVA----- B/S LINE	MARGIN INC ACCOUNT	INACTIVE	BANK TRANSIT BANK ACCOUNT	BANK NAME
232.31	ACCOUNT PAY.-401K EMPLOYER MATCH	47.00	40.00	232.31			
232.32	ACCOUNTS PAYABLE 457	47.00	40.00	232.32			
232.40	ACCOUNTS PAYABLE - HOMESTEAD	47.00	46.00	232.40			
232.50	ACCOUNTS PAYABLE - MISCELLANEOUS	47.00	40.00	232.50			
232.60	ACCT.PAYABLE-ROADGARD RECEIPTS	47.00	46.00	232.60			
232.70	ACCT.PAYABLE-HOMEGARD RECEIPTS	47.00	46.00	232.70			
232.90	ACCOUNTS PAYABLE- RCCU RECEIPTS	47.00	46.00	232.90			
232.95	ACC.PAYABLE-KENTUCKY UTIL. PMTS.	47.00	46.00	232.95			
235.00	CUSTOMER DEPOSITS	48.00	41.00	235.00			
235.10	INTEREST PAYABLE ON CUST.DEPOSIT	48.00	41.00	235.10			
235.50	DEPOSITS - OTHER	48.00	41.00	235.50			
236.10	ACCRUED PROPERTY TAXES	52.00	42.00	236.10			
236.20	FEDERAL EMPLOYMENT	52.00	42.00	236.20			
236.30	FICA	52.00	42.00	236.30			
236.40	ACCRUED STATE SS TAX- UNEMPLOY.	52.00	42.00	236.40			
236.45	ACCRUED STATE-IND SS TAX-UNEMP.	52.00	42.00	236.45			
236.50	ACCRUED STATE SALES TAX-CONSUMER	52.00	42.00	236.50			
236.61	ACCRUED SCHOOL TAX-OWEN CO.	52.00	42.00	236.61			
236.62	ACCRUED SCHOOL TAX-GRANT CO.	52.00	42.00	236.62			
236.63	ACCRUED SCHOOL TAX-PENDLETON CO.	52.00	42.00	236.63			
236.64	ACCRUED SCHOOL TAX- GALLATIN CO.	52.00	42.00	236.64			
236.65	ACCRUED SCHOOL TAX-SCOTT CO.	52.00	42.00	236.65			
236.66	ACCRUED SCHOOL TAX-BOONE CO.	52.00	42.00	236.66			
236.67	ACCRUED SCHOOL TAX-KENTON CO.	52.00	42.00	236.67			
236.68	ACCRUED SCHOOL TAX-CAMPBELL CO.	52.00	42.00	236.68			
236.69	ACCRUED SCHOOL TAX-CARROLL CO.	52.00	42.00	236.69			

Exhibit M  
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ACCOUNT	DESCRIPTION	-----RUS----- B/S LINE	-----TVA----- B/S LINE	MARGIN ACCOUNT	INACTIVE	BANK TRANSIT BANK ACCOUNT	BANK NAME
236.70	FRANCHISE FEES PAYABLE-COVINGTON	52.00	42.00	236.70			
236.74	FRANCHISE TAX PAYABLE - SPARTA	52.00	42.00	236.74			
236.75	FRANCHISE FEE PAYABLE-GEORGETOWN	52.00	42.00	236.75			
236.80	ACCRUED STATE SALES TAX - USE	52.00	42.00	236.80			
236.90	ACCRUED STATE SALES TAX - MISC.	52.00	42.00	236.90			
237.10	INTEREST ACCR.-RUS CONST.OBLIG.	52.00	42.00	237.10			
237.20	INTEREST ACCR.-CFC CONST. OBLIG.	52.00	42.00	237.20			
237.30	INT. ACCR.-CFC & OTHER SHORTTERM	52.00	42.00	237.30			
241.00	TAX COLL.PAY.-FEDERAL INCOME TAX	52.00	42.00	241.00			
241.10	TAX COL.PAYABLE-STATE INCOME TAX	52.00	42.00	241.10			
241.15	TAX COL.PAYABLE-STATE-IND.INCTAX	52.00	42.00	241.15			
241.20	TAX COL.PAYABLE-KENTON CO.OCCUP.	52.00	42.00	241.20			
241.21	TAX COL.PAYABLE-KENTON & INDEP.	52.00	42.00	241.21			
241.22	TAX COL.PAYABLE-INDEPEND. CITY	52.00	42.00	241.22			
241.23	TAX COL.PAYABLE-ERLANGER CITY	52.00	42.00	241.23			
241.24	TAX COL PAYABLE COVINGTON CITY	52.00	42.00	241.24			
241.30	TAX COL.PAYABLE-BOONE CO.OCCUP.	52.00	42.00	241.30			
241.31	TAX.COL.PAYABLE-BOONE & SPECIAL	52.00	42.00	241.31			
241.32	TAX COL.PAYABLE-BOONE SPECIAL	52.00	42.00	241.32			
241.40	TAX COL.PAY-G'TOWN&SCOTT CO.OCCU	52.00	42.00	241.40			
241.41	TAX COL.PAYABLE-GEORGETOWN CITY	52.00	48.00	241.41			
241.50	TAX COL.PAYABLE-CARROLL CO.OCCUP	52.00	42.00	241.50			
241.60	TAX COL.PAYABLE-OWENTON CITY	52.00	42.00	241.60			
241.61	TAX COL PAYABLE PENDLETON CO	52.00	42.00	241.61			
241.70	TAX COL.PAYABLE-DRY RIDGE OCCUPA	52.00	42.00	241.70			
241.80	TAX COLL.PAYABLE-ALEXANDRIA CITY	52.00	48.00	241.80			

Exhibit M  
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ACCOUNT	DESCRIPTION	-----RUS----- B/S LINE	INC LINE	-----TVA----- B/S LINE	INC LINE	MARGIN ACCOUNT	INACTIVE	BANK TRANSIT BANK ACCOUNT	BANK NAME
241.81	CAMPBELL CO. W/H	52.00		42.00		241.81			
241.90	FLORENCE CITY PAYROLL TAX	52.00		42.00		241.90			
241.91	TAX COL PAYABLE FLO & BOONE (OV)	52.00		42.00		241.91			
241.95	TAX COL.PAYABLE-SWITZERLAND,IND.	52.00		42.00		241.95			
242.00	CURRENT & ACCR. LIAB.-WINTERCARE	52.00		42.00		242.00			
242.01	CURR.& ACCR.LIAB-SECUREPAY INS	52.00		42.00		242.01			
242.10	CURR.& ACCURED LIAB.-EXEC. RET.	52.00		42.00		242.10			
242.20	CURNT.& ACCR.LIAB.-ACCR.PAYROLL	52.00		42.00		242.20			
242.21	CURR.& ACCR.PAY.-DIRECT DEPOSIT	38.00		39.00		242.21			
242.30	CUR.& ACCRUED LIAB.-VACATION	52.00		42.00		242.30			
242.40	CURR. & ACCRU LIAB. - SICKLEAVE	52.00		42.00		242.40			
242.41	SICKLEAVE HOURS	52.00		42.00		242.41			
242.50	CUR.& ACCRUED LIAB.-GROUP INSUR.	52.00		42.00		242.50			
242.60	CUR.& ACCRUED LIAB.-GEN.INSUR.	52.00		42.00		242.60			
242.70	CUR. & ACCRUED LIAB.-NRECA RET.	52.00		42.00		242.70			
242.75	NRECA LIFE INSURANCE	52.00		42.00		242.75			
242.80	CUR.& ACCRUED LIAB.-COLONIAL INS	52.00		42.00		242.80			
242.81	CUR.& ACCR.LIAB.-EQUITABLE INS.	52.00		42.00		242.81			
242.82	DENTAL INSURANCE W/H	52.00		42.00		242.82			
242.83	VISION INS. W/H	52.00		42.00		242.83			
242.84	MEDICAL FLEX SPEND W/H	52.00		42.00		242.84			
242.85	LONG TERM CARE INS	52.00		42.00		242.85			
242.86	RELAY-LIFE	52.00		42.00		242.86			
242.90	CUR.& ACCR.LIAB.-LINCOLN INSUR.	52.00		42.00		242.90			
252.00	CUSTOMER ADVANCES FOR CONSTRUCT.	55.00		44.00		252.00			
253.00	OTHER DEFERRED CREDITS	55.00		44.00		253.00			

OWEN ELECTRIC COOP., INC.  
PRG. GLACCF

ACCOUNT MASTER LISTING  
ALL ACCOUNTS

RUN DATE 06/18/08 08:49 AM

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ACCOUNT	DESCRIPTION	-----RUS----- B/S INC LINE LINE	-----TVA----- B/S INC LINE LINE	MARGIN ACCOUNT	INACTIVE	BANK TRANSIT BANK ACCOUNT	BANK NAME
253.10	DEFERRED CREDITS - PREPAID CIAC	55.00	44.00	253.10			
253.20	DEF. CREDITS-ENERGY CERTIFICATES	55.00	44.00	253.20			
265.20	MISC.OPER.RESERVES-DEFERRED COMP	46.00	45.00	265.20			
364.00	POLES, TOWERS & FIXTURES	1.00	1.00	364.00			0
365.00	OVERHEAD CONDUCTORS & DEVICES	1.00	1.00	365.00			0
366.00	UNDERGROUND CONDUIT	1.00	1.00	366.00			0
367.00	UNDERGROUND CONDUCTORS & DEVICES	1.00	1.00	367.00			0
367.10	U/G CABLE PRE 1987	1.00	1.00	367.10			0
368.00	LINE TRANSFORMERS	1.00	1.00	368.00			0
369.00	SERVICES	1.00	1.00	369.00			0
370.00	METERS	1.00	1.00	370.00			0
370.10	METERS - AMI	1.00	1.00	370.10			0
370.20	METERS - AMI COMMUN. DEVICES	1.00	1.00	370.20			0
370.30	METERS - AMI COMPUTER SOFTWARE	1.00	1.00	370.30			0
371.00	INSTALL. ON CONSUMER PREMISES	1.00	1.00	371.00			0
373.00	STREET LIGHTING & SIGNAL SYSTEMS	1.00	1.00	373.00			0
389.00	LAND & LAND RIGHTS	1.00	1.00	389.00			0
389.10	LAND & LAND RIGHTS-INDEPENDENCE	1.00	1.00	389.10			0
390.00	STRUC.& IMPROV.-OFFICE & WHSE.	1.00	1.00	390.00			0
391.00	OFFICE FURN. & EQUIPMENT	1.00	1.00	391.00			0
391.20	COMPUTER EQUIPMENT	1.00	1.00	391.20			0
392.00	TRANSPORTATION EQUIPMENT	1.00	1.00	392.00			0
393.00	STORES EQUIPMENT	1.00	1.00	393.00			0
394.00	TOOLS, SHOP, & GARAGE EQUIPMENT	1.00	1.00	394.00			0
395.00	LABORATORY EQUIPMENT	1.00	1.00	395.00			0
396.00	POWER OPERATED EQUIPMENT	1.00	1.00	396.00			0

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ACCOUNT	DESCRIPTION	----RUS-- B/S LINE	INC LINE	-----TVA----- B/S LINE	INC LINE	MARGIN ACCOUNT	INACTIVE	BANK TRANSIT BANK ACCOUNT	BANK NAME
397.00	COMMUNICATIONS EQUIPMENT	1.00		1.00		397.00			
398.00	MISCELLANEOUS EQUIPMENT	1.00		1.00		398.00			0
399.00	OTHER TANGIBLE PROPERTY	1.00		1.00		399.00			0
403.60	DEPREC.EXPENSE DISTRIBUTION PLT.	33.00	12.00	30.00	12.00	219.10			0
403.70	DEPRECIATION EXP.-GENERAL PLANT	33.00	12.00	30.00	12.00	219.10			
404.00	AMORTIZATION- LIMITED-TERM PLANT	33.00	12.00	30.00	12.00	219.10			
408.10	TAXES-PROPERTY	33.00	13.00	30.00	13.00	219.10			
408.20	TAXES-U.S. SOCIAL SEC.-UNEMPLOY.	33.00	14.00	30.00	14.00	219.10			
408.30	TAXES-U.S. SOCIAL SEC.-FICA	33.00	14.00	30.00	14.00	219.10			
408.40	TAXES-STATE SOCIAL SEC.-UNEMPLOY	33.00	14.00	30.00	14.00	219.10			
408.45	TAXES-STATE-IND-SOC.SEC.-UNEMP.	33.00		30.00		219.10			
408.50	TAXES-STATE SALES TAX	33.00	14.00	30.00	14.00	219.10			
408.60	TAXES-COUNTY SCHOOL TAXES	33.00	14.00	30.00	14.00	219.10			
408.70	TAXES - OTHER	33.00	14.00	30.00	14.00	219.10			
408.80	TAXES - USE	33.00	14.00	30.00	14.00	219.10			
408.90	TAXES - MISCELLANEOUS SALES	33.00	14.00	30.00	14.00	219.10			
415.00	REVENUES FROM MERCHANDISING	34.00	24.00	31.00	23.00	219.20			
416.00	COSTS & EXPENSES OF MERCHANDIS.	34.00	24.00	31.00	23.00	219.20			
417.00	REVENUES-NON-UTILITY OPERATIONS	34.00	24.00	31.00	23.00	219.20			
417.10	EXPENSES- NON-UTILITY OPERATIONS	34.00	24.00	34.00	24.00	219.20			
418.10	EQUITY IN EARNINGS OF SUBSIDIARY	34.00	23.00	34.00	23.00	219.20			
419.00	INTEREST & DIVIDEND INCOME	34.00	21.00	31.00	21.00	219.20			
419.10	INTEREST & DIV. INC. - EXEC LIFE	34.00	21.00	31.00	21.00	219.20			
421.00	MISC.NON-OPERATING INCOME	34.00	24.00	31.00	23.00	219.20			
421.10	MISC.NON-OPERATING INCOME-APPLI.	34.00	24.00	31.00	23.00	219.20			
421.20	GAIN(LOSS) ON DISP. OF PROPERTY	34.00	24.00	31.00	23.00	219.20			

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ACCOUNT	DESCRIPTION	-----RUS----- B/S INC LINE LINE	-----TVA----- B/S INC LINE LINE	MARGIN ACCOUNT	INACTIVE	BANK TRANSIT BANK ACCOUNT	BANK NAME
421.30	LOSS ON DISPOSITION OF PROPERTY	34.00 24.00	31.00 23.00	219.20			
423.00	GENER.&TRANS.COOP.CAPITAL CRED.	33.00 25.00	30.00 24.00	219.10			
424.00	OTHER CAP.CREDITS & PAT.DIVID.	33.00 26.00	30.00 25.00	219.10			
426.10	OTHER INCOME DEDUCT.-DONATIONS	33.00 18.00	30.00 18.00	219.10			
426.11	MISC DONATION-CAP CR SCHOLARSHIP	33.00 18.00	30.00 18.00	219.10			
426.20	MISC.DEDUCT.-EXEC.RETIRE.INS.	33.00 18.00	30.00 18.00	219.10			
426.30	PENALTIES	33.00 18.00	30.00 18.00	219.10			
426.40	OTHR INCOME DED.-CIV.& POL. ACT.	33.00 18.00	30.00 18.00	219.10			
426.50	MISC.INCOME DEDUCTIONS-OTHER	33.00 18.00	30.00 18.00	219.10			
426.60	MISC.DEDUCT.-DIRECTORS LIFE INS.	33.00 18.00	30.00 18.00	219.10			
427.10	INTEREST ON RUS CONSTRUCT. LOANS	33.00 15.00	30.00 15.00	219.10			
427.20	INTER.ON OTHR LONG-TERM DEBT-CFC	33.00 15.00	30.00 15.00	219.10			
428.00	AMORT. OF DEBT DISCOUNT & EXP.	33.00 18.00	30.00 18.00	219.10			
431.00	INTEREST ON SHORT-TERM DEBT	33.00 17.00	30.00 17.00	219.10			
431.10	INTEREST ON CUSTOMER DEPOSITS	33.00 17.00	30.00 17.00	219.10			
440.10	RESIDENTIAL SALES - RURAL	33.00 1.00	30.00 1.00	219.10			
440.20	SECURITY LIGHTS ONLY	33.00 1.00	30.00 1.00	219.10			
442.10	COMMERCIAL & INDUST.SALES-SMALL	33.00 1.00	30.00 1.00	219.10			
442.20	COMMERCIAL & INDUST.SALES-LARGE	33.00 1.00	30.00 1.00	219.10			
442.21	GALLATIN STEEL- INDUST. SALES	33.00 1.00	33.00 1.00	219.10			
444.00	PUBLIC STREET & HIGHWAY LIGHTING	33.00 1.00	30.00 1.00	219.10			
444.10	PUBLIC STREET & HIGHWAY LIGHTING	33.00 1.00	30.00 1.00	219.10			
444.20	PUBLIC ST.& HWY.LIGHTING-METERED	33.00 1.00	30.00 1.00	219.10			
445.00	OTHER SALES TO PUBLIC AUTHORIT.	33.00 1.00	30.00 1.00	219.10			
450.00	LATE PAYMENT PENALTIES	33.00 1.00	30.00 1.00	219.10			
451.00	MISC.SER.REV.-DISC.& RECON. FEES	33.00 1.00	30.00 1.00	219.10			

ACCOUNT	DESCRIPTION	-----RUS----- B/S LINE	INC LINE	-----TVA----- B/S LINE	INC LINE	MARGIN ACCOUNT	INACTIVE	BANK TRANSIT BANK ACCOUNT	BANK NAME
451.10	MISC.SER.REV.-METER READING FEES	33.00	1.00 30.00	1.00	219.10				
452.00	OTHER ELEC.REV.-BAD CHECK CHARGE	33.00	1.00 30.00	1.00	219.10				
454.00	RENT FROM ELECTRIC PROPERTY	33.00	1.00 30.00	1.00	219.10				
454.10	RENTAL FROM U/G TEMP OWNED BASE	33.00	1.00 30.00	1.00	219.10				
454.20	RENTAL O/H TEMP METER BASE	33.00	1.00 30.00	1.00	219.10				
454.30	RENTAL U/G METER BASE	33.00	1.00 30.00	1.00	219.10				
456.00	OTHER ELECTRIC REVENUE	33.00	1.00 30.00	1.00	219.10				
555.00	PURCHASED POWER	33.00	3.00 30.00	3.00	219.10				
555.10	GALLATIN STEEL-PURCHASED POWER	33.00	3.00 33.00	3.00	219.10				
580.00	OPER. SUPERVISION & ENGINEERING	33.00	5.00 30.00	5.00	219.10				
581.00	LOAD DISPATCHING	33.00	5.00 30.00	5.00	219.10				
582.00	STATION EXPENSE	33.00	5.00 30.00	5.00	219.10				
583.00	OVERHEAD LINE EXPENSE	33.00	5.00 30.00	5.00	219.10				
583.10	OVERHEAD LINE EXPENSE-LINE PATR.	33.00	5.00 30.00	5.00	219.10				
583.20	TRANSFORMER OUTAGE	33.00	5.00 30.00	5.00	219.10				
584.00	UNDERGROUND LINE EXPENSE	33.00	5.00 30.00	5.00	219.10				
586.00	METER EXPENSE	33.00	5.00 30.00	5.00	219.10				
586.10	U/G TEMP METER BASE EXP OWNED	33.00	5.00 30.00	5.00	219.10				
586.20	O/H TEMP METER BASE EXPENSE	33.00	5.00 30.00	5.00	219.10				
586.30	U/G TEMP METER BASE EXPENSE	33.00	5.00 30.00	5.00	219.10				
587.00	CONSUMER INSTALLATION EXPENSE	33.00	5.00 30.00	5.00	219.10				
588.00	MISCELLANEOUS DISTRIBUTION EXP.	33.00	5.00 30.00	5.00	219.10				
588.10	IT	33.00	5.00 30.00	5.00	219.10				
588.20	NEW TELEPHONE SYSTEM	33.00	5.00 30.00	5.00	219.10				
589.00	RENTS	33.00	5.00 30.00	5.00	219.10				
590.00	MAINT.SUPERVISION & ENGINEERING	33.00	6.00 30.00	6.00	219.10				

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ACCOUNT	DESCRIPTION	-----RUS----- B/S INC LINE LINE	-----TVA----- B/S INC LINE LINE	MARGIN ACCOUNT	INACTIVE	BANK TRANSIT BANK ACCOUNT	BANK NAME
593.00	MAINTENANCE OF OVERHEAD LINES	33.00 6.00 30.00	6.00	219.10			
593.10	O/H LINES OUTAGE	33.00 6.00 30.00	6.00	219.10			
593.20	MAINT. OF O/H LINES-RIGHT-OF-WAY	33.00 6.00 30.00	6.00	219.10			
593.40	MAINT. OF O/H LINES-SERVICE OCR'S	33.00 6.00 30.00	6.00	219.10			
593.50	MAINT. OF O/H LINES-POLE TREATMNT	33.00 6.00 30.00	6.00	219.10			
594.00	MAINT. OF UNDERGROUND LINES	33.00 6.00 30.00	6.00	219.10			
594.10	U/G OUTAGE	33.00 6.00 30.00	6.00	219.10			
595.00	MAINTENANCE OF LINE TRANSFORMER	33.00 6.00 30.00	6.00	219.10			
597.00	MAINTENANCE OF METERS	33.00 6.00 30.00	6.00	219.10			
901.00	SUPERVISION OF CONSUMER ACCOUNT.	33.00 7.00 30.00	7.00	219.10			
902.00	METER READING EXPENSE	33.00 7.00 30.00	7.00	219.10			
903.00	CONSUMER REC. AND COLLECTION EXP	33.00 7.00 30.00	7.00	219.10			
903.10	CONS. RCD. & COLL. EXP - IT	33.00 7.00 30.00	7.00	219.10			
904.00	UNCOLLECTABLE ACCOUNTS EXPENSE	33.00 7.00 30.00	7.00	219.10			
905.00	MISC. CONSUMER ACCOUNTS EXPENSE	33.00 7.00 30.00	7.00	219.10			
907.00	SUPERVISION OF CUSTOMER ASSIST.	33.00 8.00 30.00	8.00	219.10			
908.00	CUSTOMER ASSISTANCE EXPENSES	33.00 8.00 30.00	8.00	219.10			
908.10	CUSTOMER ASSIST. EXP.-APPLIANCES	33.00 8.00 30.00	8.00	219.10			
909.00	INF. & INSTRUCT. ADVERTISING EXP.	33.00 8.00 30.00	8.00	219.10			
910.00	MISC. CUSTOMER SERV. & INFORM EXP	33.00 8.00 30.00	8.00	219.10			
912.00	DEMONSTRATING & SELLING-KEY ACCT	33.00 8.00 30.00	8.00	219.10			
920.00	ADMINISTRATIVE & GEN. SALARIES	33.00 10.00 30.00	10.00	219.10			
920.10	ADMIN. & GEN SALARIES - IT	33.00 10.00 30.00	10.00	219.10			
920.20	ADM. & GEN. EXP.-CAPITAL CREDITS	33.00 10.00 30.00	10.00	219.10			
921.00	OFFICE SUPPLIES AND EXPENSE	33.00 10.00 30.00	10.00	219.10			
921.20	OFF.SUP.& EXP.-OVER & SHORT-OWEN	33.00 10.00 30.00	10.00	219.10			

ACCOUNT	DESCRIPTION	-----RUS----- B/S INC B/S INC LINE LINE LINE LINE	-----TVA----- INC INC LINE LINE	MARGIN ACCOUNT	INACTIVE	BANK TRANSIT BANK ACCOUNT	BANK NAME
921.30	OFF.SUP.& EXP.-OVER&SHORT-KENTON	33.00 10.00 30.00 10.00	10.00	219.10			
921.40	OFF.SUP.& EXP.-OVER&SHORT-GRANT	33.00 10.00 30.00 10.00	10.00	219.10			
921.50	OFF.SUP.& EXP.-OVER&SHORT-BOONE	33.00 10.00 30.00 10.00	10.00	219.10			
921.60	OFF.SUP.& EXP.-OVER&SHORT-PEND.	33.00 10.00 30.00 10.00	10.00	219.10			
921.70	OFF.SUP& EXP.-OVER & SHORT SCOTT	33.00 10.00 33.00 10.00	10.00	219.10			
921.80	OFF.SUP.& EXP.-OVER & SHORT BOK	33.00 10.00 33.00 10.00	10.00	219.10			
923.00	OUTSIDE SERVICES EMPLOYED	33.00 10.00 30.00 10.00	10.00	219.10			
924.00	PROPERTY INSURANCE	33.00 10.00 30.00 10.00	10.00	219.10			
925.00	INJURIES AND DAMAGES	33.00 10.00 30.00 10.00	10.00	219.10			
926.00	EMPLOYEES PENSIONS & BENEFITS	33.00 10.00 30.00 10.00	10.00	219.10			
928.00	REGULATORY COMMISSION EXPENSES	33.00 10.00 30.00 10.00	10.00	219.10			
929.00	DUPLICATE CHARGES-CREDIT ELECTRI	33.00 10.00 30.00 10.00	10.00	219.10			
930.00	MISC.GEN.EXP.-DIRECTORS EXPENSES	33.00 10.00 30.00 10.00	10.00	219.10			
930.10	MISC.GEN.EXP.-GENERAL ADVERTISSG.	33.00 10.00 30.00 10.00	10.00	219.10			
930.11	KEY ACCOUNTS/MARKETING	33.00 10.00 30.00 10.00	10.00	219.10			
930.20	MISC.GEN.EXP.- SECUREPAY INS.	33.00 10.00 30.00 10.00	10.00	219.10			
930.30	MISC.GEN.EXP.-DUES PD.ASSOC.ORG.	33.00 10.00 30.00 10.00	10.00	219.10			
930.40	MISC.GEN.EXP.-ANNUAL MEETING EXP	33.00 10.00 30.00 10.00	10.00	219.10			
930.50	MISC.GEN.EXP.-PROPERTY RECORDS	33.00 10.00 30.00 10.00	10.00	219.10			
931.00	RENTS - BRANCH OFFICES	33.00 10.00 30.00 10.00	10.00	219.10			
932.10	MAINT. GEN. PLANT-STRUCTURES	33.00 10.00 30.00 10.00	10.00	219.10			
932.20	MAINT.GEN.PLANT-OFFICE EQUIPMENT	33.00 10.00 30.00 10.00	10.00	219.10			
932.40	MAINT.GEN.PLANT-STORE EQUIPMENT	33.00 10.00 30.00 10.00	10.00	219.10			
932.50	MAINT.GEN.PLT.-TOOL.SHOP.GARAGE	33.00 10.00 30.00 10.00	10.00	219.10			
932.60	MAINT.GEN.PLT.-LABORATORY EQUIP.	33.00 10.00 30.00 10.00	10.00	219.10			
932.70	MAINT. OF POWER OPERATED EQUIP.	33.00 10.00 30.00 10.00	10.00	219.10			

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ACCOUNT	DESCRIPTION	----	RUS	----	TVA	----	MARGIN	INACTIVE	BANK TRANSIT	BANK NAME
		B/S	INC	B/S	INC	ACCOUNT			BANK ACCOUNT	
		LINE	LINE	LINE	LINE					
932.80	MAINT.GEN.PLT.-COMMUNICATION EQ.	33.00	10.00	30.00	10.00	219.10				
932.90	MAINT.GEN.PLT.-MISC. EQUIPMENT	33.00	10.00	30.00	10.00	219.10				

TOTAL ACCOUNTS 366

INCOME 129  
BAL/SHEET 237

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AUDITED FINANCIAL STATEMENTS  
**OWEN ELECTRIC COOPERATIVE, INC.**

December 31, 2007 and 2006

OWEN ELECTRIC COOPERATIVE, INC.

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**INDEPENDENT AUDITOR'S REPORT**

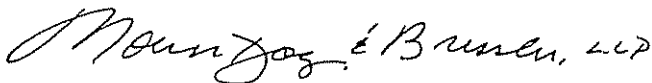
To the Board of Directors  
Owen Electric Cooperative, Inc.  
Owenton, Kentucky

We have audited the accompanying balance sheets of Owen Electric Cooperative, Inc. as of December 31, 2007 and 2006 and the related statements of operations, changes in members' and patrons' equities and cash flows for the years then ended. These financial statements are the responsibility of the Cooperative's management. Our responsibility is to express an opinion on these financial statements based on our audits

We conducted our audits in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Owen Electric Cooperative, Inc. as of December 31, 2007 and 2006 and the results of its operations and its cash flows for the years then ended in conformity with accounting principles generally accepted in the United States of America.

In accordance with *Government Auditing Standards*, we have also issued a report dated April 23, 2008 on our consideration of Owen Electric Cooperative, Inc.'s internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts, grants, agreements, and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be considered in assessing the results of our audit.



Louisville, Kentucky  
April 23, 2008



OWEN ELECTRIC COOPERATIVE, INC.

BALANCE SHEETS

	December 31	
	<u>2007</u>	<u>2006</u>
<b>ASSETS</b>		
<b>Electric Plant in Service, Net</b>	\$ 126,414,702	\$ 118,455,515
<b>Investments</b>		
Investments in associated organizations	3,531,420	3,374,878
Investment in East Kentucky Power Cooperative	17,656,336	17,657,085
Other	<u>2,000</u>	<u>1,000</u>
<b>Total investments</b>	21,189,756	21,032,963
<b>Current Assets</b>		
Cash and equivalents	1,234,358	1,394,891
Accounts receivable - customers (net of allowance for doubtful accounts of \$210,193 in 2007 and \$197,747 in 2006)	8,917,567	8,434,390
Materials and supplies	972,866	1,183,742
Prepayments and other	<u>814,189</u>	<u>1,436,093</u>
<b>Total current assets</b>	<u>11,938,980</u>	<u>12,449,116</u>
<b>Total assets</b>	<u>\$ 159,543,438</u>	<u>\$ 151,937,594</u>

See accompanying independent auditor's report  
and notes to financial statements

OWEN ELECTRIC COOPERATIVE, INC.

BALANCE SHEETS - CONTINUED

	December 31	
	<u>2007</u>	<u>2006</u>
<b>MEMBERS' AND PATRONS' EQUITIES AND LIABILITIES</b>		
<b>Members' and Patrons' Equities</b>		
Memberships	\$ 1,118,630	\$ 1,092,010
Patronage capital	50,513,864	52,525,744
Other equities	<u>1,766,045</u>	<u>1,809,042</u>
<b>Total members' and patrons' equities</b>	53,398,539	55,426,796
<b>Long-Term Debt and Other Liabilities</b>		
Long-term debt, less current maturities	80,993,861	70,584,714
Accrued sick leave	1,604,202	1,704,554
Postretirement benefits obligation	6,151,972	5,611,971
Advances for construction	<u>519,021</u>	<u>507,434</u>
<b>Total long-term debt and other liabilities</b>	89,269,056	78,408,673
<b>Current liabilities</b>		
Current portion of long-term debt	2,597,394	2,658,569
Lines-of-credit	5,720,933	5,683,178
Accounts payable	4,839,485	5,841,425
Accrued interest	186,720	603,762
Customer guaranty deposits	2,352,443	2,234,834
Other current liabilities	<u>1,178,868</u>	<u>1,080,357</u>
<b>Total current liabilities</b>	<u>16,875,843</u>	<u>18,102,125</u>
<b>Total members' and patrons' equities and liabilities</b>	<u>\$159,543,438</u>	<u>\$151,937,594</u>

See accompanying independent auditor's report  
and notes to financial statements

OWEN ELECTRIC COOPERATIVE, INC.

STATEMENTS OF OPERATIONS

	Year ended December 31			
	2007	%	2006	%
<b>Operating Revenue</b>				
<b>Sale of Electric Energy</b>				
Residential	\$ 66,226,928	46.32	\$ 58,613,658	45.25
Commercial	73,392,753	51.33	67,977,893	52.48
Public authorities and outdoor lighting	<u>1,597,668</u>	<u>1.12</u>	<u>1,233,287</u>	<u>0.95</u>
<b>Total sale of electric energy</b>	141,217,349	98.77	127,824,838	98.68
<b>Other Revenue</b>	<u>1,775,002</u>	<u>1.24</u>	<u>1,713,941</u>	<u>1.32</u>
<b>Total operating revenue</b>	142,992,351	100.01	129,538,779	100.00
<b>Operating Expenses</b>				
Cost of power	115,800,725	80.98	102,910,227	79.44
Distribution expense	7,151,934	5.00	7,908,160	6.10
Customer accounts expense	3,465,044	2.42	3,601,270	2.78
Customer services and information expense	384,855	0.27	288,285	0.22
Administrative and general expense	3,054,835	2.14	2,933,162	2.26
Depreciation	9,656,698	6.75	7,374,959	5.69
Taxes	<u>128,898</u>	<u>0.09</u>	<u>123,962</u>	<u>0.10</u>
<b>Total operating expense before interest</b>	<u>139,642,989</u>	<u>97.65</u>	<u>125,140,025</u>	<u>96.59</u>
<b>Net operating income</b>	3,349,362	2.36	4,398,754	3.41
<b>Non-Operating Income (Expense)</b>				
Interest expense	(4,643,549)	(3.25)	(3,752,519)	(2.90)
Other margins	39,530	0.03	32,762	0.03
Patronage capital	<u>428,601</u>	<u>0.30</u>	<u>292,794</u>	<u>0.23</u>
<b>Total non-operating expense</b>	<u>(4,175,418)</u>	<u>(2.92)</u>	<u>(3,426,963)</u>	<u>(2.64)</u>
<b>Net margins</b>	<u>\$ (826,056)</u>	<u>(0.56)</u>	<u>\$ 971,791</u>	<u>0.77</u>

See accompanying independent auditor's report and notes to financial statements

**OWEN ELECTRIC COOPERATIVE, INC.**

**STATEMENTS OF CHANGES IN MEMBERS' AND PATRONS' EQUITIES**

For the years ended December 31, 2007 and 2006

	Memberships	Patronage Capital			Other Equities		Total Members' and Patrons' Equities	
		Assignable	Assigned	Retired	Donated Capital	Retired Capital Credits Gains		
<b>Balance, December 30, 2005</b>	\$ 1,054,620	\$ 3,847,830	\$ 67,235,695	\$ (18,006,773)	\$ 53,076,752	\$ 28,596	\$ 1,731,690	\$ 55,863,062
Memberships issued, net of terminations	37,390	-	-	-	-	-	-	37,390
Retirements of patronage capital to estates of deceased members:								
Paid in cash	-	-	-	(166,610)	(166,610)	-	-	(166,610)
Applied to unpaid bills	-	-	-	(9,789)	(9,789)	-	-	(9,789)
General capital credit refund:								
Paid in cash	-	-	-	(630,088)	(630,088)	-	-	(630,088)
Applied to unpaid bills	-	-	-	(639,300)	(639,300)	-	-	(639,300)
Transferred to capital gains	-	-	-	(77,012)	(77,012)	-	77,012	-
Net margins	-	971,791	-	-	971,791	-	-	971,791
Assignment of patronage capital	-	(3,847,830)	3,847,830	-	-	-	-	-
Forfeiture of memberships	-	-	-	-	-	340	340	-
<b>Balance, December 31, 2006</b>	1,092,010	971,791	71,083,525	(19,529,572)	52,525,744	28,936	1,809,042	55,426,796
Memberships issued, net of terminations	26,620	-	-	-	-	-	-	26,620
Retirements of patronage capital to estates of deceased members:								
Paid in cash	-	-	-	(171,331)	(171,331)	-	-	(171,331)
Applied to unpaid bills	-	-	-	(20,869)	(20,869)	-	-	(20,869)
General capital credit refund:								
Paid in cash	-	-	-	(713,424)	(713,424)	-	-	(713,424)
Applied to unpaid bills	-	-	-	(323,203)	(323,203)	-	-	(323,203)
Transferred to capital gains	-	-	-	43,003	43,003	-	(43,003)	-
Net margins	-	(826,056)	-	-	(826,056)	-	-	(826,056)
Assignment of patronage capital	-	(971,791)	971,791	-	-	-	-	-
Forfeiture of memberships	-	-	-	-	-	6	6	-
<b>Balance, December 31, 2007</b>	\$ 1,118,630	\$ (826,056)	\$ 72,055,316	\$ (20,715,396)	\$ 50,513,864	\$ 28,942	\$ 1,766,045	\$ 53,398,539

See accompanying independent auditor's report and notes to financial statements

Exhibit N  
Page 7 of 23

OWEN ELECTRIC COOPERATIVE, INC.

STATEMENTS OF CASH FLOWS

	Year ended December 31	
	<u>2007</u>	<u>2006</u>
<b>Cash Flows From Operating Activities</b>		
Net margins	\$ (826,056)	\$ 971,791
Non-cash expenses included in net margins		
Patronage capital assigned but not paid by associated organizations	(428,601)	(292,794)
Depreciation	9,656,698	7,374,959
Bad debt expense	162,000	259,165
(Gain) loss on disposition of general plant	(12,954)	44,942
Charges for postretirement benefits obligation	540,001	519,133
Changes in current and non-current assets and liabilities:		
Accounts receivable	(645,177)	1,089,857
Materials and supplies	210,876	(116,833)
Prepayments and other	621,905	(414,719)
Accounts payable	(1,001,940)	333,224
Customer guaranty deposits and advances for construction	129,196	59,299
Accrued interest and other current liabilities	(318,531)	250,313
Accrued sick leave	(100,352)	241,966
	<u>7,987,065</u>	<u>10,320,303</u>
<b>Net cash provided by operating activities</b>		
<b>Cash Flows From Investing Activities</b>		
Additions to electric plant in service	(16,056,279)	(15,381,037)
Removal cost	(1,469,075)	(685,073)
Patronage capital received from associated organizations	194,230	183,492
	<u>(17,331,124)</u>	<u>(15,882,618)</u>
<b>Net cash used in investing activities</b>		
<b>Cash Flows From Financing Activities</b>		
Proceeds from long-term notes payable	41,967,650	5,985,000
Payment of principal on long-term notes payable	(31,619,678)	(2,473,178)
Membership fees	26,620	37,390
Patronage capital paid out	(1,228,821)	(1,445,445)
Net activity on lines-of-credit	37,755	3,462,836
	<u>9,183,526</u>	<u>5,566,603</u>
<b>Net cash provided by financing activities</b>		
<b>(Decrease) increase in cash and equivalents during the year</b>	(160,533)	4,288
<b>Cash and Equivalents, Beginning of Year</b>	<u>1,394,891</u>	<u>1,390,603</u>
<b>Cash and Equivalents, End of Year</b>	<u>\$ 1,234,358</u>	<u>\$ 1,394,891</u>

See accompanying independent auditor's report  
and notes to financial statements

**OWEN ELECTRIC COOPERATIVE, INC.**

STATEMENTS OF CASH FLOWS - CONTINUED

For the years ended December 31, 2007 and 2006

**Supplemental Disclosures of Cash Flow Information**

Interest paid

\$ 5,060,591    \$ 3,606,690

See accompanying independent auditor's report  
and notes to financial statements

**OWEN ELECTRIC COOPERATIVE, INC.**

NOTES TO FINANCIAL STATEMENTS

December 31, 2007 and 2006

**NOTE A--NATURE OF OPERATIONS AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

Organization and Nature of Business

Owen Electric Cooperative, Inc. (the Cooperative) is engaged in distributing power to its member consumers throughout nine northern Kentucky counties. The audited financial statements are prepared in accordance with policies prescribed or permitted by the Kentucky Public Service Commission (KPSC) and the United States Department of Agriculture Rural Utilities Services (RUS), which conform with generally accepted accounting principles as applied to regulated enterprises. The more significant of these policies are as follows:

Cash and Equivalents

For purposes of the statement of cash flows, the Cooperative considers short-term investments having maturities of three months or less at time of purchase to be cash equivalents.

Accounts Receivable

Accounts receivable consists of amounts due for sales of electric energy, which were not received by the Cooperative at year-end. Based on management's evaluation of uncollected accounts receivable at the end of each year, bad debts are provided for on the allowance method.

Materials and Supplies

The Cooperative values materials and supplies at the lower of cost or market. Cost is determined using the average cost method.

Electric Plant in Service

Utility plant is stated at original cost. Maintenance and repairs, including the cost of renewals of minor items of property, are charged to maintenance expense accounts. Replacements of property (exclusive of minor items) are charged to the utility plant accounts.

Depreciation is provided using the straight-line method at rates which are designed to amortize the cost of depreciable plant, net of estimated salvage value, over its estimated useful life. The composite depreciation rate for distribution plant was approximately 4.5% for both 2007 and 2006. General plant is being depreciated using specific identification straight-line method over the following estimated useful lives:

Structures and improvements	5-50
Miscellaneous equipment	5-20
Office, stores and lab equipment	5-20
Communication equipment	12
Transportation equipment	4-10
Power-operated equipment	7

When distribution plant is retired or otherwise disposed of in the normal course of business, an estimate of its cost, together with the cost of removal less salvage, is charged to the accumulated provision for depreciation. Gains and losses resulting from the sale or disposal of general plant are recognized in income currently.

OWEN ELECTRIC COOPERATIVE, INC.

NOTES TO FINANCIAL STATEMENTS--CONTINUED

December 31, 2007 and 2006

The major classifications of electric plant in service were as follows:

	December 31	
	<u>2007</u>	<u>2006</u>
Distribution plant	\$162,332,802	\$146,542,962
General plant	22,346,638	21,547,722
Construction in progress	<u>3,036,756</u>	<u>5,274,961</u>
	187,716,196	173,365,645
Accumulated depreciation	<u>61,301,494</u>	<u>54,910,130</u>
Electric plant in service, net	<u>\$126,414,702</u>	<u>\$118,455,515</u>

Revenue and Cost of Purchased Power

Revenue is recognized in the period in which billings are rendered to members. The cost of power is recognized in the period in which billings are received by the Cooperative. This policy results in one month's cost of power and approximately one-half month of revenue being unrecorded at each year end. The net effect of amounts of unrecorded revenue and cost of power were not material to the Cooperative's results of operations for 2007 or 2006.

Advertising Costs

The Cooperative records advertising expenses as they are incurred. Advertising expense amounted to \$325,403 and \$346,764 for the years ended December 31, 2007 and 2006, respectively.

Investments in Associated Organizations

The Cooperative follows the method of accounting as prescribed by the RUS Uniform System of Accounts in accounting for its investment in associated organizations. This accounting method results in the Cooperative recognizing in income its pro rata share of the associated organization's net margins in the year such margins are assigned. This accounting method does not provide for similar treatment for any losses of the associated organizations. Rather, such losses would not be assigned to member organizations and no additional margins are assigned until subsequent cumulative margins exceed prior cumulative losses.

Accrued Sick Leave

The Cooperative has a policy to pay available but untaken sick leave to employees who leave service. Such paid sick leave allows 100% of accrued sick leave for retiring employees, 100% of accrued sick leave for deceased employees (payment is made to deceased employees' beneficiary) and 20% of annual base salary for employees who voluntarily leave service prior to reaching retirement age.

Use of Estimates

Management uses estimates and assumptions in preparing these financial statements in accordance with accounting principals generally accepted in the United States of America. Those estimates and assumptions affect the reported amounts of assets and liabilities, disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Other

The Cooperative has a collective bargaining agreement with 52% of its employees which expires August 31, 2012.



**OWEN ELECTRIC COOPERATIVE, INC.**

NOTES TO FINANCIAL STATEMENTS--CONTINUED

December 31, 2007 and 2006

**NOTE B--INVESTMENTS IN ASSOCIATED ORGANIZATIONS**

**East Kentucky Power Cooperative:**

The Cooperative's investment of \$17,656,336 in EKPC, the sole supplier of power to the Cooperative, represents the Cooperative's equity ownership interest (approximately 11.3%) in EKPC. The Cooperative owed EKPC \$3,376,794 at December 31, 2007.

The Cooperative is contingently liable for long-term obligations of EKPC related to Charleston Bottoms to RUS and the National Rural Utilities Cooperative Finance Corporation in the amount of \$1,051,000 and \$1,476,000 at December 31, 2007 and 2006, respectively.

**Other Associated Organizations:**

Investments in other associated organizations consisted of:

	December 31	
	<u>2007</u>	<u>2006</u>
United Utility Supply Cooperative	\$ 812,667	\$ 774,418
Kentucky Association of Electric Cooperatives, Inc.	108,726	101,670
National Rural Utilities Cooperative Finance Corporation	469,797	437,732
Capital Term Certificates of National Rural Utilities Cooperative Finance Corporation	1,809,387	1,833,775
Southeastern Data Cooperative, Inc.	75,053	67,779
Other	<u>255,790</u>	<u>159,504</u>
	<u>\$ 3,531,420</u>	<u>\$ 3,374,878</u>

Substantially all of such investments, which consist mainly of patronage capital in the associated organization and capital term certificates are restricted by the respective organization and are not currently available for distribution. The patronage capital will be available to the Cooperative if the Cooperative should terminate its investment in the associated organization. The capital term certificates are not available until the related debt is paid off, currently expected to be between the years 2020 and 2080.

United Utility Supply Cooperative (United) is a primary supplier of transformers and overhead line materials and supplies. The Cooperative's purchases from United amounted to \$2,553,488 and \$3,567,692 for the years ended December 31, 2007 and 2006, respectively. The Cooperative owed United \$234,279 at December 31, 2007.

The Capital Term Certificates bear interest at varying rates between 0% and 5% per annum. These certificates are required to be maintained under the note agreement with the National Rural Utilities Cooperative Finance Corporation (NRUCFC) in an amount at least equal to 5% of the original debt issued or guaranteed by NRUCFC until maturity. These investments in associated organizations are similar to compensating bank balances and are necessary in order to maintain current financing arrangements. Accordingly, there is no market for these investments.

**OWEN ELECTRIC COOPERATIVE, INC.**

**NOTES TO FINANCIAL STATEMENTS--CONTINUED**

December 31, 2007 and 2006

Southeastern Data Cooperative, Inc. (Southeastern) is a primary supplier of data processing services and computer hardware and software. The Cooperative's purchases from Southeastern were \$666,036 and \$722,943 for the years ended December 31, 2007 and 2006, respectively. The Cooperative owed Southeastern \$54,797 at December 31, 2007.

**NOTE C--INCOME TAX STATUS**

The Cooperative is exempt from federal and state income taxes under §501(c)(12) of the Internal Revenue Code.

**NOTE D--LINE-OF-CREDIT**

At December 31, 2007, the Cooperative had an unsecured available line-of-credit of \$22,800,000 from the NRUCFC. The interest rate for this line-of-credit at December 31, 2007 and 2006 was 6.40% and 7.15%, respectively. The maturity date for the line-of-credit is December 31, 2049. The Cooperative had a second unsecured available line-of-credit of \$23,000,000 at December 31, 2007. The interest rate for this line of credit at December 31, 2007 was 5.64% and the maturity date is August 31, 2008. The Cooperative had a combined outstanding balance under the lines-of-credit of \$5,720,933 and \$5,683,178 at December 31, 2007 and 2006, respectively.

**OWEN ELECTRIC COOPERATIVE, INC.**  
NOTES TO FINANCIAL STATEMENTS--CONTINUED

December 31, 2007 and 2006

**NOTE E--LONG-TERM DEBT**

Long-term debt consisted of the following:

	December 31	
	<u>2007</u>	<u>2006</u>
Mortgage notes payable to the Rural Utilities Services due in quarterly installments of varying amounts through 2034:		
2.000% first mortgage notes	\$ -	\$ 1,111
3.625% first mortgage notes	3,104,663	3,201,672
4.815% first mortgage notes	3,387,250	3,437,548
4.375% first mortgage notes	1,367,696	1,405,539
4.460% first mortgage notes	13,000,000	-
4.917% first mortgage notes	970,847	985,000
5.192% first mortgage notes	4,902,463	4,986,444
5.277% first mortgage notes	11,518,913	11,712,151
5.298% first mortgage notes	10,829,888	11,067,155
5.375% first mortgage notes	1,467,067	1,502,305
5.417% first mortgage notes	2,727,444	2,786,069
5.913% first mortgage notes	<u>2,474,833</u>	<u>2,523,931</u>
	55,751,064	43,608,925
Mortgage notes payable to the NRUCFC due in quarterly installments of varying amounts through 2030:		
7% first mortgage notes	38,927	69,986
Variable rate first mortgage notes (1)	<u>27,801,264</u>	<u>29,564,372</u>
	<u>27,840,191</u>	<u>29,634,358</u>
	83,591,255	73,243,283
Less current maturities	<u>2,597,394</u>	<u>2,658,569</u>
	<u>\$ 80,993,861</u>	<u>\$ 70,584,714</u>

(1) Interest rates on the variable rate notes vary monthly and are determined by the NRUCFC based on their cost of money plus adders for margins and administrative costs (5.10%-6.50% and 5.10%-6.95% at December 31, 2007 and 2006, respectively)

The aggregate principal maturities of long-term debt as of December 31, 2007 are as follows:

2008	\$ 2,597,394
2009	2,704,056
2010	2,758,021
2011	2,970,692
2012 and thereafter	<u>72,561,092</u>
	<u>\$ 83,591,255</u>

Substantially all utility plant is pledged as collateral for the above notes. Under the terms of the loan agreements, Cooperative is required to meet certain financial performance covenants.

**OWEN ELECTRIC COOPERATIVE, INC.**

**NOTES TO FINANCIAL STATEMENTS--CONTINUED**

December 31, 2007 and 2006

**NOTE F--MEMBERS' AND PATRONS' EQUITIES**

Under terms of its long-term debt agreements, return of capital contributions or patronage capital to the Cooperative's members and patrons is restricted to amounts which would not allow total equity to be less than 30% of total assets, except that distributions may be made to estates of deceased members provided that such distributions do not exceed 25% of total patronage capital and margins received in the previous year. Total equity as a percentage of assets can fall below the 30% requirement if the Cooperative has obtained the appropriate waiver from the RUS.

**NOTE G--RETIREMENT BENEFITS**

*Pension Plan*

Effective January 1, 1988, the Cooperative entered into a multi-employer defined benefit pension plan sponsored by the National Rural Electric Cooperative Association. The Plan has been approved as a qualified plan by the Internal Revenue Service and covers substantially all employees. Under this plan, prior to April 2005, employees were required to contribute 3% of their annual salary, with the Cooperative funding the remainder required to meet the minimum funding requirements. Subsequent to April 2005, there is no requirement for employees to contribute to this plan. As a member of a multi-employer plan, the Cooperative will share in the collective gains or losses of the investment activities of the multi-employer group.

Net pension cost under multi-employer plans is recognized in an amount equal to the required contributions for the period. The Cooperative incurred pension expense of approximately \$1,145,000 and \$1,187,000 in 2007 and 2006, respectively.

*Retirement Savings Plan*

The Owen Electric Cooperative 401(k) Profit Sharing Plan, established April 1, 1986, is a defined contribution plan available to employees of the Cooperative upon completion of three months of service. The Cooperative makes annual matching contributions equal to 100% of all deferred salary reductions up to a 4% maximum employer contribution. The Cooperative's expense for 2007 and 2006 was approximately \$289,000 and \$173,000, respectively.

OWEN ELECTRIC COOPERATIVE, INC.

NOTES TO FINANCIAL STATEMENTS--CONTINUED

December 31, 2007 and 2006

**NOTE H--POSTRETIREMENT BENEFITS**

The Cooperative provides postretirement medical benefits to its retired employees and their dependents. The plan requires retiree contributions based on years of service at retirement. The Cooperative adopted SFAS No. 106, "Employers' Accounting for Postretirement Benefits Other Than Pensions," as of January 1, 1995, the beginning of the 1995 fiscal year. The accounting standard requires the accrual of the cost of providing certain postretirement benefits over the employees' years of service, rather than on a pay-as-you-go (cash) basis. The Cooperative elected to amortize the accumulated postretirement benefit obligation of \$3,178,700 over 20 years and records one-twentieth of this amount, \$158,935 each year. The Cooperative adopted SFAS No. 132, "Employers' Disclosures about Pensions and Other Postretirement Benefits" for the year ended December 31, 1998 and has reflected all required disclosure in the accompanying audited financial statements.

The following table sets forth the plan's benefit obligation and accrued liability:

	December 31	
	<u>2007</u>	<u>2006</u>
Benefit obligation	\$ 8,525,555	\$ 7,352,036
Fair value of plan assets	<u>-</u>	<u>-</u>
Funded status	<u>\$ (8,525,555)</u>	<u>\$ (7,352,036)</u>
Accrued benefit cost recognized in the statement of financial position	\$ (6,151,971)	\$ (5,611,971)
Weighted-average assumptions		
Discounted rate	6.50 %	6.50 %

For measurement purposes, the health care cost trend rate is assumed to be 8.00% in 2007. The rate was assumed to decrease by 0.5% per year to 5.5%.

Other information regarding the Company's benefit plans is as follows:

	December 31	
	<u>2007</u>	<u>2006</u>
Benefit cost	\$ 919,125	\$ 848,941
Employer contribution	-	-
Plan participants contributions	-	-
Benefits paid	\$ 379,125	\$ 329,808

**OWEN ELECTRIC COOPERATIVE, INC.**

NOTES TO FINANCIAL STATEMENTS--CONTINUED

December 31, 2007 and 2006

**NOTE I--CONCENTRATIONS OF REVENUES, RECEIVABLES AND CASH**

All of the Cooperative's sales are made in portions of nine counties in north central Kentucky, which is primarily an agricultural region. However, a significant portion of the Cooperative's northern service territory is becoming increasingly developed with suburban residential and commercial activity. Accounts receivable and customer deposits at December 31, 2007 and 2006, were derived from the various classes of customers in approximately the same proportion as the revenues shown in the accompanying statements of revenues and expenses.

On May 31, 2005, the Cooperative and EKPC entered into a five year electric service agreement with Gallatin Steel Company (Gallatin Steel) to provide electric power to Gallatin Steel's manufacturing facilities in Gallatin County, Kentucky, the first of which began operations June 1, 1995. This agreement expires May 31, 2010. Sales to Gallatin Steel in 2007 and 2006 totaled \$44,355,185 and \$40,667,025, respectively. Receivables from Gallatin Steel were \$3,361,808 and \$3,192,014 at December 31, 2007 and 2006, respectively.

From time to time the Cooperative has on deposit in institutions whose accounts are insured by agencies of the United States Government, funds that total in excess of the insured maximum of \$100,000 per institution. As of December 31, 2007, this at-risk amount was \$1,128,938.

**SUPPLEMENTARY INFORMATION**

**REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS**

To the Board of Directors  
Owen Electric Cooperative, Inc.  
Owenton, Kentucky

We have audited the accompanying financial statements of Owen Electric Cooperative, Inc. as of and for the years ended December 31, 2007 and 2006, and have issued our report thereon dated April 23, 2008. We conducted our audits in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States

**Internal Control Over Financial Reporting**

In planning and performing our audit, we considered the Cooperative's internal control over financial reporting as a basis for designing our auditing procedures for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Cooperative's internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of the Cooperative's internal control over financial reporting

A control deficiency exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect misstatements on a timely basis. A significant deficiency is a control deficiency, or combination of control deficiencies, that adversely affects the Cooperative's ability to initiate, authorize, record, process, or report financial data reliably in accordance with generally accepted accounting principles such that there is more than a remote likelihood that a misstatement of the Cooperative's financial statements that is more than inconsequential will not be prevented or detected by the Cooperative's internal control.

A material weakness is a significant deficiency, or combination of significant deficiencies, that results in more than a remote likelihood that a material misstatement of the financial statements will not be prevented or detected by the Cooperative's internal control

Our consideration of internal control over financial reporting was for the limited purpose described in the first paragraph of this section and would not necessarily identify all deficiencies in internal control that might be significant deficiencies or material weaknesses. We did not identify any deficiencies in internal control over financial reporting that we consider to be material weaknesses, as defined above.

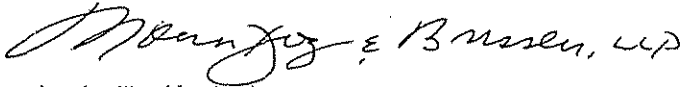
**Compliance and Other Matters**

As part of obtaining reasonable assurance about whether the Owen Electric Cooperative, Inc.'s financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under Government Auditing Standards.



We noted certain matters that we reported to management of Owen Electric Cooperative, Inc., in a separate letter dated April 23, 2008.

This report is intended solely for the information and use of the audit committee, management, the Rural Utilities Service, and supplemental lenders, and is not intended to be and should not be used by anyone other than these specified parties. However, this report is a matter of public record, and its distribution is not limited.



Louisville, Kentucky  
April 23, 2008

**INDEPENDENT AUDITOR'S LETTER TO MANAGEMENT**

To the Board of Directors  
Owen Electric Cooperative, Inc.  
Owenton, Kentucky

We have audited the financial statements of Owen Electric Cooperative, Inc for the years ended December 31, 2007 and 2006, and have issued our report thereon dated April 23, 2008. We conducted our audits in accordance with auditing standards generally accepted in the United States of America, the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, and 7 CFR Part 1773, Policy on Audits of Rural Utilities Service (RUS) Borrowers. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement.

In planning and performing our audits of the financial statements of Owen Electric Cooperative, Inc. for the years ended December 31, 2007 and 2006, we considered its internal control over financial reporting in order to determine our auditing procedures for the purpose of expressing our opinion on the financial statements and not to provide assurance on the internal control over financial reporting.

Our consideration of the internal control over financial reporting would not necessarily disclose all matters in the internal control over financial reporting that might be material weaknesses. A material weakness is a condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that misstatements in amounts that would be material in relation to the financial statements being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. We noted no matters involving the internal control over financial reporting and its operation that we consider to be material weaknesses.

Section 1773.33 requires comments on specific aspects of the internal control over financial reporting, compliance with specific RUS loan and security instrument provisions, and other additional matters. We have grouped our comments accordingly. In addition to obtaining reasonable assurance about whether the financial statements are free from material misstatements, at your request, we performed tests of specific aspects of the internal control over financial reporting, of compliance with specific RUS loan and security instrument provisions, and of additional matters. The specific aspects of the internal control over financial reporting, compliance with specific RUS loan and security instrument provisions, and additional matters tested include, among other things, the accounting procedures and records, materials control, compliance with specific RUS loan and security instrument provisions set forth in 7 CFR 1773.33(e)(1), related party transactions, depreciation rates, and a schedule of deferred debits and credits upon which we express an opinion. In addition, our audit of the financial statements also included the procedures specified in §1773.38 - .45. Our objective was not to provide an opinion on these specific aspects of the internal control over financial reporting, compliance with specific RUS loan and security instrument provisions, or additional matters, and accordingly, we express no opinion thereon.

No reports other than our independent auditor's report, and our independent auditor's report on compliance and on internal control over financial reporting, all dated April 23, 2008 or summary of recommendations related to our audits have been furnished to management.

Our comments on specific aspects of the internal control over financial reporting, compliance with specific RUS loan and security instrument provisions, and other additional matters as required by 7 CFR 1773.33 are presented below

### **Comments on Certain Specific Aspects of the Internal Control Over Financial Reporting**

We noted no matters regarding Owen Electric Cooperative, Inc.'s internal control over financial reporting and its operations that we consider to be a material weakness as previously defined with respect to:

- The accounting procedures and records;
- The process for accumulating and recording labor, material, and overhead costs, and the distribution of these costs to construction, retirement, and maintenance or other expense accounts; and,
- The materials control.

### **Comments on Compliance with Specific RUS Loan and Security Instrument Provisions**

At your request, we have performed the procedures enumerated below with respect to compliance with certain provisions of laws, regulations, contracts, and grants. The procedures we performed are summarized as follows:

- Procedures performed with respect to the requirement for a borrower to obtain written approval of the mortgagee to enter into any contract for the operation or maintenance of property, or for the use of mortgaged property by others for the year ended December 31, 2007:
  - 1 Obtained and read a borrower-prepared schedule of new written contracts entered into during the year for the operation or maintenance of its property, or for the use of its property by others as defined in §1773.33 (e)(1)(i).
  - 2 Reviewed Board of Director minutes to ascertain whether board-approved written contracts are included in the borrower-prepared schedule.
  - 3 Noted the existence of written RUS (and other mortgagee) approval of each contract listed by the borrower.
- Procedure performed with respect to the requirement to submit RUS Form 7 to the RUS:
  1. Agreed amounts reported in Form 7 to Owen Electric Cooperative, Inc.'s records.

The results of our tests indicate that, with respect to the items tested, Owen Electric Cooperative, Inc. complied, except as noted below, in all material respects, with the specific RUS loan and security instrument provisions referred to below. The specific provisions tested, as well as any exceptions noted, include the requirements that:

- The borrower has obtained written approval of the RUS to enter into any contract for the operation or maintenance of property, or for the use of mortgaged property by others as defined in §1773.33(e)(1)(i); and
- The borrower has submitted its Form 7 to the RUS and the Form 7, Financial and Statistical Report, as of December 31, 2007, represented by the borrower as having been submitted to the RUS is in agreement with the Owen Electric Cooperative, Inc.'s audited records in all material respects, appears reasonable based upon the audit procedures performed

### **Comments on Other Additional Matters**

In connection with our audits of the financial statements of Owen Electric Cooperative, Inc., nothing came to our attention that caused us to believe that Owen Electric Cooperative, Inc. failed to comply with respect to:

- The reconciliation of continuing property records to the controlling general ledger plant accounts addressed at 7 CFR 1773.33(c)(1);

- The clearing of the construction accounts and the accrual of depreciation on completed construction addressed at 7 CFR 1773.33(c)(2);
- The retirement of plant addressed at 7 CFR 1773.33(c)(3) and (4);
- Approval of the sale, lease or transfer of capital assets and disposition of proceeds for the sale or lease of plant, material, or scrap addressed at 7 CFR 1773.33(c)(5);
- The disclosure of material related party transactions, in accordance with Statement of Financial Accounting Standards No. 57, Related Party Transactions, for the year ended December 31, 2007, in the financial statements referenced in the first paragraph of this report addressed at 7 CFR 1773.33(f);
- The depreciation rates addressed at 7 CFR 1773.33(g);
- The detailed schedule of deferred debits and deferred credits addressed at 7 CFR 1773.33(h) ; and
- The detailed schedule of all investments in subsidiary and affiliated companies addressed at 7 CFR 1773.33(i).

Our audit was made for the purpose of forming an opinion on the basic financial statements taken as a whole. The detailed schedule of deferred debits and deferred credits required by 7 CFR 1773.33(h) and provided below is presented for purposes of additional analysis and is not a required part of the basic financial statements. This information has been subjected to the auditing procedures applied in our audit of the basic financial statements and, in our opinion, is fairly stated in all material respects in relation to the basic financial statements taken as a whole.

Owen Electric Cooperative, Inc.  
Detailed Schedule of Deferred Debits  
December 31, 2007

<u>Description</u>	<u>Amount</u>
Other	\$ <u>(231,816)</u>

Owen Electric Cooperative, Inc.  
Detailed Schedule of Deferred Credits  
December 31, 2007

<u>Description</u>	<u>Amount</u>
Consumers' advances for construction	\$ 519,021
Energy certificates	118,308
Other	<u>(43)</u>
	\$ <u>637,286</u>

This report is intended solely for the information and use of the board of directors, management, and the Rural Utilities Service and supplemental lenders and is not intended to be and should not be used by anyone other than these specified parties. However, this report is a matter of public record and its distribution is not limited.

*Mooney & Bruner, CP*

Louisville, Kentucky  
April 23, 2008

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Witness: Alan Zumstein

Owen Electric Cooperative  
Case No. 2008-00154  
December 31, 2007

**Computer Software Programs**

Owen Electric has used Microsoft Excel and Word in the preparation of this Application.

**Owen Electric Cooperative  
CASE NO 2008-00154**

**Annual Meeting Information**

The most recent annual meeting of Owen Electric Cooperative was held on June 20, 2008. The annual report of the meeting is attached, along with a summary of the meeting.

**5 Year Historical Data**

<b>Year</b>	<b>Members Attending</b>	<b>Members Voting</b>	<b>Cost</b>
2008	992	992	\$50,854
2007	1070	1070	\$73,283
2006	1022	1022	\$74,503
2005	1007	1007	\$73,622
2004	770	770	\$59,679

PART A. STATEMENT OF OPERATIONS

LINE NO	DESCRIPTION	LAST YEAR	YEAR TO DATE THIS YEAR	BUDGET	THIS MONTH	% FROM BUDGET	% CHANGE FROM LAST YEAR
		A	B	C	D		
1.0	OPERATING REVENUE & PATRONAGE CAPITAL	12,998,325.30	11,445,567.75	13,153,836.00	11,445,567.75	13.0-	11.9-
2.0	POWER PRODUCTION EXPENSE	.00	.00	.00	.00	.0	.0
3.0	COST OF PURCHASED POWER	9,954,339.00	9,394,820.00	10,474,647.00	9,394,820.00	10.3-	5.6-
4.0	TRANSMISSION EXPENSE	.00	.00	.00	.00	.0	.0
5.0	DISTRIBUTION EXPENSE-OPERATION	287,185.31	360,842.53	362,795.00	360,842.53	.5-	25.6
6.0	DISTRIBUTION EXPENSE-MAINTENANCE	125,349.14	120,878.68	210,890.00	120,878.68	42.7-	3.6-
7.0	CONSUMER ACCOUNTS EXPENSE	330,971.86	277,065.38	304,380.00	277,065.38	9.0-	16.3-
8.0	CUSTOMER SERVICE & INFORMATIONAL EXPENSE	53,737.26	41,911.55	45,050.00	41,911.55	7.0-	22.0-
9.0	SALES EXPENSE	.00	.00	.00	.00	.0	.0
10.0	ADMINISTRATIVE & GENERAL EXPENSE	242,523.08	235,633.87	251,549.00	235,633.87	6.3-	2.8-
11.0	TOTAL OPERATIONS & MAINTENANCE EXPENSE	10,994,105.65	10,431,152.01	11,649,311.00	10,431,152.01	10.5-	5.1-
12.0	DEPRECIATION & AMORTIZATION EXPENSE	587,356.29	639,817.54	621,850.00	639,817.54	2.9	8.9
13.0	TAX EXPENSE - PROPERTY & GROSS RECEIPTS	.00	.00	.00	.00	.0	.0
14.0	TAX EXPENSE - OTHER	10,385.04	10,417.72	10,700.00	10,417.72	2.6-	.3
15.0	INTEREST ON LONG TERM DEBT	263,282.26	318,373.23	312,608.00	318,373.23	1.8	20.9
16.0	INTEREST CHARGED TO CONSTRUCTION - CREDIT	.00	.00	.00	.00	.0	.0
17.0	INTEREST EXPENSE - OTHER	23,599.97	41,783.95	21,000.00	41,783.95	99.0	77.1
18.0	OTHER DEDUCTIONS	40,925.00	30,402.02	49,000.00	30,402.02	38.0-	25.7-
19.0	TOTAL COST OF ELECTRIC SERVICE	11,919,654.21	11,471,946.47	12,664,469.00	11,471,946.47	9.4-	3.8-
20.0	PATRONAGE CAPITAL & OPERATING MARGINS	1,078,671.09	26,378.72	489,367.00	26,378.72	105.4-	102.4-
21.0	NON OPERATING MARGINS - INTEREST	13,182.88	10,389.02	15,000.00	10,389.02	30.7-	21.2-
22.0	ALLOW. FOR FUNDS USED DURING CONSTRUCTION	.00	.00	.00	.00	.0	.0
23.0	INCOME (LOSS) FROM EQUITY INVESTMENTS	.00	.00	.00	.00	.0	.0
24.0	NON OPERATING MARGINS - OTHER	2,034.13	1,174.00	2,755.00	1,174.00	57.4-	42.3-
25.0	GENERATION & TRANSMISSION CAPITAL CREDITS	.00	.00	.00	.00	.0	.0
26.0	OTHER CAPITAL CREDITS & PATRONAGE DIVID.	.00	.00	.00	.00	.0	.0
27.0	EXTRAORDINARY ITEMS	.00	.00	.00	.00	.0	.0
28.0	PATRONAGE CAPITAL OR MARGINS	1,093,868.10	14,815.70	507,122.00	14,815.70	102.9-	101.4-

RATIOS

TIER	5.155	.953	2.622	.953
MARGINS TO REVENUE	.084	.001	.039	.001
POWER COST TO REVENUE	.766	.821	.796	.821
INTEREST EXPENSE TO REVENUE	.020	.028	.024	.028
CURRENT ASSETS : CURRENT LIABILITIES	.6898			
MARGINS & EQUITIES AS % OF ASSETS	.3554			
LONG TERM DEBT AS % OF PLANT	.4186			
GENERAL FUNDS TO TOTAL PLANT	2.9351			
QUICK ASSET RATIO	.6398			

**OWEN ELECTRIC COOPERATIVE**  
**CASE NO. 2008-00154**

**Allocation of Revenue Requirements to Rate Classes**

		Schedule III			Schedule XIV		
		Large Industrial Rate LPB2			Large Industrial Rate LPB		
		Lights	Energy	Consumer	Demand	Energy	Consumer
1	Meters						
2	Distribution O&M Consumer Related			-			-
3	Admin & Gen Consumer Related			-			-
4	Deprec, Taxes & Misc Consumer Related			-			-
5	Interest Customer Related			-			-
6							
7	Total Costs for Services			-			-
8							
9	Margins Consumer Related			-			-
10							
11	Credits Consumer Related			-			-
12							
13	Revenue Requirements-Meters			-			-
14							
15	Lighting						
16	Outdoor Lighting O&M						
17	Street Lighting O&M						-
18	Outdoor Lighting A&G						
19	Street Lighting A&G						-
20	Outdoor Lighting Deprec & Misc						
21	Street Lighting Deprec & Misc						-
22	Outdoor Lighting Interest						
23	Street Lighting Interest						-
24							
25	Total Costs for Lights	-	-		-	-	-
26							
27	Outdoor Lighting Margins						
28	Street Lighting Margins						-
29							
30	Outdoor Lighting Revenue Credit						
31	Street Lighting Revenue Credit						-
32							
33	Revenue Requirements-Lighting	-	-		-	-	-
34							
35	Consumer Accts & Serv						
36	Customer Accounts			278			504
37	Customer Service			31			56
38	Admin & General			85			153
39	Depreciation & Misc			30			53
40	Interest			16			29
41							
42	Total Costs for Consumer Acctg & Service			440			796
43							
44	Margins			14			26
45							
46	Revenue Credits			9			16
47							
48	Revenue Require. Cons. Act & Serv.			445			806
49							
50							
51							
52	TOTAL COSTS	1,253,925	3,633,048	606	356,992	515,231	4,272
53							
54	TOTAL REVENUE REQUIRE.						
55	MENTS FROM RATES	1,289,928	3,633,048	624	367,278	515,231	4,569
56							
57	MARGINS PROVIDED						
58	RATE REVENUE	36,003	-	17	10,286	-	297
		128,404,832					



**OWEN ELECTRIC COOPERATIVE  
CASE NO. 2008-00154**

Exhibit R  
Schedule 6  
Page ~~79~~ of ~~55~~  
Witness: Jim Adkins

**Functionalization and Classification of Revenue Requirements**

Acct No.	Description	Allocation Basis	Actual \$\$\$\$	Adjusted \$\$\$\$	Pro Forma \$\$\$\$	Power Supply		
						Generation		Substation Demand
						Demand	Energy	
555	Purchased Power							
	Demand Charges	EKPC CP	-	0	24,525,527	24,525,527		0
	Energy Charges	kWh Sales	115,800,725	0	76,124,145		76,124,145	
	<b>Total Purchased Power</b>		<b>115,800,725</b>	<b>15,151,053</b>	<b>100,649,672</b>	<b>24,525,527</b>	<b>76,124,145</b>	<b>-</b>
580	Operations Supv & Eng	Dist Oper	199,778	9,779	209,557			
582	Station Expense	DA/MinSys	12,684	621	13,305			
583	Overhead Line Exp.	DA/Min Syst	1,515,224	74,171	1,589,395			
584	Underground Line Exp	DA/MinSys	449,924	22,024	471,948			
586	Meter Expense	DA	603,170	29,525	632,695			
587	Consumer Installations	DA	405,186	19,834	425,020			
588	Misc. Distribution Exp	Dist Oper	751,523	36,787	788,310			
589	Rents		445	22	466			
	<b>Total Operations</b>		<b>3,937,933</b>	<b>192,764</b>	<b>4,130,697</b>			
590	Maint Supv & Eng	Dist Maint,	66,532	1,060	67,592			
592	Maint of Station Equip	DA/Min Syst	-	-	-			
593	Maint. Overhead Lines	DA/Min Syst	2,848,532	45,393	2,893,925			
594	Maint of Underground Lines	DA/Min Syst	254,452	4,055	258,507			
595	Maint Line Transformers	DA	29,565	471	30,036			
596	Maint of St Lg & Signal Sys	DA	-	-	-			
597	Maintenance of Meters	DA	14,920	238	15,158			
598	Maint Misc Distrib Plant	Dist Maint,	-	-	-			
	<b>Total Distribut Maintenance</b>		<b>3,214,001</b>	<b>51,217</b>	<b>3,265,218</b>			
901	Supervision	DA	145,212	3029	148,241			
902	Meter Reading Expense	DA	426,634	8898	435,532			
903	Cons Recds & Collections	DA	2,731,198	56964	2,788,162			
904	Uncollectible Accounts	DA	162,000	3379	165,379			
	<b>Total Consumer Accounts</b>		<b>3,465,044</b>	<b>72,270</b>	<b>3,537,314</b>			

OWEN ELECTRIC COOPERATIVE  
CASE NO. 2008-00154

Exhibit R  
Schedule 6  
Page 30 of 55  
Witness: Jim Adkins

**Functionalization and Classification of Revenue Requirements**

Acct	Description	Allocation Basis	Actual \$\$\$\$	Adjusted \$\$\$\$	Pro Forma \$\$\$\$	Power Supply		
						Generation		Substa- tion Demand
						Demand	Energy	
907	Customer Information		46,288	10,757	57,045			
908	Customer Assistance	DA	93,462		93,462			
909	Advertising	DA	36,663	0	36,663			
910	Miscellaneous Cust Inform.	DA	208,442		208,442			
	<b>Total Customer Service</b>	16358	384,855	10,757	395,612	-	-	-
	<b>Total of Above</b>		126,802,558	15,478,061	142,280,619	24,525,527	76,124,145	-
920	Administrative Salaries		1,414,041	37,728	1,451,769			
921	Office Supplies		259,906	-	259,906			
923	Outside Services		95,017	(853)	94,164			
924	Property Ins		-	-	-			
925	Injuries & Damages		126,663	-	126,663			
926	Employ Pensions & Benef		142,947	32,256	175,203			
928	Regulatory Exp		-	-	-			
929	Duplicate Charges		(115,772)	-	(115,772)			
930	Misc General Exp		816,615	(121,840)	694,775			
931	Rents		44,792	-	44,792			
935	Misc. General Plant		270,626	-	270,626			
	<b>Total Admin &amp; General</b>	Dist Plant	3,054,835	(52,709)	3,002,126			
403	Deprec. Distribution Plant	Net Plant	8,992,599	(1,175,664)	7,816,935			
403	Deprec. General Plant	Net Plant	664,100		664,100			
	<b>Total Depreciation</b>		9,656,698	(1,175,664)	8,481,034	-	-	-
408	Taxes Other Than Income Tax	Rate Base	128,898	-	128,898			
416 & 426	Miscell. Income Deductions	Rate Base	105,200	(68,267)	36,933			
	<b>Total Miscellaneous</b>		234,097	(68,267)	165,830	-	-	-
427.1	Interest - RUS Constuc	Rate Base	2,290,341	-	2,290,341			
427.15	Interest - FFB Notes	Rate Base	-	478,648	478,648			
427.2	Interest - Other LTD	Rate Base	1,533,420	-	1,533,420			
	<b>Total Interest on LTD</b>		3,823,760	478,648	4,302,408	-	-	-

OWEN ELECTRIC COOPERATIVE  
CASE NO. 2008-00154

Exhibit R  
Schedule 6  
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Witness: Jim Adkins

Functionalization and Classification of Revenue Requirements

Acct	Description	Allocation Basis	Actual \$\$\$\$	Adjusted \$\$\$\$	Pro Forma \$\$\$\$	Power Supply		
						Generation		Substation Demand
						Demand	Energy	
431	Other Interest Expense	Rate Base	689,738	-344,869	344,869			
431.1	Interest on Customer Dep.	Rate Base	130,051	-	130,051			
431.3	Other Interest	Rate Base	-		-			
	<b>Total Short Term Interest</b>	Rate Base	819,788	(344,869)	474,919	-	-	-
	<b>Total Costs</b>		144,391,738	14,315,200	128,404,832	24,525,527	76,124,145	-
	<b>Margin Requirements</b>	Rate Base	3,823,760	478,648	4,302,408			
	<b>Total Revenue Requirements</b>		148,215,498	14,793,848	132,707,240	24,525,527	76,124,145	-
	<b>Less: Misc Income</b>							
	CATV & Non-Recurring Chrgs			0	-			
450	Forfeited Discounts	Rate Base	879,773		879,773			
451	Misc Service Revenue	Rate Base	423,193	297,026	720,219			
452-454	Rent from Electric Prop.	Rate Base	453,004	0	453,004			
456.1	Other Electric Property	Rate Base	19,033	-	19,033			
	<b>Total Misc Income</b>		1,775,002	222,625	2,072,028	-	-	-
	<b>Less: Other Income</b>							
	Non-operating Margins Other		-	-	-			
419	Interest Income	Rate Base	113,134		113,134			
421	Misc. Non-operating Income	Rate Base	31,595	-	31,595			
424	Other Capital Credits	Rate Base	428,601		428,601			
	<b>Total Other Income</b>		573,331	-	573,331	-	-	-
	<b>Revenue Requirements from Rates</b>		145,867,165	14,571,223	130,061,881	24,525,527	76,124,145	-

OWEN ELECTRIC COOPERATIVE  
CASE NO. 2008-00154

Functionalization and Classification of Revenue Requirements

		Distribution								
Acct No.	Description	Allocation Basis	Lines		Line Transformers		Services	Meters	Consumer & Accounting	Security
			Demand	Customer	Demand	Consumer	Consumer	Consumer	Services	Lights
555	Purchased Power									
	Demand Charges	EKPC CP								
	Energy Charges	kWh Sales								
	<b>Total Purchased Power</b>									
580	Operations Supv & Eng	Dist Oper	82,200	38,267	-	-	18,329	42,328	-	28,434
582	Station Expense	DA/MinSys	7,880	3,668			1,757			
583	Overhead Line Exp.	DA/Min Syst	941,296	438,204			209,895			
584	Underground Line Exp	DA/MinSys	279,505	130,118			62,325			
586	Meter Expense	DA						632,695		
587	Consumer Installations	DA								425,020
588	Misc. Distribution Exp	Dist Oper	309,218	143,951	-	-	68,951	159,228	-	106,963
589	Rents		183	85			41	94		63
	<b>Total Operations</b>		<b>1,620,281</b>	<b>754,293</b>	<b>-</b>	<b>-</b>	<b>361,298</b>	<b>834,345</b>	<b>-</b>	<b>560,480</b>
590	Maint Supv & Eng	Dist Maint,	39,465	18,372	413	222	8,800	320	-	-
592	Maint of Station Equip	DA/Min Syst	-	-			-			
593	Maint. Overhead Lines	DA/Min Syst	1,713,886	797,869			382,170			
594	Maint of Underground Lines	DA/Min Syst	153,097	71,272			34,138			
595	Maint Line Transformers	DA			19,551	10,486				
596	Maint of St Lg & Signal Sys	DA								
597	Maintenance of Meters	DA						15,158		
598	Maint Misc Distrib Plant	Dist Maint,	-	-	-	-	-	-	-	-
	<b>Total Distribut Maintenance</b>		<b>1,906,448</b>	<b>887,512</b>	<b>19,964</b>	<b>10,707</b>	<b>425,109</b>	<b>15,478</b>	<b>-</b>	<b>-</b>
901	Supervision	DA	-	-	-	-	-	-	148,241	-
902	Meter Reading Expense	DA							435,532	-
903	Cons Recds & Collections	DA							2,788,162	-
904	Uncollectible Accounts	DA							165,379	-
	<b>Total Consumer Accounts</b>		<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>3,537,314</b>	<b>-</b>

OWEN ELECTRIC COOPERATIVE  
CASE NO. 2008-00154

Exhibit R  
Schedule 6  
Page 33 of 55  
Witness: Jim Adkins

**Functionalization and Classification of Revenue Requirements**

Acct	Description	Allocation Basis	Distribution							
			Lines		Line Transformers		Services	Meters	Consumer & Accounting	Security
			Demand	Customer	Demand	Consumer	Consumer	Consumer	Services	Lights
907	Customer information								57,045	
908	Customer Assistance	DA							93,462	
909	Advertising	DA							36,663	
910	Miscellaneous Cust Inform.	DA							208,442	
	<b>Total Customer Service</b>	16358	-	-	-	-	-	-	395,612	-
	<b>Total of Above</b>		3,526,729	1,641,805	19,964	10,707	786,407	849,823	3,932,926	560,480
920	Administrative Salaries									
921	Office Supplies									
923	Outside Services									
924	Property Ins									
925	Injuries & Damages									
926	Employ Pensions & Benef									
928	Regulatory Exp									
929	Duplicate Charges									
930	Misc General Exp									
931	Rents									
935	Misc. General Plant									
	<b>Total Admin &amp; General</b>	Dist Plant	854,880	397,974	182,270	97,759	190,625	134,794	1,076,476	67,349
403	Deprec. Distribution Plant	Net Plant	3,319,708	1,545,430	707,799	379,622	740,244	523,438	339,161	261,532
403	Deprec. General Plant	Net Plant	282,031	131,294	60,132	32,251	62,889	44,469	28,814	22,219
	<b>Total Depreciation</b>		3,601,739	1,676,725	767,932	411,873	803,133	567,907	367,975	283,750
408	Taxes Other Than Income Tax	Rate Base	15,699	7,308	3,347	1,795	3,501	2,475	1,571	1,237
416 & 426	Miscell. Income Deductions	Rate Base	54,789	25,506	11,682	6,265	12,217	8,639	5,483	4,316
	<b>Total Miscellaneous</b>		70,488	32,814	15,029	8,061	15,718	11,114	7,054	5,553
427.1	Interest - RUS Constuc	Rate Base	973,532	453,210	207,568	111,327	217,083	153,503	97,422	76,696
427.15	Interest - FFB Notes	Rate Base	203,454	94,714	43,379	23,266	45,367	32,080	20,360	16,028
427.2	Interest - Other LTD	Rate Base	651,795	303,431	138,970	74,535	145,340	102,772	65,225	51,349
	<b>Total Interest on LTD</b>		1,828,781	851,356	389,917	209,128	407,790	288,355	183,007	144,074

**OWEN ELECTRIC COOPERATIVE  
CASE NO. 2008-00154**

**Functionalization and Classification of Revenue Requirements**

Witness: Jim Adkins

Acct	Description	Allocation Basis	Distribution							
			Lines		Line Transformers		Services	Meters	Consumer & Accounting	Security
			Demand	Customer	Demand	Consumer	Consumer	Consumer	Services	Lights
431	Other Interest Expense	Rate Base	146,590	68,242	31,255	16,763	32,687	23,114	14,669	11,549
431.1	Interest on Customer Dep.	Rate Base	55,279	25,734	11,786	6,321	12,326	8,716	5,532	4,355
431.3	Other Interest	Rate Base	-	-	-	-	-	-	-	-
	<b>Total Short Term Interest</b>	Rate Base	201,869	93,977	43,041	23,085	45,014	31,830	20,201	15,904
	<b>Total Costs</b>		10,084,486	4,694,650	1,418,152	760,613	2,248,686	1,883,824	5,587,638	1,077,110
	<b>Margin Requirements</b>	Rate Base	1,828,781	851,356	389,917	209,128	407,790	288,355	183,007	144,074
	<b>Total Revenue Requirements</b>		11,913,267	5,546,007	1,808,069	969,741	2,656,476	2,172,178	5,770,645	1,221,184
	<b>Less; Misc Income</b>									
	CATV & Non-Recurring Chrgs		-	-	-	-	-	-	-	-
450	Forfeited Discounts	Rate Base	373,956	174,089	79,732	42,763	83,386	58,964	37,422	29,461
451	Misc Service Revenue	Rate Base	306,136	142,516	65,272	35,008	68,264	48,270	30,635	24,118
452-454	Rent from Electric Prop.	Rate Base	192,554	89,640	41,055	22,019	42,937	30,361	19,269	15,170
456.1	Other Electric Property	Rate Base	8,090	3,766	1,725	925	1,804	1,276	810	637
	<b>Total Misc Income</b>		880,736	410,011	187,783	100,716	196,391	138,871	88,136	69,386
	<b>Less: Other Income</b>									
	Non-operating Margins Other		-	-	-	-	-	-	-	-
419	Interest Income	Rate Base	48,089	22,387	10,253	5,499	10,723	7,582	4,812	3,789
421	Misc. Non-operating Income	Rate Base	13,430	6,252	2,863	1,536	2,995	2,118	1,344	1,058
424	Other Capital Credits	Rate Base	182,181	84,811	38,843	20,833	40,624	28,726	18,231	14,353
	<b>Total Other Income</b>		243,700	113,450	51,960	27,868	54,341	38,426	24,387	19,199
	<b>Revenue Requirements from Rates</b>		10,788,831	5,022,546	1,568,326	841,157	2,405,744	1,994,882	5,658,123	1,132,600

OWEN ELECTRIC COOPERATIVE  
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Unbundled Rate Base

Function	Classification	Schedule I		Schedule IA		Schedule I		Schedule II		Schedule XI		Sched	
		Farm & Home		Off-peak Marketing		Small Commercial		Large Power		Large Industrial LPB1		Large Indu	
		Total	Demand	Consum.	Demand	Consum.	Demand	Consum.	Demand	Consum.	Demand	Consum.	
Lines													
	Demand	54,997,197	36,637,874		-		2,612,204		9,115,342		2,598,216		2,811,214
	Consumer	25,602,953		24,324,805		-		995,529		111,321		4,089	
Transformer													
	Demand	11,726,024	8,232,414		-		586,954		2,048,188		583,811		-
	Consumer	6,289,146		5,729,984		-		371,876		124,751		22,198	
Services													
	Demand	-											
	Consumer	12,263,534		9,941,349		223		1,525,552		639,536		23,493	
Meters													
	Demand	-											
	Consumer	8,671,732		8,108,245		1,212		331,842		222,536		-	
Consumer Acct & Serv.		5,503,591		5,209,738		105		240,395		31,909		1,765	
Outdoor Lighting		4,332,761											
Street Lighting		-											
Total		129,386,939	44,870,288	53,314,120	-	1,539	3,199,158	3,465,195	11,163,531	1,130,054	3,182,026	51,545	2,811,214

OWEN ELEC COOPERATIVE  
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Unbundled Rate Base

Function	Classification	Schedule XIII		Schedule XIV		Schedule 2A		Schedule III		Schedule OLS		Schedule II SOLS		Gallatin Steel		
		Industrial LPB2		Large Industrial LPB		Large Power TOD		Security Lights		Outdoor Lighting Service		Special Outdoor Light				
		Consum.	Demand	Consum.	Demand	Consum.	Demand	Consum.	Demand	Consum.	Demand	Consum.	Demand	Consum.	Demand	Consum.
Lines																
	Demand		655,802		177,988		322,906		54,959		10,691		-		454	
	Consumer	909	1,817		3,635		136,539		3,635		20,220					
Transformer																
	Demand		147,357		39,993		72,556		12,349		2,402		-			
	Consumer	-	10,154		4,073		22,227		592		3,291					
Services																
	Demand															
	Consumer	-	10,441		20,883		75,304		23,053		3,700					
Meters																
	Demand															
	Consumer	-	-		7,897		-		-		-					
Consumer Acct & Serv.		433	784		1,042		12,758		340		1,889		2,434			
Outdoor Lighting					0		3,317,245		1,015,516							
Street Lighting																
Total		1,342	803,159	23,197	217,981	37,530	395,463	3,564,072	67,308	1,043,135	13,094	29,100	-	2,888		



**OWEN ELECT. COOPERATIVE  
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**Development of Net Investment Rate Base**

		Distribution Balances									
Description	\$\$\$\$	Lines		Line Transformers		Services		Meters	Consumer & Accounting Services	Security Lights	Street Lighting
		Demand	Customer	Demand	Consumer	Demand	Consumer	Consumer			
360	Land & Land Rights	-	-	-	-	-	-	-	-	-	-
362	Station Equipment	-	-	-	-	-	-	-	-	638,654	-
364	Poles, Towers and Fixtures	47,449,380	31,941,116	14,869,610	-	-	-	-	-	273,208	-
365	Overhead Conductor	34,619,235	23,435,877	10,910,150	-	-	-	-	-	-	-
366	Underground Conduit	-	-	-	-	-	-	-	-	-	-
367	UG Conductor	24,459,122	16,689,586	7,769,536	-	-	-	-	-	-	-
368	Line Transformers	23,606,507	-	-	15,365,409	8,241,098	-	-	-	-	-
369	Services	16,069,746	-	-	-	-	16,069,746	-	-	-	-
370	Meters	11,363,162	-	-	-	-	-	11,363,162	-	-	-
371	Install. On Consumer Prem.	4,663,306	-	-	-	-	-	-	-	4,663,306	-
373	Street Ltg & Signal Systems	102,346	-	-	-	-	-	-	-	102,346	-
	<b>Total Distribution Plant</b>	<b>162,332,802</b>	<b>72,066,579</b>	<b>33,549,296</b>	<b>15,365,409</b>	<b>8,241,098</b>	<b>-</b>	<b>16,069,746</b>	<b>11,363,162</b>	<b>-</b>	<b>5,677,512</b>
			44.4%	20.7%	9.5%	5.1%	0.0%	9.9%	7.0%	0.0%	3.5%
	<b>Total General Plant</b>	<b>22,346,638</b>	<b>6,363,386</b>	<b>2,962,360</b>	<b>1,356,746</b>	<b>727,678</b>	<b>-</b>	<b>1,418,938</b>	<b>1,003,353</b>	<b>8,012,861</b>	<b>501,317</b>
			28.5%	13.3%	6.1%	3.3%	0.0%	6.3%	4.5%	35.9%	2.2%
	<b>Total Utility Plant</b>	<b>184,679,441</b>	<b>78,429,965</b>	<b>36,511,656</b>	<b>16,722,155</b>	<b>8,968,776</b>	<b>-</b>	<b>17,488,684</b>	<b>12,366,515</b>	<b>8,012,861</b>	<b>6,178,829</b>
	<b>Accum. Depreciation</b>	<b>61,301,494</b>	<b>26,033,618</b>	<b>12,119,481</b>	<b>5,550,662</b>	<b>2,977,047</b>	<b>-</b>	<b>5,805,089</b>	<b>4,104,874</b>	<b>2,659,746</b>	<b>2,050,967</b>
	<b>Net Plant</b>	<b>123,377,947</b>	<b>52,396,347</b>	<b>24,392,174</b>	<b>11,171,493</b>	<b>5,991,729</b>	<b>-</b>	<b>11,683,585</b>	<b>8,261,641</b>	<b>5,353,115</b>	<b>4,127,862</b>
			42.47%	19.77%	9.05%	4.86%	0.00%	9.47%	6.70%	4.34%	3.35%
	<b>CWIP</b>	<b>3,178,140</b>	<b>1,410,914</b>	<b>656,826</b>	<b>300,823</b>	<b>161,344</b>	<b>-</b>	<b>314,612</b>	<b>222,467</b>	<b>-</b>	<b>111,154</b>
		<b>126,556,087</b>	<b>53,807,261</b>	<b>25,049,000</b>	<b>11,472,316</b>	<b>6,153,073</b>	<b>-</b>	<b>11,998,197</b>	<b>8,484,108</b>	<b>5,353,115</b>	<b>4,239,016</b>
	<b>Plus</b>										
	Cash Working Capital	1,843,244	782,792	364,415	168,900	89,515	-	174,551	123,427	79,975	61,670
	Materials & Supplies	1,141,357	484,713	225,650	103,346	55,429	-	108,084	76,428	49,521	38,186
	Prepayments	483,537	205,349	95,597	43,783	23,483	-	45,790	32,379	20,980	16,178
	<b>Minus: Consumer Advances</b>	<b>637,286</b>	<b>282,919</b>	<b>131,708</b>	<b>60,322</b>	<b>32,353</b>	<b>-</b>	<b>63,087</b>	<b>44,609</b>	<b>-</b>	<b>22,289</b>
	<b>Net Investment Rate Base</b>	<b>129,386,939</b>	<b>54,997,197</b>	<b>25,602,953</b>	<b>11,726,024</b>	<b>6,289,146</b>	<b>-</b>	<b>12,263,534</b>	<b>8,671,732</b>	<b>5,503,591</b>	<b>4,332,761</b>
	<b>Percentage</b>		42.51%	19.79%	9.06%	4.86%	0.00%	9.48%	6.70%	4.25%	3.35%

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Exhibit R  
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**Determination of Certain Plant Investments as Demand Related or Consumer Related**

Account 364 - Poles						
Pole	Size	Investment	Number of Units	Unit Cost	Predicted Value	
28' AL		12,020	20			
28' Fiberglass		209,132	654	319.77		
35' & Under	30	6,538,269	27,556	237.27	229.64	
40' & 45'	42.50	14,455,393	35,983	401.73	417.00	
50' & Over	55	1,455,334	2,378	612.00	604.36	
Subtotal		22,670,147	66,591	340.44		
Cross arms		5,838,416	-	-		
Brackets	-	293,065	-	-		
Anchors	-	8,424,270	-	-		
Guys	-	9,336,960	-	-		
Hanger Trans	-	265,661	-	-		
Brackets	-	69,927	-	-		
Other		550,935	-	-		
<b>Total Investment</b>		<b>47,449,380</b>	<b>66,591.00</b>			
X Variable - (Size)			14.99			
Zero Intercept			(220.04)			
R Square			1.00			
Minimum Intercept 30 ft pole			Use Predicted Value	229.64		
Number of poles				66,591.00		
Consumer Related Investment				15,291,711.09		
Total Investment				47,449,380.00		
<b>Percent Customer Related</b>				<b>32.23%</b>		
<b>Percent Demand Related</b>				<b>67.77%</b>		
<b>SUMMARY OUTPUT</b>						
<i>Regression Statistics</i>						
Multiple R	0.997517985					
R Square	0.995042131					
Adjusted R Square	0.990084262					
Standard Error	18.70367461					
Observations	3					
Intercept	-220.036261					
X Variable 1	14.9890855					

**Account 364 - Poles**

Size of Pole	Actual Cost	Predicted Cost
30	229.64	229.64
42.50	417.00	417.00
55	604.36	604.36

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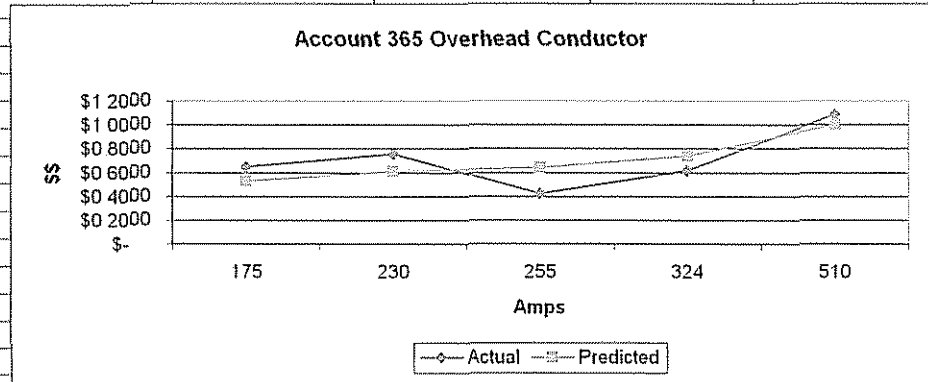
**Determination of Certain Plant Investments as Demand Related or Consumer Related**

Account 365 - Overhead Conductor						
Conductor	Investment	Number of Units	Unit Cost	Amp Ratings	Predicted Cost	
Bare 6A	1,108,083	15,146,934	\$ 0.0732			
2&1/0-7STR, 4&6HDC 2-3STR	111,037	1,029,939	\$ 0.1078			
#6 Amerductor	65,343	1,709,388.00	\$ 0.0382			
#2 ACSR	7,024,915	10,873,597	\$ 0.6461	175	0.5293	
1/0 ACSR	2,335,522	3,098,842	\$ 0.7537	230	0.6070	
3/0 ACSR	1,946,949	3,178,564	\$ 0.6125	324	0.7397	
4/0 ACSR	143,976	342,367	\$ 0.4205	255	0.6423	
350 MCM	15,136	4,675	\$ 3.2377			
500 MCM	951	825	\$ 1.1524			
336.4 MCM	2,974,645	2,734,485	\$ 1.0878	510	1.0024	
750 MCM	3,333	450	\$ 7.4060			
O/H Spacer Cable #2 ACSR	6,674	7,482	\$ 0.8920			
O/H Spacer Cable 336.4	42,321	12,307	\$ 3.4388			
O/H Cable Messenger	32,498	7,749	\$ 4.1939			
O/H Spacer Cable 556	526,851	52,829	\$ 9.9728	850	1.4826	
<b>SUBTOTAL</b>	<b>16,338,233</b>	<b>38,200,433</b>	<b>\$ 0.4277</b>			
Arrestors	x 680,088					
Switiches	x 550,787					
Reclosers	1,660,664					
Cutouts	x 1,073,049					
Insulator String	x 9,880,173					
Grounds	x 4,113,045					
Other	34,619,235 323,197					
<b>TOTAL</b>	<b>34,619,235</b>	<b>38,200,433</b>				

**SUMMARY OUTPUT**

Multiple R	0.744511742
R Square	0.554297733
Adjusted R Sq	0.405730311
Standard Error	0.189562909
Observations	5

	<i>Coefficients</i>
Intercept	0.282135692
X Variable 1	0.00141227



Zero Intercept	0.28214	Actual Price
Total Amount of Conductor in Feet	38,200,433	
	\$\$\$	
<b>Minimum Size Investment -Consumer Related</b>	<b>10,777,705.59</b>	<b>31.13%</b>
<b>Demand Related</b>	<b>23,841,529</b>	<b>68.87%</b>
<b>Investment in Conduit</b>	<b>34,619,235.00</b>	<b>100.00%</b>

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Exhibit R  
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Witness: Jim Adkins

**Determination of Certain Plant Investments as Demand Related or Consumer Related**

Breakdown of Lines into Demand Related and Consumer Related Components						
		Total	Percent	Amount	Percent	Amount
		Investment	Consumer	Consumer	Demand	Demand
Conductor		34,619,235	31.13%	10,777,705.59	68.87%	23,841,529
Poles		47,449,380	32.23%	15,291,711.09	67.77%	32,157,669
		82,068,615		26,069,417		55,999,198
Percent				31.77%		68.23%
Account 368-Transformers						
Pole	Size	Investment	Number of Units	Unit Cost	Predicted Value	
1.5,3,5,7.5	Various	14,516	(62)	(234.12)	#VALUE!	
10 KVA	10.00	36,113	90	401.25	318.15	
15 KVA	15.00	1,713,038	2,527	677.89	360.04	
25 KVA	25.00	1,039,063	1,633	636.29	443.81	
37.5 KVA	37.50	27,317	46	593.86	548.53	
50 KVA	50.00	385,719	476	810.33	653.25	
75 KVA		105,820	73	1,449.59	#VALUE!	
100 KVA		141,552	99	1,429.82	#VALUE!	
167 KVA		35,141	19	1,849.53	#VALUE!	
250 KVA		33,868	11	3,078.94	283,969.17	
15 KVA PAD	15.00	24,798	16	1,549.89	360.04	
25 KVA PAD	25.00	1,736,960	1,700	1,021.74	14,551,739	
25 KVA MINI	25.00	31,624	34	930.13	443.81	
37.5 KVA PA	37.50	36,319	41	885.82	548.53	
50 KVA PAD	50.00	4,996,949	4,183	1,194.59	653.25	
75 KVA PAD		564,007	368	1,532.63	#VALUE!	
100&167 KVA		342,958	182	1,884.39	#VALUE!	
112.5 KVA PA		403,395	315	1,280.62	#VALUE!	
225 KVA PAD		28,737	7	4,105.33	#VALUE!	
75 KVA 3PH		49,372	18	2,742.88	#VALUE!	
1.5 KVA CSP	1.50	63,221	456	138.64	246.94	
7.5 KVA CSP	7.50	316,519	1,114	284.13	297.21	
10 KVA CSP	10.00	2,409,108	7,091	339.74	318.15	
15 KVA CSP	15.00	5,453,663	11,887	458.79	360.04	
25 KVA CSP	25.00	1,158,914	2,182	531.12	443.81	
37.5 KVA CS	37.50	50,777	103	492.98	548.53	
50 KVA CSP	50.00	114,546	184	622.53	653.25	
75 KVA CSP		5,984	7	854.85	#VALUE!	
1000 KVA PA		323,618	35	9,246.24	#VALUE!	
300 KVA PAD		342,317	63	5,433.61	#VALUE!	
500 KVA PAD		390,167	41	9,516.27	#VALUE!	
750 KVA PAD		359,790	41	8,775.37	#VALUE!	
150 KVA PAD		97,654	21	4,650.19	#VALUE!	
1500 KVA PA		301,261	24	12,552.53	#VALUE!	
2000 KVA PAD		169,359	8	21,169.85		
167 KVA STEPDOWN		24,326	12	2,027.19		
250 KVA STEPDOWN		15,858	6	2,643.00		
500 KVA STEPDOWN		66,831	16	4,176.91		
1000 KVA STEPDOWN		153,930	26	5,920.40		
333 KVA STEPDOWN		10,557	3	3,519.00		
1500 KVA PAD		13,294	1	13,294.40		
33 KVA		9,151	3	3,050.20		
All Other Equipment		8,395				
		23,606,507	35,162			



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Witness: Jim Adkins

A. Energy Sakes							
	Schedule I	Schedule IA	Schedule I	Schedule II	Schedule XI	Schedule XIII	
	Farm and	Off-peak	Small	Large	Large Indust.	Large Indust.	
Month	Home	Marketing	Commercial	Power	Rate LPB1	Rate LPB2	
January	65,592,796	9,665	3,776,362	13,878,904	5,005,863	9,026,365	
February	86,863,947	16,094	4,563,690	15,263,518	5,419,085	9,532,403	
March	61,677,549	5,651	3,471,612	14,008,795	5,575,387	8,688,263	
April	50,726,517	8,471	3,655,129	14,724,849	5,619,868	9,522,398	
May	45,214,060	4,429	3,450,368	13,900,458	5,267,693	9,355,220	
June	59,748,092	4,049	3,988,415	15,945,475	5,726,584	9,219,273	
July	64,306,982	1,932	4,071,724	16,605,705	5,713,237	9,585,828	
August	69,704,016	-	4,228,037	15,600,921	5,741,523	8,602,628	
September	75,647,816	-	4,496,720	18,653,506	6,444,557	9,894,895	
October	49,818,779	102	3,721,568	16,350,221	5,668,511	9,475,966	
November	47,250,340	2,901	3,539,224	14,952,797	6,590,907	10,118,771	
December	62,252,269	5,478	3,841,178	14,336,324	5,915,144	9,664,040	
<b>Total</b>	<b>737,788,979</b>	<b>58,772</b>	<b>46,804,027</b>	<b>184,179,473</b>	<b>68,688,359</b>	<b>112,662,049</b>	
Percentage	62.46%	0.00%	3.96%	15.59%	5.81%	9.54%	
Rate E	737,788,979	58,772	46,804,027	184,179,473			
Percent	75.19%	0.01%	4.77%	18.77%			
Rate B					68,688,359	112,662,049	
Percent					34.81%	57.09%	

**OWEN ELECTRIC COOPERATIVE  
CASE NO. 2008-00154**

Witness: Jim Adkins

<b>A. Energy Sakes</b>						
	Schedule XIV	Schedule 2A	Schedule III	Schedule OLS	Schedule SOLS	
	Large Indust.	Time of Day	Security	Outdoor	Special Outdoor	
Month	Rate LPB	Rate	Lights	Lighting Serv.	Lighting Serv	Total
January	1,129,083	255,168	478,457	193,644	31,313	99,377,620
February	1,932,683	259,176	488,032	197,519	31,939	124,568,087
March	1,434,672	268,800	479,631	194,120	31,390	95,835,870
April	1,514,007	269,568	473,200	191,516	30,969	86,736,492
May	1,401,272	308,376	478,974	193,853	31,346	79,606,050
June	1,489,765	440,352	476,781	192,966	31,203	97,262,954
July	1,526,880	405,672	480,145	194,328	31,423	102,923,856
August	1,613,400	461,136	473,772	191,748	31,006	106,648,187
September	1,700,425	520,680	474,219	191,929	31,035	118,055,782
October	1,375,917	289,200	472,350	191,173	30,913	87,394,700
November	1,374,093	333,960	473,139	191,492	30,965	84,858,588
December	1,069,297	228,168	472,479	191,225	30,921	98,006,523
<b>Total</b>	<b>15,977,494</b>	<b>4,040,256</b>	<b>5,721,178</b>	<b>2,315,513</b>	<b>374,423</b>	<b>1,181,274,708</b>
Percentage	1.35%	0.34%	0.48%	0.20%	0.03%	100.00%
Rate E		4,040,256	5,721,178	2,315,513	374,423	981,282,621
Percent		0.41%	0.58%	0.24%	0.04%	100%
Rate B	15,977,494					197,327,902
Percent	8.10%					100%

**OWEN ELECT. COOPERATIVE  
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Witness: Jim Adkins

B. Wholesale Billing CP Contributions							
	Schedule I	Schedule IA	Schedule I	Schedule II	Schedule XI	Schedule XIII	
	Farm and	Off-peak	Small	Large	Large Indust.	Large Indust.	
Month	Home	Marketing	Commercial	Power	Rate LPB1	Rate LPB2	
January	145,225	-	9,196	28,050	10,884	13,351	
February	185,779	-	9,586	31,937	10,257	12,990	
March	133,939	-	7,311	29,537	9,952	13,314	
April	115,434	-	5,299	19,454	8,998	12,317	
May	119,627	-	7,998	23,196	10,913	5,031	
June	131,296	-	9,548	26,919	11,400	13,340	
July	165,480	-	10,066	28,989	10,744	12,866	
August	181,481	-	11,932	33,996	11,755	13,532	
September	163,926	-	10,263	31,603	11,335	13,995	
October	128,224	-	8,092	26,364	11,230	6,024	
November	105,972	-	6,809	31,276	10,581	10,438	
December	147,799	-	7,876	29,359	10,249	12,994	
<b>Total</b>	<b>1,724,182</b>	<b>-</b>	<b>103,976</b>	<b>340,680</b>	<b>128,298</b>	<b>100,824</b>	
Percent	69.41%	0.00%	4.19%	13.71%	5.16%	4.06%	
Rate E	1,724,182	-	103,976	340,680			
Percent	78.88%	0.00%	4.76%	15.59%			
Rate B					128,298	100,824	
Percent					49.59%	38.97%	
Used to allocate wholesale power demand costs to rate classes.							



**OWEN ELECT. COOPERATIVE**  
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Witness: Jim Adkins

B. Wholesale Billing CP Contributions						
	Schedule XIV	Schedule 2A	Schedule III	Schedule OLS	Schedule SOLS	
	Large Indust.	Time of Day	Security	Outdoor	Special Outdoor	
Month	Rate LPB	Rate	Lights	Lighting Serv.	Lighting Serv	Total
January	2,483	707	1,404	191	40	211,531
February	2,555	755	1,404	208	41	255,512
March	2,559	680	1,395	220	43	198,950
April	2,018	413	1,392	188	43	165,556
May	2,532	475	-	-	-	169,772
June	2,665	494	-	-	-	195,662
July	2,654	616	-	-	-	231,415
August	2,746	761	-	-	-	256,203
September	2,465	665	-	-	-	234,252
October	2,343	552	-	-	-	182,829
November	2,125	536	1,327	266	51	169,381
December	2,428	584	1,319	276	53	212,937
<b>Total</b>	<b>29,573</b>	<b>7,238</b>	<b>8,241</b>	<b>1,349</b>	<b>271</b>	<b>2,484,000</b>
Percent	1.19%	0.29%	0.33%	0.05%	0.01%	100.00%
Rate E		7,238	8,241	1,349	271	2,185,937
Percent		0.33%	0.38%	0.06%	0.01%	100%
Rate B	29,573					258,695
Percent	11.43%					100%
						#REF!
Used to allocate wholesale power demand costs to rate classes.						

**OWEN ELECTRIC COOPERATIVE**  
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Witness: Jim Adkins

C. Monthly Peak Demands for Each Rate Class							
	Schedule I Farm and Home	Schedule IA Off-peak Marketing	Schedule I Small Commercial	Schedule II Large Power	Schedule XI Large Indust. Rate LPB1	Schedule XIII Large Indust. Rate LPB2	
Month							
January	185,769	35	10,678	40,253	12,204	15,483	
February	201,624	35	11,431	39,143	12,227	16,340	
March	141,829	35	8,964	37,666	12,700	16,110	
April	149,745	28	9,562	37,205	12,672	15,692	
May	132,497	21	10,957	38,979	13,165	15,247	
June	147,654	7	11,957	37,637	13,353	15,548	
July	165,480	7	12,806	37,705	13,480	17,189	
August	181,481	-	14,298	43,782	13,957	16,835	
September	163,926	14	12,037	40,628	13,332	16,971	
October	136,314	35	10,871	37,108	13,358	17,335	
November	123,805	35	9,548	37,815	12,525	16,845	
December	147,799	35	10,783	39,298	12,284	17,138	
<b>Total</b>	<b>1,877,923</b>	<b>-</b>	<b>133,892</b>	<b>467,219</b>	<b>133,175</b>	<b>144,093</b>	
Percent Lines	66.62%	0.00%	4.75%	16.57%	4.72%	5.11%	
Transformers	70.21%	0.00%	5.01%	17.47%	4.98%	0.00%	
Used to allocate distribution demand related costs to appropriate rate classes							

**OWEN ELECTRIC COOPERATIVE  
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C. Monthly Peak Demands for Each Rate Class						
	Schedule XIV	Schedule 2A	Schedule III	Schedule OLS	Schedule SOLS	
	Large Indust.	Time of Day	Security	Outdoor	Special Outdoor	
Month	Rate LPB	Rate	Lights	Lighting Serv.	Lighting Serv	Total
January	2,575	921	1,404	204	40	269,566
February	2,598	890	1,404	207	41	285,940
March	2,642	797	1,395	220	43	222,401
April	2,750	773	1,392	214	43	230,076
May	2,828	722	1,389	217	43	216,065
June	2,971	589	1,383	223	44	231,366
July	2,955	695	1,368	233	44	251,962
August	3,086	889	1,361	241	45	275,975
September	3,023	776	1,476	255	50	252,488
October	2,909	718	1,333	258	51	220,290
November	2,586	645	1,327	269	51	205,451
December	2,691	708	1,319	276	53	232,384
<b>Total</b>	<b>33,614</b>	<b>9,123</b>	<b>16,551</b>	<b>2,817</b>	<b>548</b>	<b>2,818,955</b>
Percent						
Lines	1.19%	0.32%	0.59%	0.10%	0.02%	100.00%
Transform	1.26%	0.34%	0.62%	0.11%	0.02%	100.00%
Used to allocate distribution demand related costs to appropriate rate classes						

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Witness: Jim Adkins

**Consumer Related Costs Allocators**

**A. Lines (poles and conduit)**

	<u>Number of Consumers</u>	<u>Allocation Percent</u>
Schedule 1 - Farm & Home	53,535	95.01%
Schedule I - Off Peak Marketing	-	0.00%
Schedule I - Small Commercial	2,191	3.89%
Schedule II - Large Power	245	0.43%
Schedule XI - Large Industrial Rate LPBI	9	0.02%
Schedule XIII - Large Industrial Rate LPB2	2	0.00%
Schedule XIV - Large Industrial Rate LPB	4	0.01%
Schedule 2A - Time of Day	8	0.01%
Schedule III Security Lights	301	0.53%
Schedule OLS - Outdoor Lighting Service	8	0.01%
Schedule II OLS - Special Outdoor Lighting	45	0.08%
Gallatin Steel - Special Contract	1	0.0%
Total	56,348.00	100%

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**Consumer Related Costs Allocators**

**B. Transformers**

Rate Class	Number of Consumers	Minimum Transformer Cost	Relative Cost	Weight	Allocation Percent
Schedule 1 - Residential	53,535	401.3	1.00	53,535.00	91.109%
Schedule I - Off Peak Marketing	-	-	-	-	0.000%
Schedule I - Small Commercial	2,191	636.3	1.59	3,474.42	5.913%
Schedule II - Large Power	245	1,908.9	4.76	1,165.54	1.984%
Schedule XI - Large Industrial Rate LPBI	9	9,246.2	23.04	207.39	0.353%
Schedule XIII - Large Industrial Rate LPB2	2	-	-	-	0.000%
Schedule XIV - Large Industrial Rate LPB	4	9,516.3	23.72	94.87	0.161%
Schedule 2A - Time of Day	8	1,908.9	4.76	38.06	0.065%
Schedule III Security Lights	601	138.6	0.35	207.66	0.353%
Schedule OLS - Outdoor Lighting Service	16	138.6	0.35	5.53	0.009%
Schedule II OLS - Special Outdoor Lighting	89	138.6	0.35	30.75	0.052%
Gallatin Steel - Special Contract	1	-	-	-	0.000%
Total	56,701	24,034	59.90	58,759	1.00

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**Consumer Related Costs Allocators**

**C. Services**

Rate Class	# of Consumer	Minim Service Cost	Relative Cost	Weight	Allocation Percent
Schedule 1 - Residential	53,535	51	1.00	53,535	81.06%
Schedule I - Off Peak Marketing	8	8	0.15	1	0.00%
Schedule I - Small Commercial	2,191	190	3.75	8,215	12.44%
Schedule II - Large Power	245	712	14.06	3,444	5.21%
Schedule XI - Large Industrial Rate LPBI	9	712	14.06	127	0.19%
Schedule XIII - Large Industrial Rate LPB2	2	-	-	-	0.00%
Schedule XIV - Large Industrial Rate LPB	4	712	14.06	56	0.09%
Schedule 2A - Time of Day	8	712	14.06	112	0.17%
Schedule III Security Lights	8,284	2	0.05	406	0.61%
Schedule OLS - Outdoor Lighting Service	2,536	2	0.05	124	0.19%
Schedule II OLS - Special Outdoor Lighting	407	2	0.05	20	0.03%
Gallatin Steel - Special Contract	1	-	-	-	0.00%
Total	67,230			66,040	1.00

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**Consumer Related Costs Allocators**

**D. Meters**

Rate Class	# of Consumer	Minimum Meter Cost	Relative Cost	Weight	Allocation Percent
Schedule 1 - Residential	53,535	137.75	1.00	53,535.00	93.50%
Schedule I - Off Peak Marketing	8	137.75	1.00	8.00	0.01%
Schedule I - Small Commercial	2,191	137.75	1.00	2,191.00	3.83%
Schedule II - Large Power	245	826.11	6.00	1,469.30	2.57%
Schedule XI - Large Industrial Rate LPBI	9	-	-	-	0.00%
Schedule XIII - Large Industrial Rate LPB2	2	-	-	-	0.00%
Schedule XIV - Large Industrial Rate LPB	4	-	-	-	0.00%
Schedule 2A - Time of Day	8	897.80	6.52	52.14	0.09%
Schedule III Security Lights	8,284	-	-	-	0.00%
Schedule OLS - Outdoor Lighting Service	2,536	-	-	-	0.00%
Schedule II OLS - Special Outdoor Lighting	407	-	-	-	0.00%
Gallatin Steel - Special Contract	1	-	-	-	0.00%
Total	<u>67,230</u>			<u>57,255.45</u>	1.00

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**Consumer Related Costs Allocators**

**E. Consumer & Accounting Services**

Rate Class	<u>Meter Reading</u>	<u>Consumer Records</u>	<u>Consumer Assistance</u>	<u>Total</u>	<u>Allocation Percent</u>
Schedule 1 - Residential	390,485	2,584,100	88,782	3,063,368	94.661%
Schedule I - Off Peak Marketing	-	48	13	62	0.002%
Schedule I - Small Commercial	31,962	105,758	3,634	141,354	4.368%
Schedule II - Large Power	3,574	14,782	406	18,763	0.580%
Schedule XI - Large Industrial Rate LPBI	263	760	15	1,038	0.032%
Schedule XIII - Large Industrial Rate LPB2	58	193	3	255	0.008%
Schedule XIV - Large Industrial Rate LPB	117	338	7	461	0.014%
Schedule 2A - Time of Day	117	483	13	613	0.019%
Schedule III Security Lights	-	7,252	249	7,502	0.232%
Schedule OLS - Outdoor Lighting Service	-	193	7	200	0.006%
Schedule II OLS - Special Outdoor Lighting	-	1,074	37	1,111	0.034%
Gallatin Steel - Special Contract	58	1,207	166	1,431	0.044%
Total	426,634	2,716,190	93,332	3,236,156	100%



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**Consumer Related Costs Allocators**

<u>Meter Reading</u>					
	<u>Factor</u>	<u>Number of Consumers</u>	<u>Weight</u>	<u>Allocation Percentage</u>	<u>Expenses Allocated</u>
Schedule 1 - Residential	1.00	53,535	53,535	91.53%	390,485
Schedule I - Off Peak Marketing	1.00	-	-	0.00%	-
Schedule I - Small Commercial	2.00	2,191	4,382	7.49%	31,962
Schedule II - Large Power	2.00	245	490	0.84%	3,574
Schedule XI - Large Industrial Rate LPBI	4.00	9	36	0.06%	263
Schedule XIII - Large Industrial Rate LPB2	4.00	2	8	0.01%	58
Schedule XIV - Large Industrial Rate LPB	4.00	4	16	0.03%	117
Schedule 2A - Time of Day	2.00	8	16	0.03%	117
Schedule III Security Lights	-	601	-	0.00%	-
Schedule OLS - Outdoor Lighting Service	-	16	-	0.00%	-
Schedule II OLS - Special Outdoor Lighting	-	89	-	0.00%	-
Gallatin Steel - Special Contract	8.00	1	8	0.01%	58
		56,701	58,491	1	426,634

**OWEN ELECTRIC COOPERATIVE  
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**Consumer Related Costs Allocators**

Total	<b>Consumer Records</b>				
	Factor	Number of Consumers	Weight	Allocation Percentage	Expenses Allocated
Schedule 1 - Residential	4.00	53,535	214,140	95.1%	2,584,100
Schedule I - Off Peak Marketing	0.50	8	4	0.0%	48
Schedule I - Small Commercial	4.00	2,191	8,764	3.89%	105,758
Schedule II - Large Power	5.00	245	1,225	0.54%	14,782
Schedule XI - Large Industrial Rate LPBI	7.00	9	63	0.03%	760
Schedule XIII - Large Industrial Rate LPB2	8.00	2	16	0.01%	193
Schedule XIV - Large Industrial Rate LPB	7.00	4	28	0.01%	338
Schedule 2A - Time of Day	5.00	8	40	0.02%	483
Schedule III Security Lights	1.00	601	601	0.27%	7,252
Schedule OLS - Outdoor Lighting Service	1.00	16	16	0.01%	193
Schedule II OLS - Special Outdoor Lighting	1.00	89	89	0.04%	1,074
Gallatin Steel - Special Contract	100.00	1	100	0.04%	1,207
Total		56,709	225,086	1	2,716,190

**OWEN ELECTRIC COOPERATIVE  
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**Consumer Related Costs Allocators**

<b>Consumer Assistance</b>					
<u>Factor</u>	<u>Number of Consumers</u>	<u>Weight</u>	<u>Allocation Percentage</u>	<u>Expenses Allocated</u>	
Schedule 1 - Residential	1.00	53,535	53,535	95.13%	88,782
Schedule I - Off Peak Marketing	1.00	8	8	0.01%	13
Schedule I - Small Commercial	1.00	2,191	2,191	3.89%	3,634
Schedule II - Large Power	1.00	245	245	0.44%	406
Schedule XI - Large Industrial Rate LPBI	1.00	9	9	0.02%	15
Schedule XIII - Large Industrial Rate LPB2	1.00	2	2	0.00%	3
Schedule XIV - Large Industrial Rate LPB	1.00	4	4	0.01%	7
Schedule 2A - Time of Day	1.00	8	8	0.01%	13
Schedule III Security Lights	0.25	601	150	0.27%	249
Schedule OLS - Outdoor Lighting Service	0.25	16	4	0.01%	7
Schedule II OLS - Special Outdoor Lighting	0.25	89	22	0.04%	37
Gallatin Steel - Special Contract	100.00	1	100	0.18%	166
Total		56,709.00	56,278.50	1.00	93,332
Meter Reading				426,634	1.00
Consumer Records				2,716,190	6.37
Consumer Assistance				93,332	0.22

Owen Electric Cooperative  
Case No. 2008-00154  
Balance Sheet, Adjusted  
December 31, 2007

Exhibit S  
page 1 of 4  
Witness: Alan Zumstein

	<u>Actual Test Year</u>	<u>Adjustments to Test Year</u>	<u>Adjusted Test Year</u>
<u>ASSETS</u>			
Electric Plant:			
In service	184,679,441		184,679,441
Under construction	3,036,756		3,036,756
	<u>187,716,197</u>		<u>187,716,197</u>
Less accumulated depreciation	61,301,494		61,301,494
	<u>126,414,703</u>	<u>0</u>	<u>126,414,703</u>
Investments	<u>21,619,328</u>		<u>21,619,328</u>
Current Assets:			
Cash and temporary investments	1,235,808		1,235,808
Accounts receivable, net	8,668,909		8,668,909
Material and supplies	972,866		972,866
Prepayments and current assets	776,710		776,710
	<u>11,654,293</u>		<u>11,654,293</u>
Deferred debits & Net Change in Assets	<u>(144,887)</u>	<u>5,169,056</u>	<u>5,024,169</u>
Total	<u>159,543,437</u>	<u>5,169,056</u>	<u>164,712,493</u>
<u>MEMBERS' EQUITIES AND LIABILITIES</u>			
Margins:			
Memberships	1,118,630		1,118,630
Patronage capital	52,279,908	5,128,466	57,408,374
	<u>53,398,538</u>	<u>5,128,466</u>	<u>58,527,004</u>
Long Term Debt	<u>83,591,255</u>		<u>83,591,255</u>
Accumulated Operating Provisions	<u>6,151,972</u>	<u>40,590</u>	<u>6,192,562</u>
Current Liabilities:			
Short term borrowings	5,720,933		5,720,933
Accounts payable	4,839,938		4,839,938
Consumer deposits	2,352,442		2,352,442
Accrued expenses	2,851,073		2,851,073
	<u>15,764,386</u>		<u>15,764,386</u>
Deferred credits	<u>637,286</u>		<u>637,286</u>
Total	<u>159,543,437</u>	<u>5,169,056</u>	<u>164,712,493</u>

Owen Electric Cooperative  
Case No. 2008-00154  
Statement of Operations, Adjusted

Exhibit S  
page 2 of 4  
Witness: Alan Zumstein

	<u>Actual Test Year</u>	<u>Normalized Adjustments</u>	<u>Normalized Test Year</u>	<u>Proposed Increase</u>	<u>Proposed Test Year</u>
<b>Operating Revenues:</b>					
Base rates	81,809,900	5,256,227	87,066,127	4,064,395	91,130,522
Fuel and surcharge	15,052,264	(15,052,264)	0		0
Contract customer	35,125,060	3,806,301	38,931,361		38,931,361
Fuel and surcharge	9,230,125	(9,230,125)	0		0
Other electric revenue	<u>1,775,002</u>	<u>297,026</u>	<u>2,072,028</u>		<u>2,072,028</u>
	<u>142,992,351</u>	<u>(14,922,835)</u>	<u>128,069,516</u>	<u>4,064,395</u>	<u>132,133,911</u>
<b>Operating Expenses:</b>					
Cost of power:					
Base rates	56,288,336	5,783,125	62,071,461		62,071,461
Fuel and surcharge	14,645,390	(14,645,390)	0		0
Contract customer	34,771,911	3,806,300	38,578,211		38,578,211
Fuel and surcharge	10,095,088	(10,095,088)	0		0
Distribution - operations	3,937,933	192,764	4,130,697		4,130,697
Distribution - maintenance	3,214,001	51,217	3,265,218		3,265,218
Consumer accounts	3,465,044	72,270	3,537,314		3,537,314
Customer service	384,855	10,757	395,612		395,612
Sales	0	0	0		0
Administrative and general	<u>3,054,835</u>	<u>(52,709)</u>	<u>3,002,126</u>		<u>3,002,126</u>
Total operating expenses	<u>129,857,393</u>	<u>(14,876,754)</u>	<u>114,980,639</u>	<u>0</u>	<u>114,980,639</u>
Depreciation	9,656,698	(1,175,664)	8,481,034		8,481,034
Taxes - other	128,898	0	128,898		128,898
Interest on long-term debt	3,823,761	478,648	4,302,409		4,302,409
Interest expense - other	819,788	(344,869)	474,919		474,919
Other deductions	<u>105,200</u>	<u>(68,267)</u>	<u>36,933</u>		<u>36,933</u>
Total cost of electric service	<u>144,391,738</u>	<u>(15,986,906)</u>	<u>128,404,832</u>	<u>0</u>	<u>128,404,832</u>
Utility operating margins	<u>(1,399,387)</u>	<u>1,064,071</u>	<u>(335,316)</u>	<u>4,064,395</u>	<u>3,729,079</u>
Nonoperating margins, interest	113,134	0	113,134		113,134
Nonoperating margins, other	31,595	0	31,595		31,595
Patronage capital credits	<u>428,601</u>	<u>0</u>	<u>428,601</u>		<u>428,601</u>
Net Margins	<u>(\$826,057)</u>	<u>\$1,064,071</u>	<u>\$238,014</u>	<u>\$4,064,395</u>	<u>\$4,302,409</u>
TIER	0.78		1.06		2.00

Owen Electric Cooperative  
Case No. 2008-00154  
Summary of Adjustments to Test Year

Exhibit S  
page 3 of 4  
Witness: Alan Zumstien

	Adj 1	Adj 2	Adj 3	Adj 4	Adj 5	Adj 6	Adj 7	Adj 8	Adj 9	Adj 10	Adj 11	Adj 12	Adj 13	Adj 14	Adj 15	Adj 16		
	Salaries	Payroll Taxes	Deprec	Property Tax	Interest	FAS 106 Cost	Retirement	Donations	Professional Fees	Directors	Misc Expenses	Non-Recurring	Rate Case	Purchase Power	Normalize Revenue	Additional Revenue	Total	
Operating Revenues:																		
Base rates																	5,256,227	5,256,227
Fuel and surcharge																	(15,052,264)	(15,052,264)
Rate GA customer																	3,806,301	3,806,301
Fuel and surcharge																	(9,230,125)	(9,230,125)
Other electric revenue												235,087					61,939	297,026
	0	0	0	0	0	0	0	0	0	0	0	235,087	0	0			61,939	(14,922,835)
Operating Expenses:																		
Cost of power:																		
Base rates														5,783,125				5,783,125
Fuel and surcharge														(14,645,390)				(14,645,390)
Rate GA customer														3,806,300				3,806,300
Fuel and surcharge														(10,095,088)				(10,095,088)
Distribution - operation	48,763	71	(98)	102,339		12,619	29,070											192,764
Distribution - maintena	27,684	41	(176)			7,164	16,504											51,217
Consumer accounts	37,381	55	(45)	2,920		9,674	22,285											72,270
Customer service	5,290	8	(37)	973		1,369	3,154											10,757
Sales																		0
Administrative and gen	37,728	55	(64)	1,925		9,764	22,492		(853)	(154,035)	6,279		24,000					(52,709)
Total operating expenses	156,846	230	(420)	108,157	0	40,590	93,505	0	(853)	(154,035)	6,279	0	24,000	(15,151,053)	0	0	0	(14,876,754)
Depreciation			(1,175,664)															(1,175,664)
Taxes - other																		0
Interest on long-term debt					478,648													478,648
Interest expense - other					(344,869)													(344,869)
Other deductions								(68,267)										(68,267)
Total cost of electric service	156,846	230	(1,176,084)	108,157	133,779	40,590	93,505	(68,267)	(853)	(154,035)	6,279	0	24,000	(15,151,053)	0	0	0	(15,986,906)
Utility operating margin	(156,846)	(230)	1,176,084	(108,157)	(133,779)	(40,590)	(93,505)	68,267	853	154,035	(6,279)	235,087	(24,000)	15,151,053	(15,219,861)	61,939	0	1,064,071
Nonoperating margins, interest																		0
Nonoperating margins, other																		0
Patronage capital credits																		0
	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Net Margins	(156,846)	(230)	1,176,084	(108,157)	(133,779)	(40,590)	(93,505)	68,267	853	154,035	(6,279)	235,087	(24,000)	15,151,053	(15,219,861)	61,939	0	1,064,071

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Owen Electric Cooperative  
Case No. 2008-00154  
**Proposed Revenues**  
December 31, 2007

Interest on long term debt	4,302,409
Normalized margins	<u>238,014</u>
Proposed increase in revenues over normalized revenues to attain a TIER of 2.0x	<u>\$4,064,395</u>

2007 BUDGET PROJECTIONS

	TOTAL	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	EC
1 RESIDENTIAL SALES	440.10	6,546,081	6,126,422	5,259,237	4,477,435	3,747,845	4,487,865	5,737,389	6,062,769	5,427,221	3,974,381	4,063,935	5,744,395
2 SECURITY LIGHTS ONLY	440.20	186,096	15,226	15,356	15,480	15,829	15,846	15,809	15,622	15,638	15,838	15,836	15,836
3 SMALL COMMERCIAL	442.10	3,712,064	297,527	295,447	293,369	295,326	316,945	331,774	363,565	330,628	274,452	362,165	324,363
4 LARGE POWER	442.20	28,609,516	2,334,503	2,128,411	2,323,157	2,152,551	2,398,376	2,498,905	2,583,428	2,553,737	2,274,935	2,554,110	2,554,110
5 GALLATIN STEEL	442.21	43,737,056	3,655,644	3,297,299	3,663,321	3,466,312	3,536,205	3,675,685	3,890,914	3,794,578	3,647,910	3,647,910	3,647,910
6 PUBLIC LIGHTING	444.00	58,525	5,533	5,106	5,000	4,147	4,341	4,084	4,301	4,559	5,191	4,703	4,732
7 OTHER - PUBLIC AUTH.	445.00	1,047,361	96,142	96,142	78,536	69,743	78,864	85,074	94,507	94,900	75,264	95,234	95,234
8 LATE PAYMT. PENALTIES	450.00	90,600	77,000	64,000	58,000	62,000	46,000	46,000	86,000	62,000	40,000	46,000	66,000
9 DISC. & RECONN. FEES	451.00	399,000	40,000	40,000	33,000	33,000	28,000	26,000	29,000	31,000	27,000	43,000	29,000
10 METER READING FEES	451.10	0	0	0	0	0	0	0	0	0	0	0	0
11 RETURN CHECK CHARGES	452.00	16,800	1,400	1,400	1,400	1,400	1,400	1,400	1,400	1,400	1,400	1,400	1,400
12 RENT FROM ELEC. PROP.	454.00	240,000	20,000	20,000	20,000	20,000	20,000	20,000	20,000	20,000	20,000	20,000	20,000
13 RENT FROM UIG TEMP MTR.	454.10	234,000	19,500	19,500	19,500	19,500	19,500	19,500	19,500	19,500	19,500	19,500	19,500
14 RENT O/H TEMP MTR. BASE	454.20	26,400	2,200	2,200	2,200	2,200	2,200	2,200	2,200	2,200	2,200	2,200	2,200
15 RENT UIG MTR. BASE	454.30	13,200	1,100	1,100	1,100	1,100	1,100	1,100	1,100	1,100	1,100	1,100	1,100
16 OTHER ELEC. REVENUE	456.00	31,200	2,600	2,600	2,600	2,600	2,600	2,600	2,600	2,600	2,600	2,600	2,600
<b>17 (1) OPER. REVENUE</b>	<b>\$140,730,213</b>	<b>\$13,153,836</b>	<b>\$12,255,531</b>	<b>\$11,609,130</b>	<b>\$10,797,089</b>	<b>\$10,195,609</b>	<b>\$12,470,521</b>	<b>\$13,179,046</b>	<b>\$13,361,261</b>	<b>\$12,361,261</b>	<b>\$10,381,771</b>	<b>\$10,819,595</b>	<b>\$12,528,462</b>
18 WHOLESALE POWER	555.00	\$69,367,090	6,207,494	5,710,290	5,521,313	4,879,509	4,842,252	5,391,122	6,337,430	6,888,411	4,424,708	5,135,471	6,248,471
19 WHOLESALE POWER-GALT.	555.10	\$44,190,804	3,331,507	3,701,326	3,502,273	3,848,888	3,572,891	3,717,860	3,931,280	3,833,945	3,695,755	3,685,755	3,685,755
<b>20 (3) COST OF POWER</b>	<b>\$112,567,894</b>	<b>\$10,474,647</b>	<b>\$9,539,001</b>	<b>\$9,411,616</b>	<b>\$9,023,586</b>	<b>\$8,727,938</b>	<b>\$8,415,143</b>	<b>\$9,108,982</b>	<b>\$10,268,710</b>	<b>\$10,722,356</b>	<b>\$8,110,463</b>	<b>\$8,821,226</b>	<b>\$9,934,226</b>
21 OPERATIONS, SUPV. & ENG.	580.00	450,000	37,500	37,500	37,500	37,500	37,500	37,500	37,500	37,500	37,500	37,500	37,500
22 LOAD DISPATCHING	581.00	24,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000
23 STATION EXPENSE	582.00	10,800	900	900	900	900	900	900	900	900	900	900	900
24 OVERHEAD LINE EXP.	583.00	1,327,200	110,600	110,600	110,600	110,600	110,600	110,600	110,600	110,600	110,600	110,600	110,600
25 LINE PATROL	583.10	76,000	6,500	6,500	6,500	6,500	6,500	6,500	6,500	6,500	6,500	6,500	6,500
26 TRANSFORMER OUTAGE	583.20	1,200	100	100	100	100	100	100	100	100	100	100	100
27 UNDERGROUND LINE EXP.	584.00	264,000	22,000	22,000	22,000	22,000	22,000	22,000	22,000	22,000	22,000	22,000	22,000
28 METER EXPENSE	586.00	795,000	66,250	66,250	66,250	66,250	66,250	66,250	66,250	66,250	66,250	66,250	66,250
29 O/H TEMP MTR. BASE - OWNED	586.10	24,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000
30 O/H TEMP MTR. BASE EXP.	586.20	33,600	2,800	2,800	2,800	2,800	2,800	2,800	2,800	2,800	2,800	2,800	2,800
31 UIG TEMP MTR. BASE EXP.	586.30	45,600	3,800	3,800	3,800	3,800	3,800	3,800	3,800	3,800	3,800	3,800	3,800
32 CONSUMER INSTALL. EXP.	587.00	354,000	29,500	29,500	29,500	29,500	29,500	29,500	29,500	29,500	29,500	29,500	29,500
33 MISC. DISTRIBUTION. EXP.	588.00	773,040	64,420	64,420	64,420	64,420	64,420	64,420	64,420	64,420	64,420	64,420	64,420
34 MISC. DISTR. EXP. - IT	588.10	173,100	14,425	14,425	14,425	14,425	14,425	14,425	14,425	14,425	14,425	14,425	14,425
35 RENTS	589.00	440	40	40	40	40	40	40	40	40	40	40	40
<b>36 (6) DIST. EXP. OPERATIONS</b>	<b>\$4,353,980</b>	<b>\$362,795</b>	<b>\$362,795</b>	<b>\$362,795</b>	<b>\$362,795</b>	<b>\$362,795</b>	<b>\$362,945</b>	<b>\$362,855</b>	<b>\$362,855</b>	<b>\$363,025</b>	<b>\$362,795</b>	<b>\$362,795</b>	<b>\$362,795</b>
37 MAINT. SUPRV. & ENG.	590.00	276,000	23,000	23,000	23,000	23,000	23,000	23,000	23,000	23,000	23,000	23,000	23,000
38 MAINT. OVERHD. LINES	593.00	1,138,800	94,900	94,900	94,900	94,900	94,900	94,900	94,900	94,900	94,900	94,900	94,900
39 MAINT. OVERHD. LINES - OUTAG	593.10	324,000	27,000	27,000	27,000	27,000	27,000	27,000	27,000	27,000	27,000	27,000	27,000
40 MAINT. R-O-W	593.20	1,656,040	26,040	30,000	30,000	30,000	200,000	200,000	200,000	160,000	180,000	170,000	160,000
41 MAINT. J.O.C.R.'s	593.40	30,000	2,500	2,500	2,500	2,500	2,500	2,500	2,500	2,500	2,500	2,500	2,500
42 POLE TREATMENT	593.50	155,200	0	15,200	30,000	45,000	40,000	25,000	24,500	24,500	24,500	24,500	24,500
43 MAINT. UNDRGRD. LINES	594.00	294,000	24,500	24,500	24,500	24,500	24,500	24,500	24,500	24,500	24,500	24,500	24,500
44 UIG OUTAGE	594.10	38,400	3,200	3,200	3,200	3,200	3,200	3,200	3,200	3,200	3,200	3,200	3,200
45 MAINT. TRANSFORMERS	595.00	65,000	5,750	5,750	5,750	5,750	5,750	5,750	5,750	5,750	5,750	5,750	5,750
46 MAINT. METERS	597.00	48,000	4,000	4,000	4,000	4,000	4,000	4,000	4,000	4,000	4,000	4,000	4,000
<b>47 (6) DIST. EXP. MAINTENANCE</b>	<b>\$4,029,440</b>	<b>\$210,990</b>	<b>\$214,850</b>	<b>\$230,050</b>	<b>\$304,850</b>	<b>\$429,850</b>	<b>\$424,850</b>	<b>\$409,850</b>	<b>\$384,850</b>	<b>\$364,850</b>	<b>\$364,850</b>	<b>\$364,850</b>	<b>\$364,850</b>

Exhibit T  
1 of 3





2007 BUDGET PROJECTIONS

Exhibit T  
3 of 3

	TOTAL	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC
81 TAXES-U.S. UNEMPLOY.	0	0	0	0	0	0	0	0	0	0	0	0	0
82 TAXES-U.S. FICA	0	0	0	0	0	0	0	0	0	0	0	0	0
83 TAXES-STATE UNEMPLOY.	0	0	0	0	0	0	0	0	0	0	0	0	0
84 TAXES-STATE SALES	0	0	0	0	0	0	0	0	0	0	0	0	0
85 TAXES-OTHER	128,400	10,700	10,700	10,700	10,700	10,700	10,700	10,700	10,700	10,700	10,700	10,700	10,700
(14) TAX EXPENSE-OTHER	\$128,400	\$10,700	\$10,700	\$10,700	\$10,700	\$10,700	\$10,700	\$10,700	\$10,700	\$10,700	\$10,700	\$10,700	\$10,700
87 INTEREST-LT REA	2,198,277	184,247	184,192	184,150	183,515	183,452	183,388	182,753	182,690	182,647	182,478	182,414	182,351
88 INTEREST-LT CFC	1,491,189	128,361	128,361	127,797	127,797	127,797	122,001	122,001	122,001	121,415	121,415	121,415	120,829
(16) INT. ON LONG TERM DEBT	\$3,689,466	\$312,609	\$312,554	\$311,947	\$311,312	\$311,248	\$305,389	\$304,754	\$304,690	\$304,082	\$303,893	\$303,829	\$303,179
90 INTEREST-SHT DEBT	184,000	12,000	12,000	14,000	14,000	14,000	16,000	16,000	16,000	16,000	18,000	18,000	16,000
91 INTEREST-CONS. DEPOSITS	111,300	9,000	9,050	9,100	9,150	9,200	9,250	9,300	9,350	9,400	9,450	9,500	9,550
(17) INTEREST EXPENSE OTHER	\$295,300	\$21,000	\$21,050	\$23,100	\$23,150	\$23,200	\$25,250	\$25,300	\$25,350	\$25,400	\$27,450	\$27,500	\$27,550
93 OTHER DED. - DONATIONS	100,000	35,000	5,000	6,000	6,000	6,000	6,000	6,000	6,000	6,000	6,000	6,000	6,000
94 DONAT. - SCHOLARSHIPS	28,000	14,000	0	0	0	0	0	0	0	0	0	0	0
95 LIFE INS. - EXEC. RET.	0	0	0	0	0	0	0	0	0	0	0	0	0
96 PENALTIES	0	0	0	0	0	0	0	0	0	0	0	0	0
97 AMORT./DEBT DISCOUNT	0	0	0	0	0	0	0	0	0	0	0	0	0
(18) OTHER DEDUCTIONS	\$128,000	\$49,000	\$5,000	\$6,000	\$6,000	\$6,000	\$6,000	\$6,000	\$6,000	\$6,000	\$6,000	\$6,000	\$6,000
(19) TOTAL COST OF ELEC. SER	\$139,850,996	\$12,664,470	\$11,686,383	\$11,571,862	\$11,258,111	\$11,108,549	\$10,809,625	\$11,461,744	\$12,588,668	\$13,015,256	\$10,401,093	\$11,097,600	\$12,167,615
100 TOTAL COST LESS POWER COST	\$27,293,102	\$ 2,189,823	\$ 2,147,392	\$ 2,160,266	\$ 2,234,525	\$ 2,380,611	\$ 2,394,482	\$ 2,352,762	\$ 2,319,858	\$ 2,292,900	\$ 2,290,630	\$ 2,276,374	\$ 2,253,369
(20) PAT. CAP. & OPER. MARGINS	\$879,217	\$489,366	\$569,148	\$37,248	(\$461,022)	(\$911,940)	\$159,637	\$1,016,777	\$590,378	(\$653,995)	(\$19,322)	(\$277,905)	\$340,847
(21) NON OP. MAR. - INT.	\$180,000	\$15,000	\$15,000	\$15,000	\$15,000	\$15,000	\$15,000	\$15,000	\$15,000	\$15,000	\$15,000	\$15,000	\$15,000
(23) INCOME(LOSS) FROM INVEST.	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
104 REV. FROM MERCHANDISING	6,000	500	500	500	500	500	500	500	500	500	500	500	500
105 COST OF MERCHANDISING	5,460	455	455	455	455	455	455	455	455	455	455	455	455
106 REVENUE/NON-UTIL. OPER.	48,000	4,000	4,000	4,000	4,000	4,000	4,000	4,000	4,000	4,000	4,000	4,000	4,000
107 EXP./NON-UTIL. OPER.	(26,460)	(2,200)	(2,200)	(2,200)	(2,200)	(2,200)	(2,200)	(2,200)	(2,200)	(2,200)	(2,200)	(2,200)	(2,260)
108 MISC. NON-OP. REV./APPL.	0	0	0	0	0	0	0	0	0	0	0	0	0
109 GAIN ON DISP. OF PROP.	5,000	0	0	0	0	0	0	0	0	0	0	0	0
110 LOSS ON DISP. OF PROP.	(2,000)	(2,000)	(2,000)	(2,000)	(2,000)	(2,000)	(2,000)	(2,000)	(2,000)	(2,000)	(2,000)	(2,000)	(2,000)
(24) NON OP. MARGINS - OTHER	\$36,000	\$2,755	\$2,755	\$2,755	\$5,755	\$2,755	\$2,755	\$2,755	\$2,755	\$2,755	\$2,755	\$2,755	\$2,695
(25) G & T CAPITAL CREDITS	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
(26) OTHER CAP. CR. & PAT. DI 424.00	\$305,000	\$35,000	\$35,000	\$35,000	\$35,000	\$35,000	\$35,000	\$35,000	\$35,000	\$35,000	\$35,000	\$35,000	\$35,000
(28) PAT. CAPITAL & MARGINS	\$1,400,217	\$507,121	\$586,903	\$90,903	(\$440,267)	(\$894,185)	\$177,392	\$1,034,532	\$608,133	(\$366,240)	(\$1,567)	(\$260,150)	\$358,542
TIER (cumulative)	1.38	2.62	2.75	2.26	1.60	0.90	1.01	1.49	1.67	1.47	1.42	1.31	1.38
OPERATING TIER (cumulative)	1.24	2.57	2.69	2.17	1.51	0.82	0.94	1.41	1.60	1.30	1.26	1.16	1.24
EST. CAP. CR. RETIRE.	\$1,000,000												
ADJ. TIER	1.11												
MARGINS TO REVENUE	0.99%	3.86%	4.79%	0.78%	-4.08%	-8.77%	1.62%	8.29%	4.61%	-2.96%	-0.02%	-2.40%	2.86%
POWER COST TO REVENUE	79.98%	79.63%	77.83%	81.07%	83.57%	85.60%	76.72%	73.00%	77.92%	86.74%	78.12%	81.53%	79.29%
INTEREST EXP. TO REVENUE	2.62%	2.38%	2.55%	2.69%	2.88%	3.05%	2.78%	2.44%	2.31%	2.46%	2.93%	2.81%	2.42%

Owen Electric Cooperative  
Case No. 2008-00154  
December 31, 2007

Capital credits were paid as follows:

	<u>General</u>	<u>Estates</u>	<u>Total</u>
2007	\$999,031	\$170,473	\$1,169,504
2006	1,257,763	166,610	1,424,373
2005	1,230,120	201,048	1,431,168
2004	1,164,583	122,480	1,287,063
2003	1,124,842	149,393	1,274,235
2002	1,301,631	215,877	1,517,508
Prior years	<u>9,184,873</u>	<u>3,330,684</u>	<u>12,515,557</u>
Total	<u>\$16,262,843</u>	<u>\$4,356,565</u>	<u>\$20,619,408</u>

EQUITY MANAGEMENT PLAN  
(Capital Credit Rotation)

I. OBJECTIVE

- A. To assure the financial integrity of the Cooperative at all times so that it can be certain of providing high quality electric services on a continuing basis to its members.
- B. To establish the means by which the members of the Cooperative will, in fact, receive electric service at cost, and as a result enable them to clearly see the benefits of receiving service from their Cooperative as opposed to receiving it from some other utility.
- C. To develop an approach to long-range financial planning that will guide and assure the Cooperative of meeting all its financial requirements, including the following, through equity maintenance, and at the same time, maintain rates at a level competitive with the rates of other energy suppliers adjacent to the Cooperative's service area. Financial planning is required to:
  - 1. Provide adequate working capital and cash reserves.
  - 2. To provide adequate funds for debt retirement.
  - 3. To provide adequate funds to maintain all facilities at the highest level consistent with sound economic practices.
  - 4. To provide adequate funds for additions to plant.
  - 5. To provide adequate funds for a meaningful capital credits retirement program.
  - 6. To achieve and maintain sufficiently high TIER (Times Interest Earned Ratio) and DSC (Debt Service Coverage) as is necessary to remain eligible to obtain loans from the National Rural Utilities Cooperative Finance Corporation and R.U.S.

II. POLICY CONTENT

- A. To maintain an appropriate equity level as determined by Management and the Board of Directors. Each year, the ratio of equity to borrowed capital will:
  - 1. Be examined to determine that a reasonable ratio between the two is maintained, and
  - 2. Be re-evaluated for any change required to achieve over-all financial objectives.
- B. To retire capital credits, using the hybrid first-in/first-out, last-in/first-out, method of rotation, when the Board of Directors shall determine that the financial condition of the Cooperative will not be impaired thereby.

II. POLICY CONTENT (continued)

- C. For financial planning purposes, the Cooperative will attempt to rotate capital credits on an annual basis, while maintaining an equity level of 32-38%.
- D. To make a financial study at least annually comparing the actual financial performance against the Equity Management Plan. This review will serve as a basis for a revised Equity Management Plan for the subsequent year(s), which will also include a 10-year financial forecast, plans for general retirement of capital credits, and changes in electrical rates or other financial criteria.

III. RESPONSIBILITY

- A. The President/CEO is responsible for the development and maintenance of the Equity Management Plan.
- B. The Board of Directors is responsible for adopting and periodic review of the Equity Management Plan.

IV. GENERAL

- A. In the development of this Policy, it is recognized that there are a number of variables that interact and result in a financial condition. Of these variables, it is recognized that the rate of plant growth and the cost of debt capital are relatively noncontrollable items.

Date Policy Reviewed by Board 11/09/07

Amended:

- 11/09/07
- 03/03/00
- 03/25/99
- 03/26/98
- 03/27/97
- 03/28/96
- 03/23/95
- 04/28/94
- 03/25/93
- 05/28/92
- 03/28/91
- 02/22/90
- 04/27/89
- 12/20/89

Owen Electric Cooperative  
Case No. 2008-00154  
Statement of Operations  
December 31, 2007

Exhibit V  
page 1 of 3  
Witness: Alan Zumstein

	<u>2007</u>	<u>2006</u>
Operating revenue	<u>\$142,992,351</u>	<u>\$129,538,779</u>
Operating expenses:		
Cost of power	115,800,725	102,910,227
Distribution-operations	3,937,933	4,066,740
Distribution-maintenance	3,214,001	3,841,420
Consumer accounts	3,465,044	3,601,270
Consumer service	384,855	288,285
Sales	0	0
Administrative and general	<u>3,054,835</u>	<u>2,933,162</u>
	<u>129,857,393</u>	<u>117,641,104</u>
Depreciation and amortization	9,656,698	7,374,959
Taxes-other	128,898	123,962
Interest on long term debt	3,823,761	3,478,074
Other interest expense	819,788	274,446
Other deductions	<u>105,200</u>	<u>114,938</u>
	<u>144,391,738</u>	<u>129,007,483</u>
Utility operating margins	<u>(1,399,387)</u>	<u>531,296</u>
Nonoperating margins, interest	113,134	184,016
Nonoperating margins, other	<u>31,595</u>	<u>(36,316)</u>
	<u>144,729</u>	<u>147,700</u>
Patronage capital:		
G & T	-	-
Others	<u>428,601</u>	<u>292,794</u>
	<u>428,601</u>	<u>292,794</u>
Net margins	<u><u>(\$826,057)</u></u>	<u><u>\$971,790</u></u>

Owen Electric Cooperative  
Case No. 2008-00154  
**Balance Sheet**  
December 31, 2007

Exhibit V  
page 2 of 3  
Witness: Alan Zumstein

	<u>2007</u>	<u>2006</u>
<u>ASSETS</u>		
Electric Plant:		
In service	\$184,679,441	\$168,090,684
Under construction	3,036,756	5,274,961
	<u>187,716,197</u>	<u>173,365,645</u>
Less accumulated depreciation	61,301,494	54,910,130
	<u>126,414,703</u>	<u>118,455,515</u>
Investments	<u>21,619,328</u>	<u>21,421,175</u>
Current Assets:		
Cash and temporary investments	1,235,808	1,396,341
Accounts receivable, net	8,561,986	7,912,012
Other receivables	106,923	253,817
Material and supplies	972,866	1,183,742
Prepayments	513,037	510,140
Other current assets	263,673	283,581
	<u>11,654,293</u>	<u>11,539,633</u>
Other deferred debits	<u>(144,887)</u>	<u>521,270</u>
Total Assets	<u>\$159,543,437</u>	<u>\$151,937,593</u>
<u>MEMBERS' EQUITIES AND LIABILITIES</u>		
Margins and Equities:		
Memberships	\$1,118,630	\$1,092,010
Patronage capital	52,279,908	54,334,785
	<u>53,398,538</u>	<u>55,426,795</u>
Long Term Debt	<u>83,591,255</u>	<u>73,243,283</u>
Accumulated Operating Provisions	<u>6,151,972</u>	<u>5,611,971</u>
Current Liabilities:		
Notes payable	5,720,933	5,683,178
Accounts payable	4,839,938	5,841,425
Consumer deposits	2,352,442	2,234,834
Accrued expenses	2,851,073	3,343,712
	<u>15,764,386</u>	<u>17,103,149</u>
Deferred Credits	<u>637,286</u>	<u>552,395</u>
Total Members' Equities and Liabilities	<u>\$159,543,437</u>	<u>\$151,937,593</u>

Owen Electric Cooperative  
Case No. 2008-00154  
Statement of Cash Flows  
December 31, 2007

Exhibit V  
page 3 of 3  
Witness: Alan Zumstein

	<u>2007</u>	<u>2006</u>
Cash Flows from Operating Activities:		
Net margins	(\$826,057)	\$971,790
Adjustments to reconcile to net cash provided by operating activities:		
Depreciation		
Charged to expense	9,656,698	7,374,959
Charged to clearing accounts		434,621
Patronage capital credits	(428,601)	(292,794)
Accumulated postretirement benefits	540,001	519,133
Net change in current assets and liabilities:		
Receivables	(483,177)	1,349,022
Material and supplies	210,876	(116,833)
Prepayments and deferred debits	621,905	(414,719)
Accounts payables	(1,001,940)	333,224
Consumer deposits and advances	129,196	59,299
Accrued expenses	(418,883)	492,279
	<u>8,000,018</u>	<u>10,709,981</u>
Cash Flows from Investing Activities:		
Plant additions	(16,069,232)	(15,381,037)
Salvage recovered from plant retired	(1,469,075)	(1,074,751)
Additional investments, net of receipts	194,230	183,492
	<u>(17,344,077)</u>	<u>(16,272,296)</u>
Cash Flows from Financing Activities:		
Net increase in memberships and other equities	26,620	37,390
Retirement of patronage capital	(1,228,821)	(1,445,445)
Additional long-term borrowings	13,000,000	5,985,000
Payments on long-term debt	(2,652,028)	(2,473,178)
Short term borrowings	37,755	3,462,836
	<u>9,183,526</u>	<u>5,566,603</u>
Net increase in cash	(160,533)	4,288
Cash balances - beginning	<u>1,396,341</u>	<u>1,392,053</u>
Cash balances - ending	<u>\$1,235,808</u>	<u>\$1,396,341</u>



Owen Electric Cooperative  
Case No. 2008-00154  
Comparison of Test Year Account Balances with  
those of the Preceding Year - Balance Sheet YTD

Exhibit W  
page 1 of 15  
Witness: Rebecca Witt

Acct #	Description	January Month 1	February Month 2	March Month 3	April Month 4	May Month 5	June Month 6	July Month 7	August Month 8	September Month 9	October Month 10	November Month 11	December Month 12
364	Poles, towers & fixtures	44,637,698	44,697,949	45,201,626	45,385,965	45,776,535	45,947,444	46,167,478	46,526,248	46,605,302	46,701,117	46,790,559	47,449,380
	Prior year	42,760,429	42,993,789	43,097,058	43,219,508	43,576,363	43,657,905	43,754,756	43,836,847	43,913,854	44,247,870	44,386,356	44,458,352
	Change	1,877,269	1,704,160	2,104,568	2,166,457	2,200,172	2,289,539	2,412,722	2,689,400	2,691,448	2,453,247	2,404,203	2,991,027
365	Overhead conduct & devices	31,881,069	31,928,828	32,636,945	32,795,699	33,223,435	33,347,307	33,533,524	33,915,962	33,986,060	34,158,547	34,221,742	34,619,235
	Prior year	30,363,423	30,556,843	30,616,700	30,715,308	31,072,350	31,126,258	31,293,530	31,345,401	31,421,137	31,675,165	31,735,106	31,784,130
	Change	1,517,646	1,371,985	2,020,246	2,080,391	2,151,085	2,221,048	2,239,994	2,570,561	2,564,923	2,483,382	2,486,636	2,835,105
367	Underground cond & devices	22,469,842	22,627,738	22,778,410	22,966,358	23,280,769	23,403,355	23,580,109	23,710,928	23,796,830	23,979,768	23,998,054	24,459,122
	Prior year	20,559,428	20,772,548	20,970,187	21,205,594	21,357,477	21,425,619	21,582,349	21,825,501	21,923,977	22,265,966	22,346,231	22,378,052
	Change	1,910,414	1,855,190	1,808,224	1,760,764	1,923,292	1,977,736	1,997,759	1,885,427	1,872,853	1,713,802	1,651,823	2,081,070
368	Transformers	22,553,831	22,799,085	22,830,391	22,984,632	23,008,071	23,117,683	23,141,364	23,303,926	23,348,266	23,437,629	23,455,957	23,606,507
	Prior year	21,165,092	21,342,473	21,459,001	21,655,393	21,721,773	21,766,047	21,780,806	21,837,006	22,032,475	22,260,754	22,359,004	22,418,740
	Change	1,388,739	1,456,612	1,371,390	1,329,239	1,286,298	1,351,635	1,360,558	1,466,919	1,315,791	1,176,875	1,096,953	1,187,767
369	Services	14,898,424	14,917,239	15,057,539	15,135,554	15,213,515	15,338,076	15,458,386	15,598,526	15,661,093	15,747,121	15,834,329	16,069,746
	Prior year	13,942,448	14,119,991	14,220,300	14,294,268	14,378,610	14,470,186	14,561,079	14,593,795	14,632,548	14,700,931	14,801,718	14,845,312
	Change	955,976	797,248	837,239	841,286	834,905	867,890	897,307	1,004,731	1,028,545	1,046,190	1,032,611	1,224,434
370	Meters	6,489,125	6,524,511	6,917,823	7,689,594	8,178,764	8,290,405	8,588,318	9,297,741	10,054,059	10,822,632	11,035,151	11,363,162
	Prior year	4,335,989	4,315,589	4,321,995	4,322,070	4,307,431	4,308,426	4,308,839	4,294,427	4,314,900	4,416,730	4,421,353	6,239,335
	Change	2,153,136	2,208,922	2,595,828	3,367,524	3,871,334	3,981,979	4,279,480	5,003,313	5,739,159	6,405,902	6,613,798	5,123,827
371	Security lights	4,361,743	4,392,654	4,435,622	4,455,117	4,465,186	4,491,496	4,507,729	4,525,949	4,544,806	4,557,584	4,574,935	4,663,306
	Prior year	4,121,685	4,162,876	4,177,355	4,225,808	4,247,794	4,259,135	4,273,428	4,276,047	4,286,902	4,299,485	4,319,341	4,324,842
	Change	240,058	229,777	258,267	229,309	217,392	232,361	234,301	249,901	257,904	258,099	255,593	338,463
373	Street lighting & Signal System	94,200	95,043	97,736	97,736	98,539	98,539	98,539	98,539	98,539	99,357	100,617	102,346
	Prior year	91,039	91,039	91,039	91,584	91,584	91,584	92,390	92,926	92,741	92,741	94,200	94,200
	Change	3,161	4,004	6,697	6,152	6,955	6,955	6,150	5,614	5,798	6,616	6,418	8,146
389	Land	2,259,072	2,259,072	2,259,072	2,259,072	2,259,072	2,259,072	2,259,072	2,259,072	2,259,072	2,259,072	2,259,072	2,259,072
	Prior year	2,081,872	2,244,372	2,244,372	2,244,372	2,244,372	2,244,372	2,244,372	2,244,372	2,244,372	2,244,372	2,244,372	2,259,072
	Change	177,200	14,700	14,700	14,700	14,700	14,700	14,700	14,700	14,700	14,700	14,700	0
390	Structures and improvements	9,094,175	9,094,175	9,094,175	9,096,527	9,096,527	9,096,527	9,097,926	9,097,926	9,104,200	9,104,200	9,104,200	9,634,835
	Prior year	9,094,175	9,094,175	9,094,175	9,094,175	9,094,175	9,094,175	9,094,175	9,094,175	9,094,175	9,094,175	9,094,175	9,094,175
	Change	0	0	0	2,352	2,352	2,352	3,750	3,750	10,025	10,025	10,025	540,660
391.00	Office furniture	2,460,240	2,495,616	2,493,172	2,352,857	2,375,242	2,306,847	2,331,510	2,335,846	2,383,291	2,231,444	2,237,943	2,327,594
	Prior year	2,226,242	2,260,601	2,329,097	2,347,460	2,375,747	2,393,303	2,438,075	2,442,592	2,477,702	2,490,135	2,359,012	2,461,640
	Change	233,998	235,015	164,075	5,397	(506)	(86,456)	(106,565)	(106,746)	(94,411)	(258,692)	(121,069)	(134,046)



Owen Electric Coopera.  
Case No. 2008-00154  
Comparison of Test Year Account Balances with  
those of the Preceding Year - Balance Sheet YTD

Exhibit W  
page 3 of 15  
Witness: Rebecca Witt

Acct #	Description	January Month 1	February Month 2	March Month 3	April Month 4	May Month 5	June Month 6	July Month 7	August Month 8	September Month 9	October Month 10	November Month 11	December Month 12
107.30	Special equipment	0	0	0	0	0	0	0	(25,708)	17,914	22,274	22,274	19,149
	Prior year	0	0	0	0	0	1,592	0	0	1,426	1,426	1,426	0
	Change	0	0	0	0	0	(1,592)	0	(25,708)	16,488	20,848	20,848	19,149
****	<b>Total CWIP</b>	<b>5,523,297</b>	<b>5,826,282</b>	<b>4,863,757</b>	<b>4,918,388</b>	<b>4,205,280</b>	<b>4,563,445</b>	<b>4,164,928</b>	<b>3,719,700</b>	<b>3,632,378</b>	<b>3,747,673</b>	<b>4,114,545</b>	<b>3,036,756</b>
	Prior year	3,341,954	3,145,655	3,439,175	3,481,881	3,090,456	3,489,917	3,879,708	4,239,142	4,700,163	4,325,119	4,505,089	5,274,961
	Change	2,181,343	2,680,627	1,424,582	1,436,507	1,115,824	1,073,528	285,219	(519,442)	(1,067,784)	(577,446)	(390,544)	(2,238,204)
108.00	Indirect Labor-retire.ovhd	0	71,520	0	0	0	0	0	0	0	0	0	0
	Prior year	0	0	0	0	0	0	0	0	0	0	0	0
	Change	0	71,520	0	0	0	0	0	0	0	0	0	0
108.60	Res - distribution plant	(49,720,332)	(50,057,373)	(50,122,180)	(50,543,332)	(50,608,905)	(51,086,967)	(51,568,318)	(51,865,935)	(52,243,883)	(52,586,235)	(53,182,382)	(54,731,727)
	Prior year	(45,084,830)	(45,426,117)	(45,871,505)	(46,344,247)	(46,356,912)	(46,789,271)	(47,165,767)	(47,627,369)	(48,120,264)	(48,339,590)	(48,813,530)	(49,358,308)
	Change	(4,635,502)	(4,631,256)	(4,250,675)	(4,199,085)	(4,251,993)	(4,297,696)	(4,402,551)	(4,238,566)	(4,123,620)	(4,246,645)	(4,368,852)	(5,373,419)
108.70	Res - Structure & improve.	(1,008,603)	(1,024,881)	(1,041,131)	(1,057,432)	(1,073,704)	(1,089,963)	(1,106,278)	(1,122,580)	(1,138,906)	(1,155,281)	(1,171,629)	(1,187,962)
	Prior year	(813,368)	(829,625)	(845,921)	(862,204)	(878,462)	(894,705)	(910,988)	(927,257)	(943,499)	(959,793)	(976,059)	(992,312)
	Change	(195,236)	(195,255)	(195,210)	(195,227)	(195,243)	(195,258)	(195,290)	(195,323)	(195,407)	(195,488)	(195,570)	(195,650)
108.71	Res - Office Furniture	(1,237,703)	(1,261,028)	(1,281,508)	(1,307,000)	(1,329,998)	(1,295,034)	(1,315,533)	(1,336,073)	(1,350,976)	(1,217,961)	(1,237,861)	(1,259,431)
	Prior year	(1,062,156)	(1,081,612)	(1,101,710)	(1,121,997)	(1,143,441)	(1,164,977)	(1,186,382)	(1,202,298)	(1,224,476)	(1,246,677)	(1,192,511)	(1,215,136)
	Change	(175,546)	(179,416)	(179,798)	(185,003)	(186,557)	(130,057)	(129,150)	(133,775)	(126,500)	28,716	(45,350)	(44,295)
108.72	Res - Transportation	(1,829,092)	(1,865,406)	(1,902,362)	(1,940,196)	(1,977,520)	(2,014,860)	(2,052,199)	(2,089,543)	(2,125,089)	(2,084,983)	(2,121,971)	(2,158,998)
	Prior year	(1,648,362)	(1,677,288)	(1,706,481)	(1,609,623)	(1,642,335)	(1,675,040)	(1,707,752)	(1,739,885)	(1,772,015)	(1,804,146)	(1,836,279)	(1,792,780)
	Change	(180,730)	(188,118)	(195,881)	(330,572)	(335,185)	(339,820)	(344,447)	(349,658)	(353,073)	(280,838)	(285,693)	(366,219)
108.73	Res - Stores	(64,322)	(64,767)	(65,304)	(65,841)	(66,378)	(66,914)	(67,451)	(67,988)	(68,525)	(69,061)	(69,598)	(70,135)
	Prior year	(58,946)	(59,400)	(59,854)	(60,308)	(60,755)	(61,201)	(61,647)	(62,094)	(62,539)	(62,985)	(63,431)	(63,876)
	Change	(5,376)	(5,367)	(5,450)	(5,532)	(5,623)	(5,713)	(5,804)	(5,894)	(5,985)	(6,076)	(6,168)	(6,259)
108.74	Res - Shop & garage	(157,568)	(159,310)	(161,052)	(162,794)	(164,537)	(166,279)	(168,022)	(169,758)	(171,492)	(173,227)	(174,962)	(176,697)
	Prior year	(137,613)	(139,263)	(140,910)	(142,554)	(144,198)	(145,819)	(147,366)	(148,960)	(150,570)	(152,321)	(154,073)	(155,825)
	Change	(19,955)	(20,047)	(20,142)	(20,241)	(20,339)	(20,461)	(20,656)	(20,797)	(20,923)	(20,906)	(20,889)	(20,871)
108.75	Res - Laboratory	(200,711)	(202,949)	(205,265)	(208,058)	(210,860)	(203,013)	(205,868)	(208,717)	(211,556)	(214,396)	(217,235)	(220,056)
	Prior year	(195,294)	(197,318)	(199,342)	(201,366)	(203,372)	(205,378)	(207,365)	(208,068)	(210,330)	(196,804)	(196,380)	(198,546)
	Change	(5,417)	(5,631)	(5,923)	(6,692)	(7,488)	2,365	1,497	(649)	(1,226)	(17,592)	(20,854)	(21,510)
108.76	Res - Power equip	(153,531)	(154,782)	(156,032)	(157,282)	(158,533)	(159,783)	(160,991)	(162,198)	(163,406)	(132,739)	(133,947)	(135,155)
	Prior year	(146,738)	(147,573)	(148,409)	(149,245)	(150,080)	(151,330)	(152,581)	(153,831)	(155,081)	(156,331)	(151,031)	(152,281)
	Change	(6,793)	(7,208)	(7,623)	(8,038)	(8,452)	(8,452)	(8,410)	(8,368)	(8,325)	23,592	17,084	17,127
108.77	Res - Communication	(1,514,916)	(1,524,135)	(1,533,355)	(1,542,793)	(1,552,097)	(1,555,909)	(1,563,164)	(1,572,683)	(1,581,225)	(1,591,205)	(1,601,186)	(1,611,306)
	Prior year	(1,402,071)	(1,411,631)	(1,421,189)	(1,430,740)	(1,440,292)	(1,449,843)	(1,459,304)	(1,468,513)	(1,477,972)	(1,487,208)	(1,496,445)	(1,505,680)
	Change	(112,845)	(112,505)	(112,165)	(112,053)	(111,806)	(106,066)	(103,860)	(104,170)	(103,253)	(103,997)	(104,741)	(105,626)
108.78	Res - Miscellaneous	(64,585)	(65,813)	(67,040)	(68,268)	(69,496)	(70,723)	(71,950)	(73,178)	(73,720)	(74,932)	(76,189)	(77,446)
	Prior year	(50,008)	(51,150)	(52,293)	(53,532)	(54,762)	(55,991)	(57,219)	(58,446)	(59,674)	(60,902)	(62,130)	(63,357)
	Change	(14,577)	(14,662)	(14,747)	(14,735)	(14,734)	(14,732)	(14,732)	(14,732)	(14,731)	(14,030)	(14,059)	(14,089)
108.79	Other Tangible Property	(36,297)	(36,451)	(36,609)	(36,777)	(36,947)	(37,117)	(37,291)	(37,260)	(37,449)	(37,638)	(37,827)	(38,018)
	Prior year	(34,681)	(34,839)	(34,998)	(35,163)	(35,310)	(35,453)	(35,599)	(35,751)	(35,899)	(35,844)	(35,997)	(36,146)
	Change	(1,617)	(1,612)	(1,611)	(1,614)	(1,637)	(1,664)	(1,693)	(1,509)	(1,550)	(1,794)	(1,829)	(1,872)



Owen Electric Coopera  
Case No. 2008-00154  
Comparison of Test Year Account Balances with  
those of the Preceding Year - Balance Sheet YTD

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Witness: Rebecca Witt

Acct #	Description	January Month 1	February Month 2	March Month 3	April Month 4	May Month 5	June Month 6	July Month 7	August Month 8	September Month 9	October Month 10	November Month 11	December Month 12
124.20	Other Inv.-Deferred Comp.	361,536	361,536	361,536	361,536	361,536	361,536	361,536	361,536	361,536	361,536	361,536	402,896
	Prior year	290,490	303,281	302,316	302,316	302,316	302,316	302,316	302,316	302,316	302,315	302,316	361,536
	Change	71,046	58,255	59,220	59,220	59,220	59,220	59,220	59,220	59,220	59,221	59,220	-41,360
128.00	Other Special Funds-Dir.	26,676	26,676	26,676	26,676	26,676	26,676	26,676	26,676	26,676	26,676	26,676	26,676
	Prior year	26,182	26,182	26,182	26,182	26,182	26,182	26,182	26,182	26,182	26,182	26,182	26,676
	Change	493	493	493	493	493	493	493	493	493	493	493	0
****	<b>Total Investments</b>	<b>21,421,175</b>	<b>21,446,193</b>	<b>21,436,514</b>	<b>21,436,514</b>	<b>21,436,514</b>	<b>21,379,156</b>	<b>21,354,768</b>	<b>21,354,768</b>	<b>21,401,076</b>	<b>21,446,563</b>	<b>21,446,563</b>	<b>21,619,328</b>
	Prior year	21,271,750	21,280,160	21,274,386	21,308,518	21,308,518	21,308,518	21,284,131	21,284,131	21,361,946	21,361,946	21,362,696	21,421,175
	Change	149,425	166,033	162,128	127,996	127,996	70,638	70,638	70,638	39,129	84,617	83,866	198,154
131.10	Cash-Gen.& Oper-First Farm.	(232,841)	(325,379)	(806,374)	(407,013)	352,472	(136,956)	(179,222)	(1,065,141)	(1,008,147)	9,457	(912,123)	(697,552)
	Prior year	1,190,800	(85,154)	(950,792)	444,656	237,120	(110,708)	336,092	(800,027)	(563,820)	(808,875)	(975,218)	340,230
	Change	(1,423,641)	(240,226)	144,417	(851,669)	115,352	(26,247)	(515,315)	(265,113)	(444,326)	818,332	63,095	(1,037,782)
131.11	Cash-G&O/Sede	0	0	0	0	0	217	192,185	238,262	162,269	111,071	683,392	647,450
	Prior year	0	0	0	0	0	0	0	0	0	0	0	0
	Change	0	0	0	0	0	217	192,185	238,262	162,269	111,071	683,392	647,450
131.12	Cash-Grant-Bank of Ky	12,860	63,548	(111,061)	24,603	2,860	20,841	15,861	24,559	25,185	13,992	24,262	26,263
	Prior year	13,907	58,260	33,668	19,722	13,466	22,269	32,993	24,085	20,866	10,075	8,964	42,708
	Change	(1,047)	5,287	(144,728)	4,881	(10,606)	(1,428)	(17,132)	473	4,319	3,916	15,298	(16,445)
131.13	Cash-Boone-Bank of Ky	148,557	316,050	194,587	159,973	67,039	57,675	85,168	43,120	112,055	76,862	86,144	137,189
	Prior year	94,277	222,804	105,121	62,103	75,019	56,300	99,804	127,718	106,009	73,668	53,657	197,478
	Change	54,280	93,246	89,467	97,870	9,020	1,375	(14,635)	(84,599)	6,046	3,193	32,487	(60,289)
131.14	Cash-Pendleton-Farmers	52,072	32,999	81,296	75,915	81,183	86,446	122,652	71,118	59,786	72,335	61,044	66,345
	Prior year	112,397	159,358	229,660	70,892	85,592	97,766	68,523	45,962	40,113	86,466	62,710	79,307
	Change	(60,325)	(126,359)	(148,365)	5,022	(4,409)	(11,320)	54,130	25,156	19,673	(14,132)	(1,666)	(12,962)
131.15	Payroll	344,415	160,000	160,000	160,000	160,000	160,000	160,000	160,000	160,000	(2,261)	599	132
	Prior year	0	0	160,000	160,000	160,000	160,000	160,000	324,953	160,000	160,000	160,000	160,003
	Change	344,415	160,000	0	0	0	0	0	(164,953)	0	(162,261)	(159,401)	(159,872)
131.16	Cash-Scott-First National	124,645	1,945	4,564	3,879	4,461	5,370	6,806	3,971	3,837	5,391	4,377	5,181
	Prior year	11,613	11,208	13,677	2,124	4,640	5,284	2,588	3,033	2,618	4,026	147,097	5,907
	Change	113,032	(9,263)	(9,113)	1,755	(178)	86	4,219	938	1,219	1,365	(142,719)	(726)
131.17	Lock Box - Bank of Ky	124,062	873,995	147,892	182,162	164,512	122,932	290,828	99,390	151,065	96,645	165,683	217,804
	Prior year	984,171	537,889	292,180	(28,075)	537,472	166,464	450,859	543,664	1,093,850	697,440	1,021,987	332,110
	Change	(860,110)	336,106	(144,288)	54,087	(372,960)	(43,531)	(160,031)	(444,274)	(942,786)	(600,795)	(856,303)	(114,305)
131.30	Cash-Consumer Ref.-B of Ky	(4,338)	(10,153)	(5,417)	(4,341)	150	(9,535)	1,537	(3,828)	(7,247)	(5,821)	(6,155)	(4,039)
	Prior year	(112,936)	(10,345)	(8,462)	(12,429)	(13,332)	(12,894)	(9,530)	(16,620)	(16,641)	(16,577)	(19,186)	(17,508)
	Change	108,598	191	3,045	8,087	13,481	3,359	11,067	12,791	9,393	10,757	13,031	13,469
131.40	Transfer of Cash	0	0	0	0	0	0	0	0	0	0	0	0
	Prior year	0	0	25,682	25,682	25,682	25,682	25,682	0	(24,656)	(24,656)	(24,656)	0
	Change	0	0	(25,682)	(25,682)	(25,682)	(25,682)	0	0	24,656	24,656	24,656	0
131.60	Cash-Capital Credit- B of Ky	(5,954)	(10,701)	(1,402)	(10,345)	(66)	(5,498)	(1,240)	1,588	1,686	719	(725,737)	148,385
	Prior year	2,244	2,262	(872)	1,982	214	3,507	(241,543)	(169,291)	(154,880)	(155,396)	(58,042)	7,454
	Change	(8,198)	(12,963)	(530)	(12,328)	(280)	(9,005)	240,303	170,879	156,566	156,115	(667,696)	140,930

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Acct #	Description	January Month 1	February Month 2	March Month 3	April Month 4	May Month 5	June Month 6	July Month 7	August Month 8	September Month 9	October Month 10	November Month 11	December Month 12
134.00	Other Special Deposits	1,450	1,450	1,450	1,450	1,450	1,450	1,450	1,450	1,450	1,450	1,450	1,450
	Prior year	1,450	1,450	1,450	1,450	1,450	1,450	1,450	1,450	1,450	1,450	1,450	1,450
	Change	0	0	0	0	0	0	0	0	0	0	0	0
135.00	Working Funds	7,200	7,200	7,200	7,200	7,200	7,200	7,200	7,200	7,200	7,200	7,200	7,200
	Prior year	7,200	7,200	7,200	7,200	7,200	7,200	7,200	7,200	7,200	7,200	7,200	7,200
	Change	0	0	0	0	0	0	0	0	0	0	0	0
136.00	Temporary Cash investments	4,192,014	7,911,225	12,078,498	11,908,498	270,000	1,000,000	(2,570,835)	(2,070,835)	839,768	560,000	700,000	680,000
	Prior year	30,000	520,000	500,000	320,000	620,000	830,000	170,000	670,000	370,000	440,000	950,000	240,000
	Change	4,162,014	7,391,225	11,578,498	11,588,498	(350,000)	170,000	(2,740,835)	(2,740,835)	469,768	120,000	(250,000)	440,000
****	<b>Total Cash</b>	<b>4,764,141</b>	<b>9,022,179</b>	<b>11,751,232</b>	<b>12,101,981</b>	<b>1,111,262</b>	<b>1,310,143</b>	<b>(1,867,610)</b>	<b>(2,489,146)</b>	<b>508,906</b>	<b>947,039</b>	<b>90,137</b>	<b>1,235,808</b>
	Prior year	2,335,123	1,424,934	408,511	1,231,458	1,754,524	1,252,319	1,078,435	762,128	1,042,109	474,822	1,335,963	1,396,341
	Change	2,429,018	7,597,245	11,342,721	10,870,523	(643,263)	57,824	(2,946,045)	(3,251,274)	(533,203)	472,217	(1,245,827)	(160,533)
142.00	Consumer Accts. Receivable	4,071,586	6,742,295	4,924,638	4,266,052	4,099,470	5,091,990	6,171,875	5,341,538	6,842,448	3,717,785	3,671,320	5,410,370
	Prior year	5,872,214	5,159,387	4,573,728	5,001,581	3,188,275	3,893,577	4,869,662	5,930,019	4,578,371	3,262,271	4,491,710	4,917,745
	Change	(1,800,628)	1,582,908	350,910	(735,529)	911,195	1,198,413	1,302,213	(588,481)	2,264,076	455,515	(820,390)	492,625
142.10	Accounts receivable	3,849,211	4,037,273	4,266,054	3,297,377	3,876,793	3,070,835	6,265,246	7,190,446	4,213,464	3,703,867	3,364,481	3,361,808
	Prior year	3,930,098	3,180,158	3,439,994	3,231,164	3,930,833	3,513,002	3,584,638	4,224,923	3,759,150	2,234,265	2,446,786	3,192,014
	Change	(80,887)	857,115	826,060	66,213	(54,040)	(442,167)	2,680,608	2,965,523	454,314	1,469,602	917,695	169,794
144.10	Allow for uncollectibles	(213,397)	(220,602)	(230,224)	(244,691)	(239,762)	(287,612)	(229,520)	(216,466)	(217,365)	(217,062)	(252,625)	(210,193)
	Prior year	(172,678)	(174,199)	(169,717)	(175,445)	(149,214)	(157,764)	(201,625)	(225,775)	(256,796)	(225,737)	(214,854)	(197,747)
	Change	(40,720)	(46,404)	(60,507)	(69,246)	(90,549)	(129,847)	(27,896)	9,309	39,431	8,674	(37,771)	(12,445)
143.00	Other accounts receivable	2,253	2,564	2,379	1,730	1,627	1,982	2,930	4,271	2,620	2,437	2,440	2,407
	Prior year	8,076	6,452	6,077	5,368	2,207	2,750	1,965	3,449	3,383	3,014	2,529	1,911
	Change	(5,822)	(3,888)	(3,698)	(3,637)	(580)	(767)	965	822	(763)	(577)	(89)	496
143.10	Other accounts rec.emp.med.	9,095	9,135	5,178	5,248	5,488	5,728	6,138	1,871	1,950	1,987	2,189	10,470
	Prior year	185	155	(3,778)	(3,718)	(3,768)	(3,733)	(3,711)	(3,579)	944	9,706	1,048	8,995
	Change	8,910	8,980	8,955	8,965	9,255	9,461	9,849	5,450	1,006	(7,719)	1,142	1,475
143.40	Other accounts rec.credit un.	0	0	0	0	0	0	0	0	0	0	0	0
	Prior year	25,112	0	(25,682)	(25,682)	(25,682)	(25,682)	0	24,358	0	24,656	24,656	0
	Change	(25,112)	0	25,682	25,682	25,682	25,682	0	(24,358)	0	(24,656)	(24,656)	0
143.50	Other accounts rec.misc. bills	85,830	84,041	80,268	79,319	79,319	79,319	71,549	70,796	70,522	70,372	70,372	28,637
	Prior year	236,010	237,565	242,749	97,286	192,472	72,736	71,724	131,973	129,550	141,263	72,845	126,866
	Change	(150,180)	(153,523)	(162,481)	(17,968)	(113,153)	6,583	(175)	(61,177)	(59,028)	(70,891)	(2,473)	(98,229)
143.51	Misc.Billings-Shelby	0	368	2,979	219	264	316	362	698	721	203	346	2,893
	Prior year	681	730	1,072	1,673	2,209	(1,821)	(1,600)	(2,216)	(1,635)	(1,365)	(3,290)	975
	Change	(681)	(362)	1,906	(1,454)	(1,945)	2,137	1,962	2,915	2,356	1,567	3,636	1,917
143.52	Other Accounts Rec.	59,066	58,597	70,773	261,250	202,238	4,100	16,487	77,668	72,104	67,710	69,346	54,633
	Prior year	0	0	0	0	0	0	0	0	0	0	719	107,571
	Change	59,066	58,597	70,773	261,250	202,238	4,100	16,487	77,668	72,104	67,710	68,627	(52,937)
143.60	Accounts Rec.United Way	6,948	6,225	4,649	4,200	3,751	3,302	2,853	2,180	1,731	1,282	833	7,883
	Prior year	6,762	6,222	5,411	4,871	4,330	3,790	3,255	2,720	1,939	1,420	900	7,499
	Change	186	0	(762)	(670)	(579)	(488)	(402)	(540)	(208)	(138)	(67)	384
143.70	Accounts Rec.Owen services	0	0	0	0	0	0	(18)	(18)	(18)	(18)	(18)	0
	Prior year	0	0	11	0	0	(100)	(100)	(100)	(100)	(100)	(503)	0
	Change	0	0	(11)	0	0	100	82	82	82	82	485	0

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Acct #	Description	January Month 1	February Month 2	March Month 3	April Month 4	May Month 5	June Month 6	July Month 7	August Month 8	September Month 9	October Month 10	November Month 11	December Month 12
143.90	Other Acct. Rec-RCCU				0	0	0	0	0	0	0	0	0
	Prior year				(380)	(380)	(380)	0	0	0	0	0	0
	Change				380	380	380						0
****	<b>Total Receivables</b>	<b>7,870,591</b>	<b>10,719,896</b>	<b>9,126,693</b>	<b>7,670,704</b>	<b>8,029,188</b>	<b>7,969,961</b>	<b>12,307,902</b>	<b>12,472,984</b>	<b>10,988,177</b>	<b>7,348,562</b>	<b>6,928,684</b>	<b>8,668,909</b>
	Prior year	10,251,443	8,764,557	8,416,843	8,495,422	7,141,283	7,296,375	8,324,209	10,085,772	8,214,805	5,449,392	6,822,546	8,165,829
	Change	(2,380,852)	1,955,339	709,851	(824,718)	887,905	673,586	3,983,693	2,387,213	2,773,372	1,899,169	106,139	503,080
154.10	Plant Materials	1,005,847	1,201,600	1,235,793	1,239,596	1,136,433	1,124,577	1,189,216	1,226,764	1,265,101	1,035,498	855,749	960,106
	Prior year	1,064,009	1,062,917	1,058,206	1,019,726	1,121,570	921,762	1,024,313	919,564	1,083,312	1,146,675	1,090,704	1,167,920
	Change	(58,163)	138,683	177,586	219,870	14,864	202,815	164,903	307,201	181,789	(111,177)	(234,955)	(207,815)
154.20	Tank Gas-Walton	6,734	7,589	6,705	7,962	7,565	5,817	6,997	5,558	4,271	6,527	5,628	6,492
	Prior year	6,953	6,211	2,777	186	6,892	10,720	9,438	8,998	10,100	8,998	9,183	7,868
	Change	(218)	1,378	3,928	7,777	673	(4,903)	(3,723)	(3,880)	(4,727)	(3,573)	(3,555)	(1,376)
154.30	Plant Materials-Mtr Bases	3,475	3,137	2,799	3,194	2,912	3,647	4,211	4,972	4,408	5,160	4,972	5,578
	Prior year	5,310	5,310	5,226	4,634	5,334	5,165	5,081	4,658	4,405	4,151	3,728	3,644
	Change	(1,835)	(2,173)	(2,427)	(1,440)	(2,422)	(1,518)	(870)	314	3	1,009	1,244	1,934
154.40	Tank Gas-Owen	834	2,741	2,808	575	(1,175)	1,257	1,031	365	1,362	128	2,190	690
	Prior year	1,074	(836)	(357)	878	51	(5,126)	(6,863)	(16,112)	(15,904)	(20,064)	(16,115)	806
	Change	(240)	3,577	3,165	(302)	(1,225)	6,383	7,894	16,477	17,265	20,192	18,305	(117)
155.00	Merchandise	0	0	0	0	0	0	0	0	(774)	(774)	(774)	0
	Prior year	(373)	(373)	(373)	(373)	(2,137)	558	(214)	(2,227)	(2,227)	(2,227)	(2,717)	0
	Change	373	373	373	373	2,137	(558)	214	2,227	1,453	1,453	1,943	0
155.10	Merchandise-Appliances	0	0	0	0	0	0	0	0	0	0	0	0
	Prior year	7,166	7,166	6,734	5,438	5,006	4,574	4,574	4,365	4,360	3,928	3,928	0
	Change	(7,166)	(7,166)	(6,734)	(5,438)	(5,006)	(4,574)	(4,574)	(4,365)	(4,360)	(3,928)	(3,928)	0
155.20	Merchandise-appl.clearing	0	0	0	0	0	(47)	(47)	(57)	(57)	(57)	(57)	0
	Prior year	0	0	(190)	(190)	(190)	454	148	68	454	454	454	0
	Change	0	0	190	190	190	(501)	(195)	(125)	(511)	(511)	(511)	0
163.00	Stores Expense-Clearing	41,835	0	0	50	0	0	(735)	0	0	0	0	0
	Prior year	0	0	0	0	0	0	0	0	0	0	0	3,503
	Change	41,835	0	0	50	0	0	(735)	0	0	0	0	(3,503)
163.10	Minor Material	0	0	0	0	0	0	0	0	0	0	0	0
	Prior year	0	0	0	0	0	0	0	0	0	0	0	0
	Change	0	0	0	0	0	0	0	0	0	0	0	0
****	<b>Total Material &amp; Supplies</b>	<b>1,058,725</b>	<b>1,215,066</b>	<b>1,248,105</b>	<b>1,251,377</b>	<b>1,145,735</b>	<b>1,135,250</b>	<b>1,200,672</b>	<b>1,237,602</b>	<b>1,274,311</b>	<b>1,046,483</b>	<b>867,708</b>	<b>972,866</b>
	Prior year	1,084,139	1,080,394	1,072,022	1,030,298	1,136,526	938,106	1,037,759	919,754	1,083,399	1,143,018	1,089,165	1,183,742
	Change	(25,414)	134,673	176,082	221,079	9,210	197,144	162,913	317,848	190,913	(96,535)	(221,457)	(210,876)
165.00	Prepayments	94,208	93,416	92,625	91,833	91,041	90,250	89,458	88,666	87,875	87,083	86,291	85,500
	Prior year	0	0	23,750	23,750	23,750	23,750	23,750	23,750	23,750	23,750	23,750	71,250
	Change	94,208	93,416	68,875	68,083	67,291	66,500	65,708	64,916	64,125	63,333	62,541	14,250
165.10	Prepayments-Insurance	255,107	214,800	235,385	223,680	184,737	205,665	121,991	81,080	102,534	89,694	59,830	232,724
	Prior year	316,666	372,676	322,290	274,452	223,874	273,879	223,580	136,260	152,172	102,151	51,306	238,790
	Change	(61,559)	(157,876)	(86,904)	(50,772)	(39,137)	(68,214)	(101,590)	(55,180)	(49,638)	(12,457)	8,524	(6,066)
165.30	Prepayments-Prepaid Exp.	208,482	176,110	170,728	149,669	115,346	201,992	221,363	184,397	151,821	100,767	109,961	130,620
	Prior year	221,298	190,772	214,488	144,280	116,116	201,961	249,827	215,128	185,038	154,450	117,746	137,488
	Change	(12,816)	(14,662)	(43,760)	5,389	(771)	30	(28,464)	(30,731)	(33,218)	(53,683)	(7,785)	(6,868)
165.50	Prepayments-Prepaid Sales Tax	63,620	59,253	59,253	59,135	69,170	63,356	62,727	74,827	60,615	72,616	60,345	64,194
	Prior year	62,129	66,099	58,642	62,823	62,359	57,464	63,414	69,787	71,458	65,433	61,509	62,612
	Change	1,491	(6,846)	611	(3,688)	6,811	5,892	(686)	5,040	(10,842)	7,183	(1,165)	1,582

Owen Electric Cooperative  
Case No. 2008-00154  
Comparison of Test Year Account Balances with  
those of the Preceding Year - Balance Sheet YTD

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Acct #	Description	January Month 1	February Month 2	March Month 3	April Month 4	May Month 5	June Month 6	July Month 7	August Month 8	September Month 9	October Month 10	November Month 11	December Month 12
****	<b>Total Prepayments</b>	621,417	543,579	557,991	524,317	460,294	561,263	495,539	428,971	402,845	350,161	316,426	513,037
	Prior year	600,094	629,547	619,170	505,305	426,100	557,055	560,571	444,925	432,419	345,784	254,311	510,140
	Change	21,324	(85,968)	(61,178)	19,012	34,195	4,208	(65,032)	(15,955)	(29,574)	4,376	62,115	2,897
171.10	Int. & Div. Rec. misc.	0	0	0	0	0	0	0	0	0	0	0	0
	Prior year	207	207	207	207	207	207	207	207	207	207	207	0
	Change	(207)	(207)	(207)	(207)	(207)	(207)	(207)	(207)	(207)	(207)	(207)	0
171.12	Int. & Div. Rec. CFC	19,918	24,452	29,471	4,858	9,878	14,736	19,756	24,775	29,633	5,020	9,878	14,898
	Prior year	19,918	24,452	29,471	4,858	9,878	14,736	19,756	24,775	29,633	5,020	9,878	14,898
	Change	0	0	0	0	0	0	0	0	0	0	0	0
171.14	Int. & Div. Rec. KAEC	19	38	56	19	38	56	19	38	56	19	38	56
	Prior year	19	38	56	19	38	56	19	38	56	19	38	56
	Change	0	0	0	0	0	0	0	0	0	0	0	0
171.15	Int. & Div. Rec. PCB Detox	22	44	67	22	44	66	21	43	67	21	41	62
	Prior year	20	39	59	21	43	64	21	43	69	22	44	67
	Change	2	5	8	1	1	2	0	0	(2)	(2)	(3)	(5)
172.00	Joint use rentals	264,910	192,516	68,362	89,362	110,362	131,362	152,362	173,362	194,362	215,362	234,362	248,658
	Prior year	349,453	91,732	100,727	120,877	120,877	161,177	181,327	201,477	221,627	241,777	261,927	268,561
	Change	(84,542)	100,784	(32,365)	(31,515)	(10,515)	(29,815)	(28,965)	(28,115)	(27,265)	(26,415)	(27,565)	(19,903)
****	<b>Other Current Assets</b>	284,869	217,049	97,956	94,261	120,321	146,220	172,158	198,218	224,119	220,421	244,319	263,673
	Prior year	369,615	116,467	130,520	125,982	131,042	176,240	201,329	226,539	251,592	247,045	272,093	283,581
	Change	(84,746)	100,583	(32,564)	(31,721)	(10,720)	(30,020)	(29,172)	(28,322)	(27,474)	(26,623)	(27,775)	(19,908)
184.40	Transportation Exp.	(473)	1,340	3,698	347	180	387	(728)	27	224	4	527	136
	Prior year	4	837	416	33,170	16,676	(31)	(26)	16,428	16,190	15,878	12,233	3,642
	Change	(477)	503	3,282	(32,823)	(16,496)	419	(702)	(16,402)	(15,967)	(15,874)	(11,705)	(3,506)
186.00	Miscellaneous	32,710	32,811	35,029	28,477	34,730	27,079	13,198	13,313	(7,924)	(7,810)	(8,012)	(231,816)
	Prior year	(37,813)	(48,555)	(24,508)	(22,289)	(17,861)	(18,837)	(8,861)	(8,918)	(9,063)	23,305	25,103	32,573
	Change	70,523	81,366	59,537	50,766	52,591	45,915	22,059	22,231	1,139	(31,115)	(33,115)	(264,389)
186.10	Deferred Benefits expenses	0	0	(23,036)	(12,269)	(11,769)	(11,769)	0	0	0	0	0	0
	Prior year	0	0	0	(286)	0	0	0	0	152	482	482	0
	Change	0	0	(23,036)	(11,983)	(11,769)	(11,769)	0	0	(152)	(482)	(482)	0
186.20	Misc. Def. Debits-new hq	0	0	0	0	0	0	0	0	0	0	0	0
	Prior year	15,429	15,429	15,429	15,429	15,429	15,429	15,429	15,429	15,429	15,429	15,629	0
	Change	(15,429)	(15,429)	(15,429)	(15,429)	(15,429)	(15,429)	(15,429)	(15,429)	(15,429)	(15,429)	(15,629)	0
186.30	Deferred -Emp. 401k match	0	0	0	0	0	0	0	0	0	0	40	0
	Prior year	0	0	(0)	(0)	0	0	0	0	0	0	0	0
	Change	0	0	0	0	0	0	0	0	0	0	40	0
186.40	Walton Facility Expansion	486,855	486,855	486,855	486,355	530,335	530,635	530,635	530,635	530,635	530,635	530,635	0
	Prior year	65,844	64,284	64,362	88,187	140,309	141,541	298,584	318,546	352,855	433,471	442,006	485,055
	Change	421,011	422,571	422,494	398,168	390,026	389,094	232,051	212,089	177,780	97,164	88,629	(485,055)
186.50	Telephone & Other clearing	0	0	0	6,900	6,900	6,900	9,596	10,582	0	57	57	0
	Prior year	0	0	0	0	0	0	0	45,413	0	0	0	0
	Change	0	0	0	6,900	6,900	6,900	9,596	(34,831)	0	57	57	0
186.60	Misc. AMI expenses	0	0	0	0	0	0	0	0	0	0	0	86,792
	Prior year	0	0	0	0	0	0	0	0	0	0	0	0
	Change	0	0	0	0	0	0	0	0	0	0	0	86,792
****	<b>Total Deferred Debits</b>	519,093	521,006	502,546	509,810	560,375	553,231	552,701	554,556	522,935	522,886	523,248	(144,887)
	Prior year	43,465	31,995	55,698	114,211	154,552	138,102	305,126	386,898	375,564	488,564	495,452	521,270
	Change	475,628	489,011	446,848	395,598	405,822	415,130	247,575	167,658	147,371	34,322	27,796	(666,158)



Owen Electric Coopera  
Case No. 2008-00154  
Comparison of Test Year Account Balances with  
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Acct #	Description	January Month 1	February Month 2	March Month 3	April Month 4	May Month 5	June Month 6	July Month 7	August Month 8	September Month 9	October Month 10	November Month 11	December Month 12
*****	<b>Total Assets and Debits</b>	266,485,708	274,943,450	277,352,674	278,288,944	268,907,516	270,611,271	272,987,873	274,456,224	277,561,762	275,567,640	275,659,860	282,146,426
	Prior year	247,604,089	246,462,650	246,578,299	248,968,331	249,024,694	249,952,291	252,624,200	255,220,566	255,525,213	253,359,613	256,478,926	261,757,854
	Change	18,881,619	28,480,800	30,774,375	29,320,613	19,882,823	20,658,979	20,363,674	19,235,658	22,036,549	22,208,027	19,180,934	20,388,572
200.10	Memberships issued	(1,093,925)	(1,097,560)	(1,100,930)	(1,101,735)	(1,103,710)	(1,100,465)	(1,110,480)	(1,112,245)	(1,114,290)	(1,115,610)	(1,117,455)	(1,118,630)
	Prior year	(1,057,925)	(1,061,350)	(1,063,970)	(1,065,320)	(1,069,660)	(1,073,690)	(1,077,920)	(1,080,735)	(1,083,690)	(1,086,010)	(1,089,415)	(1,092,010)
	Change	(36,000)	(36,210)	(36,960)	(36,415)	(34,050)	(26,775)	(32,560)	(31,510)	(30,600)	(29,600)	(28,040)	(26,620)
201.10	Patrons capital credits	(33,180,980)	(33,160,900)	(33,143,503)	(33,117,884)	(34,029,179)	(34,018,375)	(34,005,814)	(33,987,676)	(33,979,476)	(33,958,391)	(32,946,135)	(32,931,622)
	Prior year	(30,907,090)	(30,906,036)	(30,880,975)	(30,872,681)	(34,645,603)	(34,623,262)	(33,274,687)	(33,250,663)	(33,242,176)	(33,226,209)	(33,215,806)	(33,197,145)
	Change	(2,273,889)	(2,254,864)	(2,262,527)	(2,245,203)	616,423	604,887	(731,127)	(737,013)	(737,300)	(732,182)	269,671	265,523
201.11	Patrons Cap Cred Assoc. Org	(18,356,807)	(18,356,807)	(18,356,807)	(18,356,807)	(18,408,295)	(18,408,295)	(18,408,295)	(18,408,295)	(18,408,295)	(18,408,295)	(18,408,295)	(18,408,295)
	Prior year	(18,304,997)	(18,304,997)	(18,304,997)	(18,304,997)	(18,369,670)	(18,369,670)	(18,356,807)	(18,356,807)	(18,356,807)	(18,356,807)	(18,356,807)	(18,356,807)
	Change	(51,810)	(51,810)	(51,810)	(51,810)	(38,625)	(38,625)	(51,488)	(51,488)	(51,488)	(51,488)	(51,488)	(51,488)
201.20	Patronage capital assignable					971,790	971,790	971,790	971,790	971,790	971,790	0	0
	Prior year					0	0	0	0	0	0	0	0
	Change					971,790	971,790	971,790	971,790	971,790	971,790	0	0
219.10	Current margins	(824,090)	(824,090)	(824,090)	(824,090)	(824,090)	(824,090)	(824,090)	(824,090)	(824,090)	(824,090)	0	0
	Prior year	(3,522,817)	(3,522,817)	(3,522,817)	(3,522,817)	0	0	0	0	0	0	0	0
	Change	2,698,728	2,698,728	2,698,728	2,698,728	(824,090)	(824,090)	(824,090)	(824,090)	(824,090)	(824,090)	0	0
219.20	Non-operating margins	(147,700)	(147,700)	(147,700)	(147,700)	(147,700)	(147,700)	(147,700)	(147,700)	(147,700)	(147,700)	0	0
	Prior year	(325,013)	(325,013)	(325,013)	(325,013)	0	0	0	0	0	0	0	0
	Change	177,313	177,313	177,313	177,313	(147,700)	(147,700)	(147,700)	(147,700)	(147,700)	(147,700)	0	0
****	<b>Total Capital Credits</b>	(52,509,576)	(52,489,497)	(52,472,099)	(52,446,481)	(52,437,474)	(52,426,670)	(52,414,109)	(52,395,972)	(52,387,771)	(52,366,686)	(51,354,430)	(51,339,917)
	Prior year	(53,059,917)	(53,058,864)	(53,033,802)	(53,025,508)	(53,015,273)	(52,992,933)	(51,631,494)	(51,607,470)	(51,598,983)	(51,583,016)	(51,572,613)	(51,553,952)
	Change	550,341	569,367	561,703	579,027	577,798	566,262	(782,615)	(788,501)	(788,789)	(783,670)	218,183	214,035
208.00	Donated capital	(28,938)	(28,939)	(28,939)	(28,939)	(28,940)	(28,941)	(28,941)	(28,942)	(28,942)	(28,943)	(28,943)	(28,944)
	Prior year	(28,597)	(28,597)	(28,933)	(28,934)	(28,935)	(28,935)	(28,936)	(28,937)	(28,937)	(28,937)	(28,937)	(28,937)
	Change	(341)	(342)	(6)	(4)	(4)	(6)	(6)	(6)	(6)	(6)	(6)	(6)
217.00	Retired capital gains and losses	(1,779,757)	(1,779,572)	(1,779,139)	(1,778,709)	(1,778,577)	(1,778,275)	(1,777,940)	(1,777,551)	(1,777,411)	(1,775,706)	(1,738,049)	(1,737,103)
	Prior year	(1,702,924)	(1,702,848)	(1,702,462)	(1,702,173)	(1,702,155)	(1,702,016)	(1,621,388)	(1,620,688)	(1,620,507)	(1,620,465)	(1,718,173)	(1,780,106)
	Change	(76,833)	(76,724)	(76,678)	(76,536)	(76,422)	(76,259)	(156,552)	(156,864)	(156,904)	(155,241)	(19,876)	43,002
****	<b>Total Other Equities</b>	(1,808,696)	(1,808,511)	(1,808,078)	(1,807,648)	(1,807,517)	(1,807,216)	(1,806,881)	(1,806,493)	(1,806,353)	(1,804,650)	(1,766,992)	(1,766,047)
	Prior year	(1,731,521)	(1,731,446)	(1,731,395)	(1,731,108)	(1,731,090)	(1,730,952)	(1,650,323)	(1,649,624)	(1,649,443)	(1,649,402)	(1,747,110)	(1,809,043)
	Change	(77,174)	(77,066)	(76,683)	(76,540)	(76,427)	(76,265)	(156,558)	(156,869)	(156,910)	(155,247)	(19,882)	42,996
*****	<b>Total Margins &amp; Equities</b>	(55,412,197)	(55,395,568)	(55,381,107)	(55,355,864)	(55,348,701)	(55,334,352)	(55,331,470)	(55,314,710)	(55,308,415)	(55,286,946)	(54,238,878)	(54,224,594)
	Prior year	(55,849,363)	(55,851,659)	(55,829,167)	(55,821,936)	(55,816,023)	(55,797,574)	(54,359,738)	(54,337,829)	(54,332,116)	(54,318,429)	(54,409,139)	(54,455,005)
	Change	437,167	456,091	448,060	466,072	467,322	463,223	(971,733)	(976,881)	(976,299)	(968,517)	170,261	230,411
224.12	CFC notes executed	(29,634,359)	(29,634,359)	(29,492,976)	(29,492,976)	(28,130,624)	(28,130,624)	(28,130,624)	(27,986,508)	(27,986,508)	(27,986,508)	(27,840,190)	(27,840,190)
	Prior year	(31,400,791)	(31,266,504)	(31,266,504)	(31,266,504)	(29,910,857)	(29,910,857)	(29,910,857)	(29,773,642)	(29,773,642)	(29,773,642)	(29,385,370)	(29,634,359)
	Change	1,766,432	1,632,146	1,773,528	1,773,528	1,780,233	1,780,233	1,780,233	1,787,134	1,787,134	1,787,134	1,545,180	1,794,168



Owen Electric Coopera.  
Case No. 2008-00154  
Comparison of Test Year Account Balances with  
those of the Preceding Year - Balance Sheet YTD

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Witness: Rebecca Witt

Acct #	Description	January Month 1	February Month 2	March Month 3	April Month 4	May Month 5	June Month 6	July Month 7	August Month 8	September Month 9	October Month 10	November Month 11	December Month 12
232.28	Accounts payable-empl.fund	0	0	0	0	0	0	0	0	0	0	0	0
	Prior year	0	0	0	0	0	0	0	0	0	0	0	0
	Change	0	0	0	0	0	0	0	0	0	0	0	0
232.30	Accounts payable-401 cont.	0	0	0	0	(13,827)	(13,827)	13,459	(13,827)	(13,827)	(14,054)	(14,054)	(226)
	Prior year	0	(23,258)	(38,758)	(39,712)	(1,908)	(2,862)	(20,791)	2,102	1,451	1,504	483	0
	Change	0	23,258	38,758	39,712	(11,919)	(10,965)	34,251	(15,929)	(15,279)	(15,558)	(14,537)	(226)
232.31	Accounts payable-401k match	0	0	0	0	13,827	13,827	19,513	13,827	13,827	13,601	13,601	(226)
	Prior year	(23)	(23)	15,478	15,500	0	0	(5,494)	383	29	25	0	0
	Change	23	23	(15,478)	(15,500)	13,827	13,827	25,006	13,445	13,799	13,576	13,601	(226)
232.32	Accounts Payable 457	0	0	(3,000)	18,128	17,003	17,503	18,128	16,253	15,003	17,503	16,253	(3,125)
	Prior year	0	12,791	12,791	12,791	0	0	0	0	0	0	0	0
	Change	0	(12,791)	(15,791)	5,337	17,003	17,503	18,128	16,253	15,003	17,503	16,253	(3,125)
232.40	Accounts payable-homestead	125	125	0	0	0	0	0	0	0	0	0	0
	Prior year	893	768	768	768	768	0	125	0	0	0	0	0
	Change	(768)	(643)	(768)	(768)	(768)	0	(125)	0	0	0	0	0
232.50	Accounts payable-misc	(4,015,332)	(4,236,851)	(4,015,332)	(3,477,439)	(4,054,174)	(3,242,820)	(3,369,308)	(4,308,383)	(4,397,545)	(3,864,145)	(3,515,655)	(3,508,873)
	Prior year	(4,540,731)	(3,795,035)	4,107,230	(3,809,053)	(4,450,178)	(3,937,345)	(4,013,136)	(4,525,776)	(3,969,452)	(2,380,929)	(2,487,414)	(3,354,799)
	Change	525,400	(441,816)	(8,122,562)	331,614	396,005	694,526	643,829	217,394	(428,092)	(1,483,215)	(1,028,240)	(154,074)
232.70	Accounts payable-homegard	(6)	33	33	39	39	39	39	39	39	39	39	0
	Prior year	17	17	17	17	17	(6)	(6)	(6)	(6)	(6)	(6)	0
	Change	(23)	17	17	22	22	44	44	44	44	44	44	0
****	Total Payables	(11,171,902)	(11,230,138)	(10,352,857)	(10,227,434)	(10,759,624)	(9,789,649)	(9,805,712)	(11,805,461)	(10,828,614)	(11,060,610)	(10,007,444)	(10,991,910)
	Prior year	(10,471,892)	(10,035,014)	(1,822,307)	(10,368,794)	(10,722,045)	(9,557,476)	(10,545,921)	(10,725,665)	(10,591,342)	(8,947,128)	(8,615,351)	(11,453,397)
	Change	(700,010)	(1,195,124)	(8,530,550)	141,360	(37,579)	(232,173)	740,209	(1,079,795)	(237,272)	(2,113,482)	(1,392,093)	461,487
****	231 Notes payable - short term	(10,105,301)	(16,062,678)	(19,850,335)	(21,625,967)	(12,603,759)	(14,328,523)	(13,814,227)	(12,812,604)	(15,391,555)	(14,900,486)	(15,824,211)	(5,720,933)
231.00	Prior year	(4,054,378)	(2,866,793)	(2,222,903)	(3,320,388)	0	(884,775)	(1,971,364)	(2,577,729)	(2,364,603)	(2,361,793)	(4,182,862)	(5,683,178)
	Change	(6,050,923)	(13,195,885)	(17,627,433)	(18,305,579)	(12,603,759)	(13,443,748)	(11,842,864)	(10,234,875)	(13,026,951)	(12,538,693)	(11,641,348)	(37,755)
****	231 Customer deposits	(1,796,969)	(1,808,254)	(1,816,634)	(1,822,214)	(1,838,517)	(1,820,866)	(1,893,277)	(1,928,147)	(2,003,872)	(1,871,602)	(1,894,984)	(1,893,274)
235.00	Prior year	(1,825,475)	(1,845,586)	(1,764,667)	(1,765,969)	(1,745,531)	(1,749,441)	(1,759,866)	(1,776,076)	(1,780,306)	(1,797,861)	(1,806,931)	(1,793,056)
	Change	28,506	37,333	(51,967)	(56,245)	(92,986)	(71,425)	(133,411)	(152,071)	(223,566)	(73,741)	(88,053)	(100,218)
****	231 Int. Payable on Cust.Deposits	(447,194)	(445,606)	(450,387)	(454,514)	(460,218)	(483,876)	(469,230)	(473,018)	(476,903)	(455,243)	(459,361)	(459,168)
235.10	Prior year	(399,550)	(402,536)	(393,927)	(396,033)	(395,981)	(397,718)	(400,113)	(400,328)	(402,980)	(406,346)	(409,684)	(441,778)
	Change	(47,644)	(43,070)	(56,460)	(58,481)	(64,237)	(86,158)	(69,116)	(72,690)	(73,923)	(48,897)	(49,677)	(17,390)
236.10	Acc property taxes	(142,905)	(259,695)	(373,301)	(490,302)	(607,014)	(724,014)	(841,014)	(540,566)	(666,054)	110,521	29,167	0
	Prior year	(100,037)	(200,037)	(300,037)	(400,037)	(500,037)	(600,037)	(700,037)	(800,037)	(515,594)	(615,483)	(715,456)	(29,979)
	Change	(42,868)	(59,658)	(73,265)	(90,265)	(106,977)	(123,977)	(140,977)	259,471	(150,460)	726,004	744,623	29,979
236.20	Acc FUTA tax	0	0	0	0	0	0	0	0	0	0	0	0
	Prior year	1,717	0	0	0	0	0	0	7	0	0	0	0
	Change	(1,717)	0	0	0	0	0	0	(7)	0	0	0	0
236.30	Acc FICA tax	0	0	0	0	0	0	0	0	0	0	0	0
	Prior year	43,510	0	(0)	(0)	0	0	(0)	42,892	97	97	97	97
	Change	(43,510)	0	0	0	0	0	0	(42,892)	(97)	(97)	(97)	(97)
236.40	Acc SUTA tax	(3,466)	(5,919)	(6,368)	(139)	(238)	(295)	(15)	(47)	(63)	(9)	(21)	0
	Prior year	(3,213)	(5,622)	(6,099)	53	(12)	(66)	108	81	57	130	120	144
	Change	(253)	(296)	(268)	(192)	(226)	(229)	(123)	(128)	(120)	(139)	(140)	(144)

Owen Electric Cooperative  
Case No. 2008-00154  
Comparison of Test Year Account Balances with  
those of the Preceding Year - Balance Sheet YTD

Exhibit W  
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Witness: Rebecca Witt

Acct #	Description	January Month 1	February Month 2	March Month 3	April Month 4	May Month 5	June Month 6	July Month 7	August Month 8	September Month 9	October Month 10	November Month 11	December Month 12
236.50	Sales tax	(112,937)	(126,357)	(244,417)	(244,342)	(104,036)	(102,732)	(124,409)	(97,687)	(122,838)	(96,314)	(104,341)	(91,192)
	Prior year	(128,569)	(107,333)	(117,536)	(119,809)	(106,183)	(118,941)	(131,302)	(137,069)	(125,257)	(116,789)	(120,679)	(122,116)
	Change	15,632	(19,024)	(126,881)	(124,534)	2,147	16,209	6,892	39,382	2,419	20,475	16,338	30,924
236.61	School tax - owen	(14,570)	(20,662)	(15,047)	(12,106)	(11,486)	(12,163)	(15,267)	(13,401)	(15,755)	(10,444)	(12,642)	(15,776)
	Prior year	(18,698)	(14,603)	(14,443)	(12,178)	(8,729)	(10,923)	(13,617)	(16,730)	(13,797)	(9,417)	(13,170)	(14,118)
	Change	4,128	(6,059)	(604)	72	(2,757)	(1,240)	(1,650)	3,330	(1,958)	(1,027)	528	(1,658)
236.62	School tax - grant	(23,384)	(30,663)	(23,998)	(20,289)	(19,771)	(22,164)	(26,276)	(24,148)	(27,289)	(19,429)	(20,773)	(24,609)
	Prior year	(26,337)	(20,256)	(21,054)	(18,398)	(17,052)	(13,313)	(23,970)	(30,213)	(24,897)	(16,492)	(21,443)	(21,280)
	Change	2,953	(10,407)	(2,944)	(1,890)	(6,458)	(5,112)	(2,306)	6,065	(2,392)	(2,937)	670	(3,330)
236.63	School tax - pendleton	(12,313)	(16,381)	(12,728)	(10,838)	(10,671)	(12,038)	(14,058)	(12,614)	(14,659)	(9,950)	(11,200)	(13,622)
	Prior year	(14,833)	(12,100)	(12,345)	(10,942)	(8,309)	(10,415)	(12,516)	(15,727)	(12,749)	(8,645)	(11,551)	(11,755)
	Change	2,520	(4,281)	(383)	104	(2,363)	(1,622)	(1,542)	3,113	(1,910)	(1,305)	351	(1,867)
236.64	School tax - gallatin	(21,313)	(25,412)	(24,594)	(19,995)	(13,005)	(13,423)	(16,212)	(14,054)	(17,041)	(11,722)	(13,195)	(14,814)
	Prior year	(26,821)	(21,283)	(23,436)	(22,362)	(18,503)	(19,191)	(22,202)	(26,577)	(23,909)	(18,438)	(18,825)	(20,910)
	Change	5,508	(4,130)	(1,159)	2,367	5,498	5,768	5,989	12,523	6,868	6,716	5,630	6,096
236.65	School tax - scott	(5,384)	(7,528)	(5,427)	(4,612)	(4,643)	(5,183)	(6,417)	(5,740)	(6,635)	(4,094)	(4,683)	(5,625)
	Prior year	(6,934)	(5,245)	(5,457)	(4,613)	(3,321)	(4,344)	(5,847)	(7,587)	(6,109)	(3,538)	(4,981)	(4,805)
	Change	1,550	(2,283)	30	1	(1,322)	(838)	(570)	1,847	(527)	(556)	298	(821)
236.66	School tax - boone	(91,234)	(105,994)	(91,263)	(87,110)	(88,798)	(103,270)	(123,196)	(109,319)	(129,685)	(92,524)	(93,168)	(93,618)
	Prior year	(106,806)	(86,543)	(91,618)	(87,661)	(74,871)	(94,678)	(114,684)	(119,855)	(99,365)	(78,857)	(89,838)	(92,324)
	Change	15,572	(19,451)	354	552	(13,927)	(8,593)	(8,511)	10,536	(30,320)	(13,667)	(3,330)	(1,294)
236.67	School tax - kenton	(37,236)	(49,301)	(37,645)	(33,147)	(33,732)	(40,165)	(47,680)	(43,740)	(50,710)	(32,980)	(34,332)	(39,929)
	Prior year	(43,668)	(35,500)	(36,304)	(32,421)	(23,680)	(32,979)	(42,147)	(52,579)	(43,929)	(26,258)	(33,163)	(35,155)
	Change	6,431	(13,800)	(1,341)	(725)	(10,052)	(7,185)	(5,533)	8,839	(6,781)	(6,722)	(1,169)	(4,774)
236.68	School tax - campbell	(12,077)	(16,817)	(11,619)	(9,968)	(9,841)	(11,582)	(13,676)	(13,309)	(13,947)	(9,351)	(10,874)	(13,573)
	Prior year	(13,986)	(11,462)	(11,148)	(9,594)	(7,257)	(9,962)	(12,170)	(13,443)	(9,751)	(7,691)	(10,569)	(11,116)
	Change	1,909	(5,355)	(471)	(374)	(2,584)	(1,620)	(1,506)	134	(4,196)	(1,660)	(305)	(2,457)
236.69	School tax - carroll	(3,889)	(5,365)	(3,395)	(3,193)	(3,159)	(3,655)	(4,275)	(4,150)	(4,033)	(3,039)	(3,613)	(4,600)
	Prior year	(4,577)	(3,843)	(3,595)	(2,792)	(2,435)	(3,206)	(4,073)	(3,951)	(2,892)	(2,592)	(3,556)	(3,837)
	Change	688	(1,522)	200	(401)	(724)	(448)	(202)	(198)	(1,140)	(447)	(56)	(763)
236.70	Franchise - covington	(2,117)	(3,350)	(2,310)	(1,830)	(1,885)	(2,119)	(4,546)	(4,284)	(4,686)	(2,119)	(3,771)	(2,119)
	Prior year	0	(2,189)	(2,227)	(1,945)	(1,322)	(1,767)	(2,374)	(2,359)	(1,877)	(1,365)	(1,912)	(2,113)
	Change	(2,117)	(1,160)	(83)	115	(563)	(352)	(2,172)	(1,925)	(2,809)	(754)	(1,859)	(6)
236.74	Franchise - sparta	(1,076)	(1,120)	(1,082)	(1,069)	(1,105)	(1,085)	(1,138)	(1,104)	(1,109)	(907)	(1,044)	(907)
	Prior year	0	(1,095)	(1,101)	(1,096)	(1,084)	(1,110)	(1,123)	(1,129)	(1,090)	(1,063)	(1,094)	(1,086)
	Change	(1,076)	(25)	20	27	(21)	25	(15)	24	(18)	156	50	179
236.75	Franchise - georgetown	(927)	(1,200)	(874)	(901)	(1,089)	(1,294)	419	662	483	2,119	1,150	2,119
	Prior year	0	25	(29)	60	131	(148)	(602)	(642)	(217)	90	(6)	(892)
	Change	(927)	(1,225)	(846)	(960)	(1,220)	(1,145)	1,021	1,305	700	2,029	1,156	3,011
236.80	Accrued St Sales tax-use	(859)	(58)	(201)	(176)	(30)	(30)	(338)	(222)	133	65	29	(423)
	Prior year	(287)	289	(612)	75	(449)	(49)	(297)	55	(103)	55	55	(58)
	Change	(572)	(347)	411	(251)	419	20	(40)	(276)	235	11	(25)	(365)
236.90	Accrued St. Sales tax-misc	355	13	(63)	(563)	113	54	(2,311)	(146)	638	(67)	610	91
	Prior year	(822)	291	299	432	(80)	397	260	71	466	(308)	608	1
	Change	1,178	(278)	(362)	(995)	192	(343)	(2,571)	(217)	171	241	2	90
237.10	int. acer-RUS const. obl.	(134,103)	(288,897)	(497,563)	(154,212)	(324,947)	(501,155)	(159,059)	(329,087)	0	(163,961)	(327,923)	(17,787)
	Prior year	(98,192)	(190,213)	36,323	(75,158)	(204,364)	36,321	(239,988)	(371,140)	(616,293)	(278,708)	(441,820)	(478,765)
	Change	(35,911)	(98,684)	(533,886)	(79,054)	(120,583)	(537,475)	80,929	42,053	616,293	114,747	113,898	460,978

Owen Electric Cooperative  
Case No. 2008-00154  
Comparison of Test Year Account Balances with  
those of the Preceding Year - Balance Sheet YTD

Exhibit W  
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Witness: Rebecca Witt

Acct #	Description	January Month 1	February Month 2	March Month 3	April Month 4	May Month 5	June Month 6	July Month 7	August Month 8	September Month 9	October Month 10	November Month 11	December Month 12
237.20	Int.accr.-CFC const. obl.	(256,978)	(368,239)	(135,404)	(265,093)	0	18,921	(264,998)	0	(126,259)	(254,925)	0	(129,919)
	Prior year	(274,828)	9,420	(113,937)	(248,069)	12,035	(124,384)	(124,384)	154,238	21,166	(114,916)	(92,011)	(120,484)
	Change	17,850	(377,658)	(21,467)	(17,024)	(12,035)	143,304	(140,614)	(154,238)	(147,425)	(140,009)	92,011	(9,436)
237.30	Int.accr.-CFC & other	(34,640)	(61,678)	(15,276)	(58,403)	(118,530)	(180,467)	(112,568)	(181,482)	(43,190)	(112,817)	(188,305)	(39,014)
	Prior year	(22,579)	(32,742)	(1,463)	(13,756)	(20,695)	(2,471)	(9,409)	(20,282)	(5,765)	(17,052)	(32,125)	(4,513)
	Change	(12,062)	(28,936)	(13,814)	(44,647)	(97,835)	(177,996)	(103,159)	(161,200)	(37,425)	(95,765)	(156,180)	(34,501)
241.00	Tax coll.pay.Federal income	0	0	0	0	0	0	0	0	0	0	0	(11)
	Prior year	33,247	0	0	0	0	0	0	33,686	197	197	197	0
	Change	(33,247)	0	0	0	0	0	0	(33,686)	(197)	(197)	(197)	(11)
241.10	Tax coll.pay.State income	0	0	0	0	0	0	0	0	0	0	0	0
	Prior year	14,234	0	0	0	0	0	0	14,428	61	61	61	0
	Change	(14,234)	0	0	0	0	0	0	(14,428)	(61)	(61)	(61)	0
241.20	Tax coll.pay.kenton co occup.	(118)	(333)	(620)	(29)	(198)	(387)	134	(125)	(244)	360	216	0
	Prior year	(235)	(421)	(787)	(228)	(471)	(663)	(64)	(328)	(649)	(18)	(250)	0
	Change	118	87	167	198	273	276	199	203	404	378	466	0
241.21	Tax coll.pay.kenton & indep.	(109)	(238)	(432)	(340)	(522)	(669)	(503)	(745)	(920)	(711)	(905)	0
	Prior year	(189)	(287)	(499)	(407)	(511)	(668)	(479)	(551)	(750)	(639)	(745)	0
	Change	80	49	67	67	(10)	(1)	(25)	(195)	(170)	(71)	(160)	0
241.22	Tax coll.pay.independenc city	0	0	0	0	0	0	0	0	0	0	0	0
	Prior year	18	18	18	18	18	18	18	18	18	18	18	0
	Change	(18)	(18)	(18)	(18)	(18)	(18)	(18)	(18)	(18)	(18)	(18)	0
241.24	Tax coll.pay.covington city	(15)	(25)	(55)	(19)	(39)	(64)	(10)	(22)	(30)	(9)	(24)	0
	Prior year	(11)	(46)	(104)	(26)	(52)	(77)	(21)	(52)	(101)	(56)	(79)	0
	Change	(4)	21	49	7	13	13	11	30	71	47	55	0
241.30	Tax coll. Pay. Boone occup.	(971)	(1,525)	(3,094)	(474)	(1,554)	(2,295)	(779)	(2,056)	(2,731)	(277)	(1,201)	0
	Prior year	(428)	(1,236)	(2,335)	(815)	(1,573)	(2,314)	(752)	(1,555)	(2,691)	(951)	(1,698)	(259)
	Change	(543)	(289)	(759)	341	19	19	(27)	(501)	(41)	674	497	259
241.40	Tax coll.pay.g'town&scott occ	(40)	(89)	(170)	(98)	(158)	(248)	(196)	(296)	(347)	(56)	(113)	0
	Prior year	(41)	(85)	(185)	(64)	(128)	(185)	(28)	(123)	(235)	(87)	(167)	0
	Change	1	(4)	15	(33)	(29)	(63)	(169)	(173)	(112)	31	54	0
241.50	Tax coll.pay.Carroll Co.occu.	0	0	0	0	0	0	0	0	(16)	(40)	(126)	0
	Prior year	0	0	0	0	0	0	0	0	0	0	0	0
	Change	0	0	0	0	0	0	0	0	(16)	(40)	(126)	0
241.60	Tax coll.pay. Owenton	(3)	(3)	(3)	(4)	(4)	(7)	(4)	(4)	(4)	(4)	(4)	0
	Prior year	0	0	0	0	0	0	0	0	0	0	(3)	0
	Change	(3)	(3)	(3)	(4)	(4)	(7)	(4)	(4)	(4)	(4)	(1)	0
241.61	Tax coll.payable pendleton	(82)	(199)	(382)	(121)	(232)	(333)	(98)	(360)	(521)	(126)	(234)	0
	Prior year	(69)	(169)	(303)	(115)	(221)	(331)	(107)	(238)	(415)	(88)	(227)	0
	Change	(13)	(31)	(79)	(6)	(11)	(2)	9	(122)	(106)	(38)	(7)	0
241.70	Tax coll.payable Dry Ridge	(30)	(63)	(112)	(29)	(57)	(91)	(28)	(77)	(108)	(41)	(80)	0
	Prior year	(27)	(56)	(98)	(42)	(73)	(107)	(33)	(61)	(103)	(34)	(72)	0
	Change	(3)	(7)	(14)	14	16	17	5	(16)	(5)	(8)	(8)	0
241.80	Tax coll.payable alexandria	(1)	(1)	(1)	(0)	(2)	(4)	(14)	(16)	(16)	(9)	(9)	0
	Prior year	(4)	(10)	(17)	(8)	(8)	(8)	(7)	(8)	(13)	(10)	(11)	0
	Change	3	9	16	7	5	3	(6)	(8)	(3)	1	2	0
241.81	Campbell Co w/h	(99)	(230)	(423)	(158)	(291)	(457)	(192)	(447)	(584)	(74)	(193)	0
	Prior year	(45)	(192)	(359)	(179)	(342)	(467)	(113)	(257)	(466)	(152)	(289)	0
	Change	(54)	(38)	(64)	21	51	10	(79)	(190)	(119)	78	95	0

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Acct #	Description	January Month 1	February Month 2	March Month 3	April Month 4	May Month 5	June Month 6	July Month 7	August Month 8	September Month 9	October Month 10	November Month 11	December Month 12
241.90	Florence city payroll tx	(177)	(409)	(845)	(18)	(256)	(441)	102	48	22	164	159	0
	Prior year	(137)	(462)	(799)	(120)	(338)	(533)	108	(4)	(18)	377	332	0
	Change	(40)	52	(46)	102	82	94	(7)	52	40	(213)	(173)	0
241.91	Tax coll.payable flor/boon ov	0	0	0	0	0	0	(102)	(345)	(495)	(66)	(54)	0
	Prior year	(100)	0	0	0	0	0	(99)	(173)	(397)	(260)	(426)	0
	Change	100	0	0	0	0	0	(3)	(172)	(98)	194	371	0
242.00	Current & accr. Liab.winterca.	0	0	0	0	0	0	(336)	(436)	0	0	0	0
	Prior year	(588)	0	0	(316)	(313)	(282)	0	0	0	0	(791)	0
	Change	588	0	0	316	313	282	(336)	(436)	0	0	791	0
242.10	Current & accr. Liab.executive	(294,952)	(294,952)	(294,952)	(294,952)	(294,952)	(294,952)	(294,952)	(294,952)	(294,952)	(294,952)	(294,952)	(339,019)
	Prior year	(218,064)	(218,064)	(218,064)	(218,064)	(218,064)	(218,064)	(218,064)	(218,064)	(218,064)	(218,064)	(218,064)	(294,952)
	Change	(76,888)	(76,888)	(76,888)	(76,888)	(76,888)	(76,888)	(76,888)	(76,888)	(76,888)	(76,888)	(76,888)	(44,066)
242.20	Current & accr. Liab.payroll	(413,305)	(417,852)	(143,937)	(171,889)	(260,812)	(311,874)	(357,708)	(149,184)	(178,773)	(257,556)	(299,966)	(326,322)
	Prior year	(343,642)	(334,672)	(132,624)	(138,811)	(237,033)	(305,211)	(346,228)	(401,867)	(145,094)	(213,003)	(276,558)	(291,716)
	Change	(69,663)	(83,180)	(11,313)	(33,079)	(23,780)	(6,663)	(11,479)	252,683	(33,680)	(44,553)	(23,408)	(34,606)
242.30	Current & accr.Liab.vacation	0	159	6,151	6,151	6,151	6,151	6,233	6,233	6,233	6,233	6,233	(76,409)
	Prior year	0	0	0	0	0	0	0	0	0	0	0	(78,528)
	Change	0	159	6,151	6,151	6,151	6,151	6,233	6,233	6,233	6,233	6,233	2,119
242.40	Current & accr. Liab.sickleave	(1,689,680)	(1,649,778)	(1,635,782)	(1,633,948)	(1,628,836)	(1,625,925)	(1,624,717)	(1,625,713)	(1,628,221)	(1,601,019)	(1,598,674)	(1,604,202)
	Prior year	(1,459,792)	(1,646,327)	(1,660,729)	(1,660,275)	(1,661,750)	(1,672,754)	(1,679,853)	(1,679,853)	(1,685,733)	(1,713,617)	(1,713,617)	(1,704,554)
	Change	(229,889)	(3,451)	24,948	26,327	32,914	46,829	55,136	54,141	57,512	112,598	114,944	100,351
242.80	Current & accr.Liab.col. Ins.	(241)	(241)	(748)	(771)	(794)	(818)	(841)	(1,330)	(1,353)	(1,376)	(1,399)	(516)
	Prior year	(242)	(242)	(427)	(799)	(427)	(428)	(428)	(428)	(613)	(614)	(613)	(241)
	Change	0	0	(321)	28	(367)	(390)	(413)	(902)	(739)	(762)	(786)	(275)
242.81	Current & accr.Liab.equitable	1	1	231	(78)	(53)	(53)	(53)	(207)	(208)	(208)	(208)	101
	Prior year	0	(0)	(184)	(184)	(184)	(184)	(184)	(167)	(334)	(334)	(334)	(0)
	Change	1	1	415	106	131	131	131	(40)	127	127	126	101
242.82	Dental insurance w/h	2,058	2,288	325	(995)	(1,280)	(1,412)	(1,448)	(2,114)	(2,158)	(2,201)	(2,240)	(1,000)
	Prior year	(1,910)	(913)	(1,834)	(1,673)	(1,662)	(1,622)	(1,562)	(1,184)	(1,885)	(1,917)	(1,934)	548
	Change	3,968	3,201	2,159	678	382	210	114	(931)	(272)	(284)	(306)	(1,548)
242.83	Vision insurance w/h	(170)	(224)	(472)	(458)	(473)	(487)	(481)	(577)	(251)	75	79	313
	Prior year	361	354	225	211	187	215	244	(57)	(227)	(230)	(234)	65
	Change	(531)	(579)	(697)	(669)	(659)	(703)	(724)	(520)	(24)	305	313	248

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Acct #	Description	January Month 1	February Month 2	March Month 3	April Month 4	May Month 5	June Month 6	July Month 7	August Month 8	September Month 9	October Month 10	November Month 11	December Month 12
242.84	Medical flex spending	0	0	0	0	0	0	0	0	0	0	0	0
	Prior year	7,987	14,273	15,110	30,702	28,862	35,078	56,462	60,518	66,614	45,807	44,000	0
	Change	(7,987)	(14,273)	(15,110)	(30,702)	(28,862)	(35,078)	(56,462)	(60,518)	(66,614)	(45,807)	(44,000)	0
242.85	Long term care insurance	376	(236)	189	189	159	(276)	(276)	(59)	(59)	(59)	(428)	311
	Prior year	1,328	1,087	471	471	471	471	471	471	707	235	(236)	989
	Change	(951)	(1,323)	(282)	(282)	(312)	(747)	(747)	(529)	(765)	(294)	(192)	(678)
242.86	Relay -life	0	0	0	0	0	0	0	0	0	0	0	1,000
	Prior year	0	0	0	0	0	0	0	0	0	0	0	0
	Change	0	0	0	0	0	0	0	0	0	0	0	1,000
****	<b>Total Current &amp; Accrued Lia</b>	<b>(3,308,613)</b>	<b>(3,758,575)</b>	<b>(3,577,711)</b>	<b>(3,516,328)</b>	<b>(3,538,068)</b>	<b>(3,952,499)</b>	<b>(4,053,305)</b>	<b>(3,467,220)</b>	<b>(3,348,435)</b>	<b>(2,863,899)</b>	<b>(2,993,051)</b>	<b>(2,851,073)</b>
	Prior year	(2,814,310)	(2,927,492)	(2,729,343)	(3,050,936)	(3,076,089)	(3,183,123)	(3,651,095)	(3,617,826)	(3,472,000)	(3,420,621)	(3,783,060)	(3,343,712)
	Change	(494,303)	(831,083)	(848,368)	(465,392)	(461,979)	(769,376)	(402,209)	150,606	123,565	556,722	790,009	492,639
252.00	Advance for construction	(506,007)	(505,375)	(492,145)	(494,863)	(497,180)	(501,449)	(505,914)	(515,195)	(516,431)	(519,342)	(519,810)	(519,021)
	Prior year	(476,198)	(484,080)	(487,711)	(486,016)	(496,224)	(494,778)	(494,205)	(516,953)	(502,606)	(499,076)	(507,679)	(507,434)
	Change	(29,809)	(21,295)	(4,433)	(8,847)	(956)	(6,671)	(11,709)	1,758	(13,825)	(20,266)	(12,131)	(11,587)
253.00	Meter installations	(44,883)	(117)	0	0	0	0	0	0	0	19,530	(153)	(118,308)
	Prior year	(43,760)	75	75	(2,723)	75	(675)	(675)	0	0	0	0	(44,883)
	Change	(1,123)	(192)	(75)	2,723	(75)	675	675	0	0	19,530	(153)	(73,425)
253.20	Def.credits energy cert.	73	73	143	143	143	143	143	143	143	143	143	43
	Prior year	143	143	143	(397)	(217)	(37)	143	143	143	73	73	(77)
	Change	(70)	(70)	0	540	360	180	0	0	0	70	70	120
****252.	<b>Consumer advances for consti</b>	<b>(550,817)</b>	<b>(505,419)</b>	<b>(492,002)</b>	<b>(494,720)</b>	<b>(497,037)</b>	<b>(501,306)</b>	<b>(505,772)</b>	<b>(515,052)</b>	<b>(516,289)</b>	<b>(499,670)</b>	<b>(519,820)</b>	<b>(637,286)</b>
	Prior year	(519,815)	(483,862)	(487,494)	(489,137)	(496,366)	(495,491)	(494,737)	(516,810)	(502,464)	(499,003)	(507,606)	(552,395)
	Change	(31,002)	(21,557)	(4,508)	(5,584)	(671)	(5,816)	(11,034)	1,758	(13,825)	(666)	(12,214)	(84,892)
*****	<b>Total Equities &amp; Linibilities</b>	<b>(164,405,983)</b>	<b>(170,888,423)</b>	<b>(173,533,072)</b>	<b>(175,023,291)</b>	<b>(165,280,958)</b>	<b>(166,516,510)</b>	<b>(166,109,257)</b>	<b>(166,479,362)</b>	<b>(167,946,994)</b>	<b>(167,063,834)</b>	<b>(165,968,552)</b>	<b>(169,717,550)</b>
	Prior year	(152,768,628)	(151,164,253)	(141,912,582)	(151,930,854)	(152,670,451)	(152,403,847)	(153,577,053)	(154,266,191)	(154,793,834)	(153,029,600)	(154,653,110)	(158,952,956)
	Change	(11,637,354)	(19,724,170)	(31,620,489)	(23,092,437)	(12,610,507)	(14,112,663)	(12,532,203)	(12,213,171)	(13,153,161)	(14,034,234)	(11,315,443)	(10,764,593)
		430,891,691	445,831,873	450,885,746	453,312,236	434,188,474	437,127,781	439,097,130	440,935,586	445,508,756	442,631,474	441,628,413	451,863,975
		400,372,717	397,626,903	388,490,881	400,899,185	401,695,145	402,356,139	406,201,253	409,486,757	410,319,046	406,389,213	411,132,036	420,710,810

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Acct #	Description	January Month 1	February Month 2	March Month 3	April Month 4	May Month 5	June Month 6	July Month 7	August Month 8	September Month 9	October Month 10	November Month 11	December Month 12	Total
440.10	Residential	(5,335,263)	(7,025,568)	(5,323,761)	(4,452,472)	(4,503,652)	(5,389,185)	(6,491,491)	(6,071,111)	(6,896,858)	(4,446,927)	(4,655,653)	(5,634,986)	(66,226,928)
	Prior year	(6,397,957)	(4,993,443)	(5,103,310)	(4,454,164)	(3,290,059)	(4,510,934)	(5,833,026)	(6,214,052)	(4,721,749)	(3,552,241)	(4,638,064)	(4,904,660)	(58,613,658)
	Change	1,062,694	(2,032,125)	(220,451)	1,692	(1,213,593)	(878,251)	(658,465)	142,941	(2,175,109)	(894,687)	(17,589)	(730,326)	(7,613,270)
440.20	Seasonal sales	(17,619)	(17,596)	(18,096)	(18,661)	(20,078)	(19,206)	(20,743)	(19,279)	(20,094)	(20,131)	(20,904)	(20,448)	(232,856)
	Prior year	(16,714)	(15,177)	(16,541)	(16,484)	(17,114)	(17,110)	(17,574)	(17,324)	(17,093)	(17,368)	(17,845)	(17,667)	(204,011)
	Change	(905)	(2,419)	(1,554)	(2,177)	(2,964)	(2,096)	(3,169)	(1,955)	(3,001)	(2,763)	(3,059)	(2,781)	(28,845)
442.10	Small commercial	(267,728)	(310,259)	(273,187)	(277,371)	(304,166)	(320,773)	(370,837)	(327,310)	(369,730)	(294,034)	(309,560)	(307,529)	(3,732,482)
	Prior year	(318,406)	(263,334)	(287,729)	(277,965)	(243,004)	(295,613)	(320,575)	(339,067)	(299,180)	(255,752)	(285,602)	(272,764)	(3,458,993)
	Change	50,678	(46,925)	14,542	595	(61,162)	(25,160)	(50,262)	11,758	(70,550)	(38,281)	(23,958)	(34,765)	(273,489)
442.20	Large commercial	(1,733,354)	(1,881,109)	(1,862,681)	(1,941,366)	(2,110,031)	(2,183,886)	(2,615,403)	(1,996,081)	(2,530,383)	(2,075,397)	(2,385,490)	(1,989,908)	(25,305,086)
	Prior year	(2,063,442)	(1,763,392)	(1,917,812)	(1,958,582)	(1,847,026)	(2,013,844)	(2,198,511)	(2,200,015)	(2,072,756)	(1,904,109)	(1,946,797)	(1,965,591)	(23,851,875)
	Change	330,088	(117,717)	55,131	17,216	(263,005)	(170,042)	(416,891)	203,934	(457,626)	(171,288)	(438,693)	(24,317)	(1,453,211)
442.21	Gallatin Steel ind. Sales	(3,849,211)	(4,037,273)	(4,266,054)	(3,297,377)	(3,876,793)	(3,070,835)	(3,194,411)	(4,119,611)	(4,213,464)	(3,703,867)	(3,364,481)	(3,361,808)	(44,355,185)
	Prior year	(3,930,098)	(3,180,158)	(3,439,994)	(3,231,164)	(3,930,833)	(3,513,002)	(3,584,638)	(4,224,923)	(3,759,150)	(2,234,265)	(2,446,786)	(3,192,014)	(40,667,025)
	Change	80,887	(857,115)	(826,060)	(66,213)	54,040	442,167	390,227	105,312	(454,314)	(1,469,602)	(917,695)	(169,794)	(3,688,160)
444.00	Street lights	(5,383)	(4,924)	(3,817)	(4,178)	(4,645)	(4,541)	(2,164)	(3,642)	(4,310)	(4,081)	(5,285)	(5,354)	(52,325)
	Prior year	(6,808)	(5,124)	(5,218)	(4,861)	(4,041)	(4,176)	(4,095)	(4,174)	(4,264)	(4,912)	(5,647)	(5,463)	(58,784)
	Change	1,426	200	1,400	683	(604)	(365)	1,931	532	(46)	831	362	110	6,460
445.00	Public authority	(77,484)	(95,411)	(96,312)	(77,925)	(107,201)	(104,782)	(114,904)	(95,287)	(137,162)	(136,781)	(133,097)	(136,142)	(1,312,487)
	Prior year	(88,727)	(83,727)	(90,926)	(77,734)	(68,418)	(75,611)	(82,835)	(87,533)	(86,753)	(71,682)	(75,588)	(80,960)	(970,492)
	Change	11,243	(11,684)	(5,386)	(191)	(38,784)	(29,170)	(32,070)	(7,754)	(50,409)	(65,099)	(57,509)	(55,182)	(341,995)
450.00	Forfeit Discounts	(76,563)	(61,455)	(94,490)	(65,205)	(67,609)	(56,025)	(73,831)	(93,040)	(71,887)	(99,935)	(61,929)	(57,802)	(879,773)
	Prior year	(89,425)	(76,751)	(63,282)	(57,551)	(62,182)	(45,448)	(52,323)	(87,656)	(62,104)	(68,789)	(67,224)	(46,899)	(779,634)
	Change	12,862	15,296	(31,208)	(7,654)	(5,427)	(10,578)	(21,508)	(5,384)	(9,783)	(31,146)	5,295	(10,903)	(100,139)
451.00	Miscellaneous Services	(40,378)	(24,155)	(27,643)	(39,778)	(35,070)	(36,758)	(26,680)	(39,365)	(26,658)	(45,660)	(43,600)	(37,450)	(423,193)
	Prior year	(39,370)	(39,893)	(39,248)	(32,590)	(32,620)	(28,058)	(25,362)	(28,895)	(31,258)	(32,635)	(30,010)	(22,818)	(382,755)
	Change	(1,008)	15,738	11,605	(7,188)	(2,450)	(8,700)	(1,318)	(10,470)	4,600	(13,025)	(13,590)	(14,633)	(40,438)
451.10	Misc.Serv.Rev.Mtr Rdg										0	0	0	0
	Prior year										(8,400)	0	8,400	0
	Change										8,400	0	(8,400)	0
452.00	Other elec.-bad check ch.	(1,576)	(560)	(1,040)	(1,184)	(1,126)	(1,378)	(1,240)	(1,462)	(1,216)	(1,320)	(1,096)	(1,328)	(14,526)
	Prior year	(1,744)	(992)	(1,056)	(1,384)	(1,760)	(1,520)	(1,176)	(1,480)	(1,600)	(1,392)	(976)	(1,184)	(16,264)
	Change	168	432	16	200	634	142	(64)	18	384	72	(120)	(144)	1,738
454.00	Rent form electric property	(21,000)	(21,000)	(21,000)	(21,000)	(21,000)	(21,000)	(21,000)	(21,000)	(21,000)	(21,000)	(21,000)	(21,000)	(248,658)
	Prior year	(20,150)	(20,150)	(20,150)	(20,150)	0	(40,300)	(20,150)	(20,150)	(20,150)	(20,150)	(20,150)	(20,134)	(241,784)
	Change	(850)	(850)	(850)	(850)	(21,000)	19,300	(850)	(850)	(850)	(850)	(850)	2,476	(6,874)



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Acct #	Description	January Month 1	February Month 2	March Month 3	April Month 4	May Month 5	June Month 6	July Month 7	August Month 8	September Month 9	October Month 10	November Month 11	December Month 12	Total
454.10	Rental from w/g temp	(16,718)	(14,231)	(16,656)	(16,140)	(16,051)	(16,565)	(2,509)	(15,307)	(15,885)	(13,939)	(11,497)	(10,706)	(166,205)
	Prior year	(20,084)	(9,737)	(27,648)	(17,704)	(22,380)	(19,975)	(18,535)	(22,999)	(18,019)	(11,095)	(16,319)	(23,642)	(228,138)
	Change	3,366	(4,494)	10,991	1,564	6,329	3,410	16,026	7,692	2,134	(2,844)	4,822	12,936	61,933
454.20	Rental o/h temp	(1,740)	0	(2,040)	(1,190)	(2,550)	(2,890)	2,210	(3,885)	(2,380)	(3,415)	(1,190)	(1,210)	(20,280)
	Prior year	(2,205)	0	(4,930)	(1,530)	(2,210)	(2,144)	(3,400)	(2,550)	(1,210)	(2,210)	(1,530)	(1,870)	(25,789)
	Change	465	0	2,890	340	(340)	(746)	5,610	(1,335)	(1,170)	(1,205)	340	660	5,509
454.30	Rental w/g meter base	(435)	0	(290)	(145)	(435)	(580)	290	(435)	(145)	(580)	(290)	(290)	(3,335)
	Prior year	(435)	0	(1,565)	(1,595)	(1,305)	(1,740)	(810)	(1,735)	(580)	(430)	(140)	0	(10,335)
	Change	0	0	1,275	1,450	870	1,160	1,100	1,300	435	(150)	(150)	(290)	7,000
456.00	Other electric revenue	(1,116)	742	(371)	(2,288)	(1,994)	(1,942)	(2,337)	(2,172)	(2,014)	(1,754)	(1,717)	(2,070)	(19,033)
	Prior year	(2,760)	(1,559)	(688)	(2,208)	(7,337)	(4,420)	(2,223)	470	(3,535)	(2,350)	(772)	(1,860)	(29,243)
	Change	1,644	2,301	317	(79)	5,343	2,478	(113)	(2,643)	1,522	597	(945)	(209)	10,211
***	<b>Total Revenues</b>	<b>(11,445,568)</b>	<b>(13,492,800)</b>	<b>(12,007,438)</b>	<b>(10,216,278)</b>	<b>(11,072,400)</b>	<b>(11,230,346)</b>	<b>(12,935,050)</b>	<b>(12,808,987)</b>	<b>(14,313,185)</b>	<b>(10,868,820)</b>	<b>(11,016,790)</b>	<b>(11,584,689)</b>	<b>(142,992,351)</b>
	Prior year	(12,998,325)	(10,453,435)	(11,020,097)	(10,155,666)	(9,530,288)	(10,573,895)	(12,165,234)	(13,252,082)	(11,099,402)	(8,187,779)	(9,553,449)	(10,549,127)	(129,538,779)
	Change	1,552,758	(3,039,364)	(987,341)	(60,612)	(1,542,112)	(656,452)	(769,816)	443,095	(3,213,783)	(2,681,041)	(1,463,340)	(1,035,562)	(13,453,572)
*** 555	<b>Purchased Power</b>	<b>5,511,567</b>	<b>5,855,124</b>	<b>6,558,296</b>	<b>5,802,343</b>	<b>4,878,307</b>	<b>6,157,462</b>	<b>5,675,798</b>	<b>6,000,559</b>	<b>7,104,522</b>	<b>6,776,929</b>	<b>5,465,526</b>	<b>5,147,293</b>	<b>70,933,726</b>
	Prior year	6,016,218	5,660,334	5,270,639	5,040,371	3,934,760	4,817,688	5,442,506	5,788,931	6,375,539	4,533,807	4,497,470	4,403,144	61,781,407
	Change	(504,651)	194,790	1,287,657	761,972	943,547	1,339,774	233,292	211,628	728,983	2,243,122	968,056	744,149	9,152,319
*** 555	<b>Gallatin Purchased Powe</b>	<b>3,883,253</b>	<b>4,104,772</b>	<b>3,883,253</b>	<b>3,791,450</b>	<b>3,922,095</b>	<b>3,110,741</b>	<b>3,237,229</b>	<b>4,176,304</b>	<b>4,265,466</b>	<b>3,732,066</b>	<b>3,383,576</b>	<b>3,376,794</b>	<b>44,866,999</b>
	Prior year	3,938,121	3,197,964	3,473,483	3,262,377	3,981,823	3,548,324	3,624,115	4,292,811	3,814,515	2,304,020	2,468,547	3,222,720	41,128,820
	Change	(54,868)	906,808	409,770	529,073	(59,728)	(437,583)	(386,886)	(116,507)	450,951	1,428,046	915,029	154,074	3,738,179
580.00	Operations - Supervision &	10,554	13,926	15,515	12,825	16,121	16,976	18,440	18,265	16,300	16,111	19,414	25,331	199,778
	Prior year	27,580	28,572	30,973	37,858	38,598	36,526	34,721	39,219	35,075	43,753	28,405	24,537	405,818
	Change	(17,026)	(14,646)	(15,458)	(25,033)	(22,476)	(19,550)	(16,281)	(20,954)	(18,775)	(27,643)	(8,991)	794	(206,040)
581.00	Load Dispatching	0	0	0	0	0	0	0	0	0	0	0	0	0
	Prior year	7,353	6,275	0	0	0	6,545	0	1,605	(6,791)	0	0	20,029	35,016
	Change	(7,353)	(6,275)	0	0	0	(6,545)	0	(1,605)	6,791	0	0	(20,029)	(35,016)
582.00	Station Expense	778	614	1,207	873	865	2,518	1,437	888	438	992	1,998	76	12,684
	Prior year	677	194	1,645	316	1,106	920	1,122	712	255	1,357	719	267	9,291
	Change	101	420	(438)	557	(241)	1,597	315	177	183	(365)	1,278	(191)	3,393
583.00	Overhead Line Exp	110,171	107,290	124,006	122,155	124,076	135,238	114,130	116,253	117,311	98,951	117,550	106,486	1,393,617
	Prior year	96,409	89,974	115,066	128,648	110,821	128,600	143,106	119,422	120,528	120,979	93,990	203,114	1,470,657
	Change	13,762	17,316	8,939	(6,493)	13,255	6,638	(28,975)	(3,170)	(3,217)	(22,028)	23,560	(96,628)	(77,040)
583.10	Overhead line patrol	7,733	7,236	10,448	14,064	3,754	2,969	922	3,353	9,305	14,691	10,748	9,883	95,106
	Prior year	1,964	4,286	8,222	1,223	9,781	11,982	3,700	5,739	9,701	7,058	9,413	5,534	78,601
	Change	5,769	2,950	2,226	12,841	(6,027)	(9,013)	(2,778)	(2,385)	(395)	7,634	1,335	4,349	16,505
583.20	Transformer outage	306	2,326	1,716	1,167	1,875	3,107	3,573	2,912	2,541	1,488	4,227	1,264	26,501
	Prior year	50	55	45	0	0	119	4	0	345	82	89	0	789
	Change	256	2,271	1,670	1,167	1,875	2,988	3,570	2,912	2,195	1,406	4,138	1,264	25,712
584.00	Underground line exp	34,359	32,991	40,071	23,023	42,623	40,124	44,419	41,650	40,157	40,039	43,303	27,164	449,924
	Prior year	7,620	16,331	25,218	9,344	22,935	27,676	32,096	30,243	18,890	15,474	25,044	48,061	278,932
	Change	26,740	16,660	14,853	13,679	19,688	12,448	12,323	11,407	21,267	24,565	18,260	(20,897)	170,992
586.00	Meter exp	81,637	105,477	119,518	(153)	47,491	96,249	49,852	51,615	(3,284)	(22,624)	81,970	(85,581)	522,168
	Prior year	66,878	85,503	67,823	53,175	74,149	55,029	55,548	50,966	84,203	67,227	52,676	(422,452)	290,726
	Change	14,759	19,974	51,696	(53,329)	(26,658)	41,220	(5,696)	649	(87,487)	(89,851)	29,294	336,871	231,442

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Acct #	Description	January Month 1	February Month 2	March Month 3	April Month 4	May Month 5	June Month 6	July Month 7	August Month 8	September Month 9	October Month 10	November Month 11	December Month 12	Total
586.10	U/G temp mtr base owned	0	300	95	80	2,132	0	(0)	1,646	1,012	3,772	2,406	2,550	13,994
	Prior year	6,604	6,177	2,391	817	1,407	166	0	141	72	183	0	675	18,633
	Change	(6,604)	(5,877)	(2,295)	(737)	726	(166)	(0)	1,504	940	3,589	2,406	1,876	(4,639)
586.20	O/H temp mtr base exp.	2,320	569	4,130	1,752	1,233	1,536	1,113	3,143	2,575	1,640	1,420	1,076	22,509
	Prior year	2,434	4,434	2,752	2,366	1,916	3,327	2,506	2,643	1,468	1,519	2,390	1,693	29,448
	Change	(114)	(3,865)	1,378	(614)	(683)	(1,791)	(1,392)	500	1,107	121	(970)	(616)	(6,939)
586.30	U/G temp mtr base exp	5,389	4,368	7,349	3,923	2,926	3,168	2,483	5,591	4,235	2,151	618	2,298	44,499
	Prior year	163	730	2,019	5,556	4,676	4,000	3,678	6,615	4,777	3,494	3,207	3,426	42,339
	Change	5,227	3,639	5,329	(1,633)	(1,750)	(832)	(1,195)	(1,024)	(542)	(1,343)	(2,589)	(1,127)	2,160
587.00	Customer installation	33,189	34,099	38,674	30,131	29,689	31,486	37,215	35,503	34,369	34,801	34,832	31,198	405,186
	Prior year	22,044	27,393	25,867	21,497	28,597	25,277	31,687	34,238	38,735	32,644	31,166	28,513	347,657
	Change	11,145	6,706	12,807	8,634	1,092	6,209	5,528	1,265	(4,367)	2,157	3,667	2,684	57,529
588.00	Miscellaneous	50,311	48,729	50,173	47,339	46,456	50,324	47,633	53,391	60,062	58,023	53,072	47,174	612,688
	Prior year	26,042	64,028	39,064	69,549	47,791	41,505	87,540	64,473	53,539	58,846	40,924	40,514	633,814
	Change	24,269	(15,299)	11,109	(22,210)	(1,335)	8,819	(39,907)	(11,081)	6,524	(822)	12,148	6,660	(21,126)
588.10	IT	24,095	24,126	14,990	25,332	9,809	9,086	6,781	4,869	4,907	6,795	4,601	3,442	138,834
	Prior year	21,367	32,636	32,582	33,808	37,930	54,219	31,009	39,639	35,979	34,847	23,052	47,510	424,578
	Change	2,728	(8,510)	(17,592)	(8,476)	(28,121)	(45,133)	(24,227)	(34,770)	(31,072)	(28,052)	(18,451)	(44,068)	(285,744)
589.00	Rents							150	60	0	235	0	0	445
	Prior year							150	60	229	0	0	0	439
	Change							0	0	(229)	235	0	0	5
****	<b>Total Operations</b>	<b>360,843</b>	<b>382,051</b>	<b>427,893</b>	<b>282,512</b>	<b>329,051</b>	<b>392,780</b>	<b>328,150</b>	<b>339,139</b>	<b>289,928</b>	<b>257,065</b>	<b>376,160</b>	<b>172,361</b>	<b>3,937,933</b>
	Prior year	287,185	366,587	353,669	364,159	379,706	395,890	426,865	395,715	397,005	387,461	311,075	1,421	4,066,740
	Change	73,657	15,464	74,224	(81,647)	(50,656)	(3,110)	(98,715)	(56,575)	(107,077)	(130,396)	65,085	170,940	(128,807)
590.00	Maint.Super. & Engineer.	9,107	11,753	8,807	3,604	3,528	4,460	4,566	5,056	3,547	1,975	2,483	7,647	66,532
	Prior year	13,935	20,526	19,458	21,231	24,094	22,822	23,981	24,355	23,452	28,243	18,146	26,871	267,115
	Change	(4,829)	(8,773)	(10,651)	(17,627)	(20,566)	(18,363)	(19,415)	(19,299)	(19,906)	(26,267)	(15,663)	(19,225)	(200,583)
593.00	Maintenance of overhead li	71,003	82,837	83,664	75,617	68,320	77,684	68,451	70,869	57,223	56,400	57,495	90,742	860,304
	Prior year	69,821	77,460	85,428	72,357	73,804	81,028	98,486	88,036	80,831	83,746	55,906	106,416	973,318
	Change	1,181	5,378	(1,764)	3,260	(5,484)	(3,344)	(30,035)	(17,166)	(23,609)	(27,346)	1,588	(15,674)	(113,014)
593.10	O/H line outage	13,708	101,213	27,599	134,322	120,496	(117,280)	(54,434)	125,857	25,454	(207,472)	10,425	49,732	229,621
	Prior year	8,236	4,278	13,913	67,265	26,468	24,362	46,761	27,239	16,227	21,703	8,560	21,142	286,154
	Change	5,472	96,935	13,687	67,057	94,027	(141,642)	(101,195)	98,618	9,227	(229,175)	1,865	28,590	(56,533)
593.20	Maint. o/h line -ROW	10,838	101,157	107,777	10,596	10,598	241,296	196,942	136,148	96,950	184,581	119,440	405,936	1,622,259
	Prior year	9,504	124,511	137,731	135,710	116,825	12,225	223,386	110,520	174,179	178,646	123,697	362,597	1,709,530
	Change	1,334	(23,354)	(29,954)	(125,114)	(106,227)	229,071	(26,444)	25,628	(77,229)	5,934	(4,257)	43,339	(87,271)
593.40	Maint - Radio operators	24	(53)	2,733	(804)	199	198	680	(241)	6,721	(162)	1,547	13,728	24,571
	Prior year	136	(2,171)	259	(1,325)	(2,768)	(341)	(3,860)	0	0	26,643	228	17,762	34,564
	Change	(112)	2,118	2,474	521	2,966	539	4,540	(241)	6,721	(26,805)	1,320	(4,033)	(9,993)
593.50	Maint. o/h line-pole treat.	0	0	0	185	84,686	26,906	1	0	0	0	0	0	0
	Prior year	29	0	18,198	34,136	49,469	34,621	11,364	0	0	0	0	0	0
	Change	(29)	0	(18,198)	(33,951)	35,216	(7,714)	(11,363)	0	0	0	0	0	0

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Acct #	Description	January Month 1	February Month 2	March Month 3	April Month 4	May Month 5	June Month 6	July Month 7	August Month 8	September Month 9	October Month 10	November Month 11	December Month 12	Total
594.00	Mant - Underground	12,178	16,074	19,047	25,634	22,502	14,816	17,299	18,841	20,135	17,360	14,592	18,017	216,497
	Prior year	20,003	13,710	26,344	30,317	20,966	20,841	26,045	30,819	23,930	40,014	13,561	42,489	309,041
	Change	(7,826)	2,364	(7,297)	(4,682)	1,536	(6,026)	(8,746)	(11,978)	(3,795)	(22,654)	1,031	(24,473)	(92,545)
594.10	U/G Outage	2,416	4,225	3,791	1,031	(541)	2,299	5,493	6,256	2,679	3,069	1,540	5,696	37,955
	Prior year	684	592	1,815	4,787	5,094	5,890	3,685	5,471	53	7,695	3,911	384	40,061
	Change	1,732	3,633	1,976	(3,756)	(5,634)	(3,590)	1,807	786	2,626	(4,626)	(2,371)	5,312	(2,106)
595.00	Transformers	0	5,518	3,494	2,281	547	2,269	10,403	1,201	3,390	4,730	(7,527)	3,259	29,565
	Prior year	712	2,899	1,157	3,384	38,821	2,059	937	4,101	17,653	(4,352)	50	(31,872)	35,549
	Change	(712)	2,619	2,337	(1,103)	(38,275)	211	9,466	(2,900)	(14,262)	9,082	(7,577)	35,130	(5,984)
597.00	Meters	1,605	946	1,228	1,105	465	621	1,189	4,560	966	1,241	627	368	14,920
	Prior year	2,288	2,443	2,228	8,098	9,558	3,347	2,288	1,381	2,233	1,232	1,443	1,733	38,273
	Change	(682)	(1,497)	(1,000)	(6,993)	(9,093)	(2,726)	(1,099)	3,178	(1,267)	9	(816)	(1,365)	(23,353)
***	<b>Total Maintenance</b>	<b>120,879</b>	<b>323,670</b>	<b>258,141</b>	<b>253,572</b>	<b>310,800</b>	<b>253,270</b>	<b>250,589</b>	<b>368,546</b>	<b>217,065</b>	<b>61,721</b>	<b>200,624</b>	<b>595,123</b>	<b>3,214,001</b>
	Prior year	125,349	244,248	306,530	375,961	362,333	206,853	433,073	291,921	338,559	383,569	225,502	547,522	3,841,420
	Change	(4,470)	79,423	(48,390)	(122,388)	(51,533)	46,417	(182,484)	76,625	(121,493)	(321,848)	(24,878)	47,602	(627,419)
901.00	Supervision	11,971	12,324	14,789	9,745	12,021	11,465	11,281	12,074	10,706	10,639	12,048	16,149	145,212
	Prior year	4,082	4,352	3,934	4,684	4,764	5,171	5,084	5,085	7,625	12,320	10,915	18,657	86,672
	Change	7,889	7,971	10,856	5,061	7,257	6,294	6,197	6,990	3,082	(1,681)	1,132	(2,508)	58,540
902.00	Meter reading	39,732	42,110	39,729	41,749	37,373	33,139	29,879	36,452	29,676	28,680	29,203	38,912	426,634
	Prior year	111,458	55,041	40,697	28,595	39,141	39,074	39,433	42,494	40,519	44,413	34,334	51,947	567,146
	Change	(71,726)	(12,931)	(969)	13,155	(1,769)	(5,935)	(9,554)	(6,042)	(10,843)	(15,732)	(5,131)	(13,035)	(140,512)
903.00	Consumer records & collec	208,362	218,181	178,053	221,049	238,246	180,994	266,122	230,654	204,072	235,445	224,178	310,833	2,716,190
	Prior year	199,598	246,209	207,720	154,718	263,350	163,130	228,937	203,156	283,748	184,401	143,857	409,462	2,688,287
	Change	8,764	(28,028)	(29,667)	66,331	(25,105)	17,864	37,185	27,498	(79,676)	51,044	80,321	(98,629)	27,903
903.10	Cash short (over)		0	415	0	0	0	(9)	0	0	2,439	6,859	5,304	15,008
	Prior year		0	0	0	0	0	0	0	0	0	0	0	0
	Change	0	0	415	0	0	0	(9)	0	0	2,439	6,859	5,304	15,008
904.00	Uncollectible accounts	17,000	17,000	17,000	17,000	17,000	17,000	17,000	17,000	17,000	17,000	17,000	(25,000)	162,000
	Prior year	15,833	15,833	15,833	15,833	15,833	45,000	45,000	45,000	45,000	0	0	0	259,165
	Change	1,167	1,167	1,167	1,167	1,167	(28,000)	(28,000)	(28,000)	(28,000)	17,000	17,000	(25,000)	(97,165)
***	<b>Total Consumer Account</b>	<b>277,065</b>	<b>289,614</b>	<b>249,987</b>	<b>289,544</b>	<b>304,640</b>	<b>242,598</b>	<b>324,273</b>	<b>296,180</b>	<b>261,455</b>	<b>294,203</b>	<b>289,287</b>	<b>346,199</b>	<b>3,465,044</b>
	Prior year	330,972	321,435	268,185	203,830	323,089	252,375	318,454	295,735	376,892	241,133	189,106	480,066	3,601,270
	Change	(53,906)	(31,821)	(18,198)	85,714	(18,449)	(9,777)	5,819	445	(115,437)	53,070	100,182	(133,867)	(136,226)
907.00	Supervision	3,782	3,933	3,925	3,408	3,448	3,432	3,573	3,811	3,238	3,339	3,613	6,785	46,288
	Prior year	4,718	4,531	4,151	3,439	3,759	3,513	2,973	3,408	3,228	3,748	4,211	5,566	47,244
	Change	(935)	(598)	(226)	(31)	(311)	(81)	600	404	10	(409)	(598)	1,219	(956)
908.00	Customer Asst.Expense	7,122	7,238	12,830	14,658	15,949	14,565	14,667	(20,192)	14,690	(7,888)	15,296	4,527	93,462
	Prior year	7,512	9,213	7,404	6,914	(1,629)	8,642	8,116	(5,428)	6,697	(3,260)	5,321	4,484	53,986
	Change	(390)	(1,975)	5,426	7,744	17,579	5,923	6,551	(14,764)	7,993	(4,628)	9,974	43	39,476
909.00	Inf.& Instr.adv.expense	10,400	(1,300)	775	2,250	175	3,838	3,900	6,000	10,150	(1,075)	5,950	(4,400)	36,663
	Prior year	5,850	300	7,082	12,450	(6,335)	2,925	17,600	(2,975)	11,250	5,650	(1,775)	825	52,847
	Change	4,550	(1,600)	(6,307)	(10,200)	6,510	913	(13,700)	8,975	(1,100)	(6,725)	7,725	(5,225)	(16,184)

Owen Electric Cooperative  
Case No. 2008-00154  
Comparison of Test Year Income Statement Account  
Balances with those of the Preceding Year

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Witness: Rebecca Witt

Acct #	Description	January Month 1	February Month 2	March Month 3	April Month 4	May Month 5	June Month 6	July Month 7	August Month 8	September Month 9	October Month 10	November Month 11	December Month 12	Total
910.00	Misc. customer serv. & inf.	7,539	8,921	7,777	6,740	7,344	7,490	8,482	2,965	6,603	4,713	6,516	18,242	93,332
	Prior year	6,632	7,977	6,619	4,145	(3,273)	3,846	11,716	3,639	11,815	(9,689)	5,231	9,297	57,955
	Change	907	943	1,158	2,594	10,617	3,644	(3,235)	(674)	(5,212)	14,402	1,285	8,945	35,377
***	<b>Total Customer Service</b>	<b>28,843</b>	<b>18,792</b>	<b>25,307</b>	<b>27,055</b>	<b>26,916</b>	<b>29,325</b>	<b>30,622</b>	<b>(7,416)</b>	<b>34,681</b>	<b>(911)</b>	<b>31,375</b>	<b>25,155</b>	<b>269,745</b>
	Prior year	24,711	22,021	25,255	26,948	(7,479)	18,927	40,406	(1,356)	32,989	(3,551)	12,988	20,172	212,032
	Change	4,132	(3,229)	52	107	34,395	10,398	(9,784)	(6,060)	1,692	2,640	18,387	4,983	57,713
912.00	Demonstration & selling	13,068	8,974	9,194	8,375	9,666	7,750	9,512	9,783	9,066	13,135	9,331	7,257	115,110
	Prior year	29,026	23,234	9,412	8,112	(16,937)	8,210	11,256	(7,420)	6,758	(5,997)	4,128	6,472	76,254
	Change	(15,958)	(14,260)	(218)	263	26,603	(460)	(1,744)	17,203	2,307	19,133	5,202	784	38,856
***	<b>Total Sales</b>	<b>13,068</b>	<b>8,974</b>	<b>9,194</b>	<b>8,375</b>	<b>9,666</b>	<b>7,750</b>	<b>9,512</b>	<b>9,783</b>	<b>9,066</b>	<b>13,135</b>	<b>9,331</b>	<b>7,257</b>	<b>115,110</b>
	Prior year	29,026	23,234	9,412	8,112	(16,937)	8,210	11,256	(7,420)	6,758	(5,997)	4,128	6,472	76,254
	Change	(15,958)	(14,260)	(218)	263	26,603	(460)	(1,744)	17,203	2,307	19,133	5,202	784	38,856
920.00	Admin. & Gen. Salaries	108,797	103,939	99,635	101,851	110,625	66,029	47,452	99,450	90,917	92,312	99,808	125,468	1,146,282
	Prior year	86,374	99,659	90,333	82,010	89,630	94,540	84,857	90,359	93,573	117,451	110,936	164,128	1,203,851
	Change	22,423	4,280	9,302	19,841	20,995	(28,512)	(37,406)	9,091	(2,657)	(25,138)	(11,129)	(38,660)	(57,570)
920.10	Admin. & Gen. Salaries IT	790	5,412	14,352	15,753	29,795	19,332	31,623	21,857	22,002	25,238	22,771	38,244	247,170
	Prior year	0	0	0	0	0	0	0	0	0	0	0	0	0
	Change	790	5,412	14,352	15,753	29,795	19,332	31,623	21,857	22,002	25,238	22,771	38,244	247,170
920.20	Admin. & Gen. Exp Cap. cr.	2,264	1,987	1,716	1,606	1,992	1,306	1,635	2,005	571	930	2,641	1,936	20,590
	Prior year	1,770	1,605	1,688	3,081	2,304	1,735	4,048	2,627	1,501	1,994	2,122	1,818	26,292
	Change	495	382	29	(1,475)	(311)	(429)	(2,413)	(622)	(931)	(1,064)	519	118	(5,702)
921.00	Office supplies	20,637	28,446	21,045	21,609	17,053	19,880	21,498	23,121	20,578	27,200	16,383	22,376	259,827
	Prior year	17,562	22,992	18,891	17,108	17,942	16,238	23,895	24,001	26,550	26,821	15,710	35,899	263,609
	Change	3,076	5,453	2,154	4,501	(888)	3,642	(2,397)	(880)	(5,972)	379	673	(13,523)	(3,782)
921.20	Off. Sup. & Exp. Over sho.	(5)	0	9	9	0	(45)	10	10	100	(1)	(5)	0	83
	Prior year	0	1	(342)	0	(2)	243	15	(0)	0	7	0	0	(80)
	Change	(5)	(1)	351	9	2	(288)	(5)	10	100	(7)	(5)	0	163
921.40	Over Short - Grant	0	0	0	0	(0)	(61)	0	0	0	(0)	0	0	(61)
	Prior year	100	(100)	0	(40)	(0)	0	(0)	0	0	0	0	0	(40)
	Change	(100)	100	0	40	(0)	(61)	0	0	0	(0)	0	0	(21)
921.50	Off. Sup. & Exp. o/s Boone				(98)	0	0	105	0	0	0	0	0	
	Prior year				(244)	119	(0)	0	0	(140)	0	(0)	0	
	Change				147	(119)	0	105	0	140	0	0	0	
921.60	Off. Sup. & Exp. o/s Pend						50	0	0	0	0	0	0	
	Prior year						0	0	0	0	0	0	0	
	Change						(0)	(0)	(0)	(0)	(0)	(0)	(0)	
921.70	Off. Sup. & Exp. o/s Scott						0	0	0	0	0	0	0	
	Prior year						(1)	0	0	0	0	0	0	
	Change						(0)	(0)	(0)	(0)	(0)	(0)	(0)	
921.80	Off. Sup. & Exp. o/s bok				28	(28)	0	0	0	0	0	0	0	
	Prior year				0	0	0	0	0	0	0	0	0	
	Change				28	(28)	0	0	0	0	0	0	0	
923.00	Outside services	12,171	2,921	6,947	3,470	1,351	38,233	5,229	3,997	1,952	10,282	6,917	1,546	95,017
	Prior year	6,108	17,016	3,030	1,810	3,214	891	52,104	12,030	4,368	29,055	7,916	52,214	189,756
	Change	6,063	(14,096)	3,917	1,660	(1,863)	37,342	(46,875)	(8,032)	(2,415)	(18,773)	(999)	(50,668)	(94,739)

Owen Electric Cooperative  
Case No. 2008-00154  
Comparison of Test Year Income Statement Account  
Balances with those of the Preceding Year

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Acct #	Description	January Month 1	February Month 2	March Month 3	April Month 4	May Month 5	June Month 6	July Month 7	August Month 8	September Month 9	October Month 10	November Month 11	December Month 12	Total
925.00	Injuries & Damages	15,603	12,378	10,506	10,701	15,899	9,310	8,930	5,907	8,193	8,122	7,341	13,771	126,663
	Prior year	29,408	15,811	12,858	11,386	10,814	9,836	12,315	11,106	10,854	11,839	9,224	15,107	160,557
	Change	(13,805)	(3,433)	(2,353)	(686)	5,085	(526)	(3,386)	(5,198)	(2,661)	(3,716)	(1,882)	(1,336)	(33,895)
926.00	Employees pension & Ben.	1,014	0	878	(390)	1,361	198	2	0	40,568	(23,682)	19,981	103,017	142,947
	Prior year	0	0	0	0	0	0	0	450	255	0	390	56,208	57,303
	Change	1,014	0	878	(390)	1,361	198	2	(450)	40,313	(23,682)	19,591	46,809	85,645
929.00	Duplicate charges	(13,153)	(13,619)	(11,417)	(9,562)	(7,138)	(6,823)	(7,103)	(7,826)	(7,511)	(7,303)	(10,741)	(13,577)	(115,772)
	Prior year	(12,145)	(9,964)	(10,634)	(5,942)	(6,720)	(7,900)	(6,834)	(7,238)	(5,890)	(5,890)	(7,984)	(10,303)	(97,443)
	Change	(1,008)	(3,655)	(784)	(3,620)	(418)	1,077	(269)	(588)	(1,621)	(1,413)	(2,757)	(3,274)	(18,329)
930.00	Misc.Gen.exp.Directors	24,482	27,568	27,005	24,548	27,774	19,352	15,088	16,547	17,466	13,734	23,699	37,295	274,558
	Prior year	37,890	29,732	21,133	22,468	29,227	21,395	19,923	17,934	26,310	31,502	12,450	19,906	289,869
	Change	(13,408)	(2,164)	5,872	2,081	(1,453)	(2,043)	(4,834)	(1,387)	(8,844)	(17,769)	11,249	17,389	(15,311)
930.10	Institutional advertising	33,799	28,743	24,645	23,345	22,852	34,107	27,941	12,573	23,236	18,643	22,996	15,859	288,740
	Prior year	40,429	22,677	29,891	24,067	7,958	9,300	46,575	19,917	25,472	21,859	22,357	23,416	293,917
	Change	(6,630)	6,066	(5,246)	(722)	14,894	24,807	(18,633)	(7,344)	(2,236)	(3,217)	640	(7,557)	(5,177)
930.30	Patronage capital	14,921	15,221	14,921	14,921	14,921	14,921	14,921	14,921	14,921	14,921	15,260	15,260	180,034
	Prior year	14,174	14,174	0	28,349	14,174	14,174	8,934	8,934	9,234	15,720	15,720	19,577	163,167
	Change	747	1,047	14,921	(13,428)	747	747	5,987	5,987	5,687	(799)	(460)	(4,317)	16,867
930.40	Misc.Gen.exp.annual mtg	0	0	126	1,841	3,574	39,861	19,099	8,605	177	0	0	0	73,283
	Prior year	432	478	1,000	1,233	15,704	12,297	14,494	8,961	19,903	0	0	0	74,503
	Change	(432)	(478)	(874)	608	(12,130)	27,563	4,605	(356)	(19,727)	0	0	0	(1,220)
931.00	rents-branch offices	1,250	6,042	3,925	3,646	3,646	1,250	6,042	1,250	9,200	1,250	3,646	3,646	44,792
	Prior year	3,450	3,450	6,652	5,425	1,900	3,646	6,412	6,042	1,463	1,250	6,042	4,243	49,974
	Change	(2,200)	2,592	(2,727)	(1,779)	1,746	(2,396)	(370)	(4,792)	7,737	0	(2,396)	(597)	(5,182)
932.10	Maint.gen. structures	13,061	21,890	27,298	23,050	19,789	24,173	23,207	22,687	23,942	26,124	12,971	31,945	270,137
	Prior year	16,970	19,931	18,851	29,765	17,746	22,347	25,909	17,650	18,578	22,421	20,634	27,392	258,193
	Change	(3,908)	1,959	8,447	(6,715)	2,042	1,826	(2,702)	5,037	5,364	3,703	(7,663)	4,553	11,943
932.20	Maint.gen.plant off.cqpt.										420	0	0	
	Prior year										0	0	0	
	Change										420	0	0	
932.90	Maintenance of general plant		70	0	0	0	0	0	0	0	0	0	0	70
	Prior year		0	0	0	0	0	0	0	0	0	0	0	0
	Change	0	70	0	0	0	0	0	0	0	0	0	0	70
***	Total Administrative & C	235,634	240,997	241,591	236,330	263,467	281,073	215,680	225,105	266,312	208,191	243,670	396,786	3,054,835
	Prior year	242,523	237,461	193,351	220,476	204,010	198,740	292,647	212,772	232,033	274,028	215,517	409,604	2,933,162
	Change	(6,889)	3,536	48,240	15,854	59,457	82,333	(76,968)	12,334	34,280	(65,837)	28,153	(12,819)	121,673
403.60	Distribution depreciation	586,142	597,986	591,949	592,256	607,842	616,044	619,356	624,095	632,774	638,404	645,219	2,240,530	8,992,599
	Prior year	537,129	537,640	541,870	544,048	481,501	552,092	552,682	554,994	556,849	558,908	564,001	765,966	6,747,678
	Change	49,013	60,347	50,079	48,208	126,341	63,952	66,675	69,101	75,925	79,496	81,219	1,474,564	2,244,920
403.70	General depreciation	53,676	54,474	54,417	73,658	54,883	54,213	52,464	52,710	53,545	52,810	52,876	54,372	664,100
	Prior year	50,228	50,543	51,220	51,483	52,578	52,634	52,357	53,014	53,424	53,228	52,869	53,703	627,281
	Change	3,448	3,931	3,197	22,175	2,305	1,579	108	(304)	121	(417)	7	669	36,819
***	Total Depreciation	639,818	652,460	646,367	665,914	662,726	670,257	671,821	676,805	686,319	691,214	698,096	2,294,902	9,656,698
	Prior year	587,356	588,183	593,090	595,530	534,079	604,726	605,038	608,008	610,273	612,135	616,870	819,669	7,374,959
	Change	52,461	64,277	53,276	70,383	128,646	65,532	66,782	68,797	76,046	79,079	81,226	1,475,233	2,281,739

Owen Electric Cooperative  
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Acct #	Description	January Month 1	February Month 2	March Month 3	April Month 4	May Month 5	June Month 6	July Month 7	August Month 8	September Month 9	October Month 10	November Month 11	December Month 12	Total
<b>*** 408.1</b>	<b>Total Property Taxes</b>													0
	Prior year													0
	Change	0				0	0	0	0	0	0	0	0	0
408.20	FUTA taxes	0	0	0	0	0	0	0	0	0	0	0	0	0
	Prior year	420	1,459	258	0	0	6	(6)	0	0	0	(2,137)	0	(0)
	Change	(420)	(1,459)	(258)	0	0	(6)	6	0	0	0	2,137	0	0
408.30	FICA taxes	0	0	0	0	0	0	0	0	0	0	8,806	(8,806)	0
	Prior year	(418)	682	21,073	0	0	(1,030)	1,030	0	0	0	(21,337)	0	(0)
	Change	418	(682)	(21,073)	0	0	1,030	(1,030)	0	0	0	30,143	(8,806)	0
408.40	SUTA taxes	0	0	0	0	0	0	0	0	0	0	0	0	0
	Prior year	169	1,164	319	0	0	2	(2)	0	0	0	(1,652)	0	0
	Change	(169)	(1,164)	(319)	0	0	(2)	2	0	0	0	1,652	0	(0)
408.70	Regulatory assessment	10,418	10,418	10,418	10,472	10,472	21,669	21,669	21,669	21,669	21,669	21,669	(53,313)	128,898
	Prior year	10,214	10,204	0	20,407	10,204	10,418	10,418	10,418	10,418	10,418	10,418	10,428	123,962
	Change	204	214	10,418	(9,935)	268	11,251	11,251	11,251	11,251	11,251	11,251	(63,741)	4,936
<b>***</b>	<b>Total Tax Expense - Other</b>	<b>10,418</b>	<b>10,418</b>	<b>10,418</b>	<b>10,472</b>	<b>10,472</b>	<b>21,669</b>	<b>21,669</b>	<b>21,669</b>	<b>21,669</b>	<b>21,669</b>	<b>30,475</b>	<b>(62,119)</b>	<b>128,898</b>
	Prior year	10,385	13,508	21,649	20,407	10,204	9,396	11,439	10,418	10,418	10,418	(14,708)	10,428	123,962
	Change	33	(3,091)	(11,232)	(9,935)	268	12,273	10,230	11,251	11,251	11,251	45,183	(72,547)	4,936
427.10	REA interest	181,879	174,223	230,137	174,941	192,105	196,847	180,342	191,264	190,687	185,103	184,381	208,433	2,290,341
	Prior year	119,996	108,200	109,912	128,713	146,990	160,969	155,447	151,224	264,531	183,574	182,407	198,669	1,910,632
	Change	61,883	66,023	120,225	46,227	45,115	35,878	24,895	40,040	(73,845)	1,529	1,974	9,765	379,708
427.20	NRU CFC interest	136,494	111,260	150,960	129,689	122,447	130,327	134,671	113,566	126,259	128,666	119,160	129,919	1,533,420
	Prior year	143,286	112,466	123,357	134,132	140,691	136,419	140,966	114,097	133,072	136,082	116,378	136,494	1,567,441
	Change	(6,792)	(1,206)	27,603	(4,443)	(18,244)	(6,092)	(6,295)	(530)	(6,813)	(7,416)	2,782	(6,575)	(34,022)
427.40	FFB interest													0
	Prior year													0
	Change	0				0	0	0	0	0	0	0	0	0
<b>***</b>	<b>Total Interest on Long-Term</b>	<b>318,373</b>	<b>285,483</b>	<b>381,096</b>	<b>304,630</b>	<b>314,552</b>	<b>327,174</b>	<b>315,013</b>	<b>304,831</b>	<b>316,945</b>	<b>313,770</b>	<b>303,541</b>	<b>338,352</b>	<b>3,823,760</b>
	Prior year	263,282	220,666	233,268	262,845	287,681	297,388	296,414	265,321	397,603	319,657	298,786	335,163	3,478,074
	Change	55,091	64,817	147,828	41,785	26,871	29,786	18,599	39,510	(80,658)	(5,887)	4,756	3,189	345,687
431.00	Interest - customer deposits	30,127	27,037	38,941	43,127	60,127	61,937	81,348	68,914	68,109	69,627	75,488	64,955	689,738
	Prior year	14,473	10,163	14,059	12,293	6,939	2,471	6,938	10,873	10,066	11,287	15,072	24,034	138,669
	Change	15,654	16,874	24,882	30,833	53,188	59,466	74,411	58,041	58,043	58,340	60,415	40,921	551,068
431.10	Interest - other	11,657	9,976	10,741	11,112	12,766	10,685	11,979	11,728	10,946	12,187	11,194	5,078	130,051
	Prior year	9,127	9,228	8,823	8,830	8,728	8,747	8,799	8,880	8,902	8,910	9,035	37,767	135,776
	Change	2,530	748	1,918	2,282	4,039	1,938	3,180	2,848	2,045	2,277	2,160	(32,688)	(5,725)
<b>***</b>	<b>Total Interest - Other</b>	<b>41,784</b>	<b>37,014</b>	<b>49,682</b>	<b>54,239</b>	<b>72,893</b>	<b>72,622</b>	<b>93,327</b>	<b>80,642</b>	<b>79,056</b>	<b>81,814</b>	<b>86,682</b>	<b>70,033</b>	<b>819,788</b>
	Prior year	23,600	19,391	22,883	21,123	15,667	11,218	15,737	19,754	18,968	20,197	24,107	61,801	274,446
	Change	18,184	17,622	26,800	33,115	57,227	61,404	77,590	60,888	60,088	61,617	62,575	8,233	545,343
426.10	Donations	17,402	3,919	13,576	2,368	2,235	1,923	1,042	3,060	1,948	2,385	1,353	17,056	68,267
	Prior year	27,925	4,025	2,878	400	(13,099)	3,564	3,418	1,301	12,869	971	1,465	31,402	77,120
	Change	(10,523)	(106)	10,698	1,968	15,334	(1,641)	(2,376)	1,759	(10,921)	1,414	(112)	(14,346)	(8,852)
426.11	Ind Develop Authorities	13,000	1,000	0	0	0	0	0	13,000	0	0	0	0	27,000
	Prior year	13,000	0	0	0	0	0	0	12,000	0	0	0	0	25,000
	Change	0	1,000	0	0	0	0	0	1,000	0	0	0	0	2,000

Owen Electric Cooperative  
Case No. 2008-00154  
Comparison of Test Year income Statement Account  
Balances with those of the Preceding Year

Exhibit X  
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Witness: Rebecca Witt

Acct #	Description	January Month 1	February Month 2	March Month 3	April Month 4	May Month 5	June Month 6	July Month 7	August Month 8	September Month 9	October Month 10	November Month 11	December Month 12	Total
426.20	Misc.Deduct-Exec.Ins.												745	745
	Prior year												308	308
	Change												437	437
426.30	Penalties	0	5,604	0	0	0	0	0	0	0	0	0	0	5,604
	Prior year	0	736	2,151	0	0	0	0	0	0	360	(44)	5,259	8,461
	Change	0	4,869	(2,151)	0	0	0	0	0	0	(360)	44	(5,259)	(2,856)
426.50	Misc.Incom.Ded.other	0	3,582	0	0	0	0	0	0	0	0	0	0	3,582
	Prior year	0	0	0	0	0	0	0	0	0	0	0	4,543	4,543
	Change	0	3,582	0	0	0	0	0	0	0	0	0	(4,543)	(961)
426.60	Misc.Deduct-Direc.Lifins												0	0
	Prior year												(493)	(493)
	Change												493	493
***	<b>Total Other Deductions</b>	<b>30,402</b>	<b>14,106</b>	<b>13,576</b>	<b>2,368</b>	<b>2,235</b>	<b>1,923</b>	<b>1,042</b>	<b>16,060</b>	<b>1,948</b>	<b>2,385</b>	<b>1,353</b>	<b>17,802</b>	<b>105,200</b>
	Prior year	40,925	4,761	5,029	400	(13,099)	3,564	3,418	13,301	12,869	1,331	1,421	41,019	114,938
	Change	(10,523)	9,346	8,547	1,968	15,334	(1,641)	(2,376)	2,759	(10,921)	1,054	(68)	(23,217)	(9,739)
****	<b>Total Cost of Electric Ser</b>	<b>11,471,946</b>	<b>12,223,477</b>	<b>12,754,799</b>	<b>11,728,803</b>	<b>11,107,819</b>	<b>11,568,644</b>	<b>11,174,726</b>	<b>12,508,207</b>	<b>13,554,433</b>	<b>12,453,252</b>	<b>11,119,695</b>	<b>12,725,937</b>	<b>144,391,738</b>
	Prior year	11,919,654	10,919,793	10,776,443	10,402,539	9,995,837	10,373,299	11,521,369	12,185,909	12,624,421	9,078,201	8,850,809	10,359,201	129,007,483
	Change	(392,840)	396,875	1,568,586	797,191	1,171,710	1,632,927	40,243	438,805	479,061	1,946,996	1,353,857	2,212,663	11,646,076
****	<b>Operating Margins</b>	<b>(26,379)</b>	<b>1,269,323</b>	<b>(747,360)</b>	<b>(1,512,525)</b>	<b>(35,419)</b>	<b>(338,297)</b>	<b>1,760,324</b>	<b>300,780</b>	<b>758,752</b>	<b>(1,584,431)</b>	<b>(102,906)</b>	<b>(1,141,249)</b>	<b>(1,399,388)</b>
	Prior year	1,078,671	(466,358)	243,654	(246,873)	(465,549)	200,595	643,865	1,066,173	(1,525,019)	(890,430)	702,640	189,926	531,296
	Change	(1,105,050)	1,735,681	(991,014)	(1,265,652)	430,129	(538,893)	1,116,459	(765,393)	2,283,771	(694,001)	(805,546)	(1,331,175)	(1,930,683)
419.00	Interest income	(10,389)	(9,626)	(10,376)	(8,558)	(10,538)	(8,703)	(8,963)	(8,728)	(9,480)	(8,702)	(8,318)	(10,754)	(113,134)
	Prior year	(13,183)	(13,883)	(14,105)	(12,743)	(16,179)	(20,441)	(16,204)	(16,632)	(16,770)	(14,270)	(14,057)	(15,549)	(184,016)
	Change	2,794	4,256	3,729	4,185	5,641	11,738	7,241	7,905	7,291	5,568	5,740	4,795	70,882
***	<b>Total Non Operating Ma</b>	<b>(10,389)</b>	<b>(9,626)</b>	<b>(10,376)</b>	<b>(8,558)</b>	<b>(10,538)</b>	<b>(8,703)</b>	<b>(8,963)</b>	<b>(8,728)</b>	<b>(9,480)</b>	<b>(8,702)</b>	<b>(8,318)</b>	<b>(10,754)</b>	<b>(113,134)</b>
	Prior year	(13,183)	(13,883)	(14,105)	(12,743)	(16,179)	(20,441)	(16,204)	(16,632)	(16,770)	(14,270)	(14,057)	(15,549)	(184,016)
	Change	2,794	4,256	3,729	4,185	5,641	11,738	7,241	7,905	7,291	5,568	5,740	4,795	70,882
415.00	Revenue from Merchadisin	(2,038)	0	(1,060)	(1,088)	(97)	0	(442)	0	0	0	(1,015)	(3,494)	(9,233)
	Prior year	0	0	0	0	0	(2,192)	(38)	38	0	(4,204)	(190)	(1,559)	(8,145)
	Change	(2,038)	0	(1,060)	(1,088)	(97)	2,192	(404)	(38)	0	4,204	(825)	(1,934)	(1,087)
416.00	Expense of merchadising	1,649	0	941	989	0	0	418	0	0	774	1,015	2,720	8,505
	Prior year	0	0	0	0	0	2,326	(406)	0	0	3,765	4,591	0	10,275
	Change	1,649	0	941	989	0	(2,326)	824	0	0	(2,991)	(3,576)	2,720	(1,771)
417.00	Revenues-non utility op.	(1,450)	(1,252)	(1,651)	(1,667)	(1,313)	(2,078)	(1,716)	(1,331)	(1,553)	(1,535)	(1,530)	(1,564)	(18,640)
	Prior year	(1,422)	(1,226)	(1,402)	(1,612)	(1,225)	(1,707)	(1,447)	(1,617)	(1,989)	(1,612)	(1,562)	(1,740)	(18,561)
	Change	(28)	(26)	(249)	(55)	(88)	(371)	(269)	286	436	77	32	177	(79)
417.10	Expenses-non utility op.	666	812	816	849	701	1,007	863	550	726	877	1,222	575	9,664
	Prior year	628	644	785	1,223	632	919	630	924	920	923	1,068	634	9,930
	Change	38	168	31	(374)	70	89	232	(374)	(194)	(46)	154	(60)	(266)
421.00	Misc.nonoperating income	0	0	0	0	0	0	0	(8,923)	0	0	0	0	(8,923)
	Prior year	0	0	0	0	0	0	0	0	0	0	0	0	0
	Change	0	0	0	0	0	0	0	(8,923)	0	0	0	0	(8,923)

Owen Electric Cooperative  
Case No. 2008-00154  
Comparison of Test Year Income Statement Account  
Balances with those of the Preceding Year

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Witness: Rebecca Witt

Acct #	Description	January Month 1	February Month 2	March Month 3	April Month 4	May Month 5	June Month 6	July Month 7	August Month 8	September Month 9	October Month 10	November Month 11	December Month 12	Total
421.10	Misc.nonoperating income	0	0	0	0	0	0	0	0	0	0	0	(14)	(14)
	Prior year	(1,672)	0	(65)	(195)	(104)	(65)	0	0	(1)	(65)	0	43	(2,125)
	Change	1,672	0	65	195	104	65	0	0	1	65	0	(57)	2,111
421.20	Gain(loss) on Property	0	0	0	(46,901)	0	12,060	0	0	1,751	20,136	0	0	(12,954)
	Prior year	432	0	0	(22,000)	0	0	0	1,447	0	859	64,204	0	44,942
	Change	(432)	0	0	(24,901)	0	12,060	0	(1,447)	1,751	19,277	(64,204)	0	(57,896)
***	Nonoperating margins -o	(1,174)	(440)	(954)	(47,818)	(708)	10,990	(877)	(9,704)	924	20,251	(307)	(1,777)	(31,595)
	Prior year	(2,034)	(582)	(682)	(22,584)	(697)	(720)	(1,261)	792	(1,070)	(335)	68,111	(2,622)	36,316
	Change	860	142	(271)	(25,234)	(11)	11,710	383	(10,496)	1,994	20,586	(68,419)	845	(67,911)
*** 418.1	Equity in subsidiary	0	0	0	0	0	0	0	0	0	0	0	0	0
	Prior year	0	0	0	0	0	0	0	0	0	0	0	0	0
	Change	0	0	0	0	0	0	0	0	0	0	0	0	0
424.40	Patronage capital - East KY	0	0	0	0	0	0	0	0	0	0	0	0	0
	Prior year	0	0	0	0	0	0	0	0	0	0	0	0	0
	Change	0	0	0	0	0	0	0	0	0	0	0	0	0
***	Total G & T Capital Cres	0	0	0	0	0	0	0	0	0	0	0	0	0
	Prior year	0	0	0	0	0	0	0	0	0	0	0	0	0
	Change	0	0	0	0	0	0	0	0	0	0	0	0	0
424.00	Patronage capital - other	0	(32,463)	0	0	0	0	0	0	(56,631)	(205,756)	0	(133,751)	(428,601)
	Prior year	0	0	(2,970)	(34,132)	0	0	0	0	(255,692)	0	0	0	(292,794)
	Change	0	(32,463)	2,970	34,132	0	0	0	0	199,060	(205,756)	0	(133,751)	(135,808)
***	Total Other Patronage C	0	(32,463)	0	0	0	0	0	0	(56,631)	(205,756)	0	(133,751)	(428,601)
	Prior year	0	0	(2,970)	(34,132)	0	0	0	0	(255,692)	0	0	0	(292,794)
	Change	0	(32,463)	2,970	34,132	0	0	0	0	199,060	(205,756)	0	(133,751)	(135,808)
*****	Net Margins	(14,816)	1,311,853	(736,031)	(1,456,149)	(24,173)	(340,585)	1,770,165	319,212	823,939	(1,390,224)	(94,281)	(994,966)	(826,057)
	Prior year	1,093,888	(451,893)	261,411	(177,415)	(448,673)	221,756	661,331	1,082,013	(1,251,487)	(875,825)	648,586	208,097	971,790
	Change	(1,108,704)	1,763,746	(997,442)	(1,278,734)	424,500	(562,340)	1,108,834	(762,801)	2,075,426	(514,399)	(742,867)	(1,203,064)	(1,797,846)
	per Form 7 difference	(14,816)	1,311,853	(736,031)	(1,456,149)	(24,173)	(340,585)	1,770,165	319,212	823,939	(1,390,224)	(94,281)	(994,966)	(826,057)
		0	0	0	(0)	(0)	0	0	0	0	0	0	(0)	0
	Prior year Form 7 difference	1,093,888	(451,893)	261,411	(177,415)	(448,673)	221,756	661,331	1,082,013	(1,251,487)	(875,825)	648,586	208,097	971,790
		0	0	(0)	0	(0)	(0)	0	(0)	(0)	(0)	0	0	(0)



ACCOUNT	DESCRIPTION	AMOUNT
102.00	ELECTRIC PLANT PURCHASED OR SOLD	0.00
106.00	COMPLETED CONST. NOT CLASSIFIED	0.00
107.00	INDIRECT LABOR- CONST. OVERHEAD	51,494.56
107.20	CONSTRUCTION WORK IN PROGRESS	3,955,627.85
107.21	C.W.I.P - OVHD ADJ	989,515.24-
107.30	C.W.I.P. - SPECIAL EQUIPMENT	19,149.00
108.00	INDIRECT LABOR- RETIRE. OVERHEAD	0.00
108.60	ACC.DEPREC.-DISTRIBUTION PLANT	54,731,727.34-
108.61	UNAMORTIZED DEPREC.DEFICIENCY	0.00
108.70	ACC.DEPREC.-STRUCT.&IMPROVEMENTS	1,187,962.45-
108.71	ACC.DEPREC.-OFFICE FURNITURE	1,259,431.08-
108.72	ACC.DEPREC.-TRANSPORTATION EQUIP	2,158,998.43-
108.73	ACC.DEPREC.-STORES	70,134.88-
108.74	ACC.DEPREC.-SHOP	176,696.59-
108.75	ACC.DEPREC.-LABORATORY EQUIPMENT	220,056.11-
108.76	ACC.DEPREC.-POWER OPER.EQUIPMENT	135,154.84-
108.77	ACC.DEPREC.-COMMUNICATION EQUIP.	1,611,305.56-
108.78	ACC.DEPREC.-MISCELLANEOUS	77,445.70-
108.79	ACC.DEPREC.-OTHER TANGIBLE PROP.	38,017.96-
108.80	RETIREMENT WORK IN PROGRESS	640,837.45
108.81	R.W.I.P - OVHD ADJ	275,400.84-
111.00	ACCUM.PROV.-AMORTIZATION PLANT	0.00
123.10	INV.ASSO.CO.-PAT.CAP.,ASSO.COOPS	19,122,578.54
123.11	INVESTMENT IN SUBSIDIARY COMPANY	0.00
123.20	INVEST.IN ASSOC.COMPANIES-OTHER	90,367.20
123.21	SUBSCRIPT.TO CAP.TERM CERT.-CFC	0.00
123.22	INVEST.IN CAPITAL TERM CERT.-CFC	1,324,898.00
123.23	OTHER INVEST.IN ASSOC.CO.-CFC	1,000.00
123.24	OTHER INVEST.IN ASSOC.CO.-LBC	0.00
123.25	OTHER INVEST IN ASSOC CO-MISC CO	156,922.38
123.26	INVEST.-CTC'S-NON INTEREST-CFC	484,489.47
123.27	OTHER INVEST IN ASSOC.CO.-COBANK	1,000.00
124.10	OTHER INVEST.BUS.DEVL.CORP.KY	0.00
124.11	OTH.INVEST.-OWEN CO.INDUST.FOUND	1,000.00
124.12	OTHER INVEST-CARROLL.EDUC.FUND	0.00
124.13	OTHER INVEST - CARROLL CO COM DE	750.00
124.14	OTHER INVEST - FIDELITY	6,750.70
124.20	OTHER INV.-DEFERRED COMPENSATION	402,896.08
128.00	OTHER SPECIAL FUNDS-DIRECTOR INS	26,675.77
128.10	OTHER SPECIAL FUNDS-EXEC.RETIRE.	0.00
131.10	CASH- GEN. & OPER.-FIRST FARMERS	697,551.99-
131.11	CASH-G&O/SEDC	647,449.74
131.12	CASH-GRANT OFFICE-BANK OF KY	26,262.71
131.13	CASH-BOONE OFFICE-BANK OF KY	137,189.39
131.14	CASH-PENDLETON OFFICE-FARMERS	66,345.12
131.15	PAYROLL ACCOUNT	131.51
131.16	CASH-SCOTT CO-FIRST NAT'L BANK	5,181.45
131.17	LOCK BOX ACCT. BANK OF KENTUCKY	217,804.35
131.20	CASH-CONST.FUND TRUSTEE-FARMERS	0.00

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ACCOUNT	DESCRIPTION	AMOUNT
131.30	CASH-CONSUMER REFUND- BANK OF KY	4,038.98-
131.40	TRANSFER OF CASH	0.00
131.60	CASH-CAPITAL CREDITS- BANK OF KY	148,384.70
134.00	OTHER SPECIAL DEPOSITS	1,450.00
135.00	WORKING FUNDS	7,200.00
136.00	TEMPORARY CASH INVESTMENTS	680,000.00
142.00	CONSUMER ACCOUNTS RECEIVABLE	5,410,370.37
142.10	GALLATIN STEEL ACCOUNTS RECEIV	3,361,808.00
143.00	OTHER ACCTS.REC.-EMPLOYEE/DIREC.	2,406.95
143.10	OTHER ACCTS.REC.-EMPLOYEE MED.INS	10,470.00
143.20	OTHER ACCOUNTS RECEIVABLE-CALICO	0.00
143.30	OTHER ACCTS.REC.-RETIREMENT INS.	0.00
143.40	OTHER ACCTS.REC.-CREDIT UNION	0.00
143.50	OTHER ACCTS.REC.-MISC.BILLING	28,637.30
143.51	MISC. BILLING - SHELBY RECC	2,892.51
143.52	OTHER ACCTS. REC. - MISC.1-1-07	54,633.46
143.60	ACCOUNTS RECEIVABLE UNITED WAY	7,882.92
143.70	ACCOUNTS RECEIVE.-OWEN SERVICES	0.00
143.90	OTHER ACCTS.REC-RCCU WITHDRAWALS	0.00
144.10	ACCUM.PROV.FOR UNCOLL.CONS.ACCTS	210,192.55-
144.40	ACCU.PROV.FOR UNCOLL.ACCTS.-OTH.	0.00
154.10	PLANT MATERIALS	960,105.75
154.20	TANK GASOLINE-WALTON WHSE	6,492.17
154.30	PLANT MATERIALS-METER BASES	5,578.34
154.40	TANK GASOLINE-HEADQUARTERS	689.89
154.50	TANK GASOLINE- SERVICE CENTER	0.00
155.00	MERCHANDISE	0.00
155.10	MERCHANDISE-APPLIANCES	0.00
155.20	MERCHANDISE-APPLI.SALES-CLEARING	0.00
163.00	STORES EXPENSES-CLEARING	0.00
163.10	MINOR MATERIAL	0.00
163.20	Plant Clearing Account	0.00
165.00	PREPAYMENTS	85,499.63
165.10	PREPAYMENTS-INSURANCE	232,724.00
165.20	PREPAYMENTS-EXEC.RETIREMENT INS.	0.00
165.30	PREPAYMENTS-PREPAID EXPENSES	130,620.09
165.50	PREPAYMENTS-PREPAID SALES TAX	64,193.56
165.60	PREPAYMENTS-DIRECTOR LIFE INS.	0.00
171.10	INTEREST & DIVI.RECEIVABLE-MISC.	0.00
171.12	INTEREST & DIVID.RECEIVABLE-CFC	14,897.67
171.13	INT.& DIV.REC.-KAEC HEADQUARTERS	0.00
171.14	INT.& DIV.REC.-KAEC CONSUMER CR.	56.25
171.15	INT.& DIV.REC.-PCB DETOX.CERT.	61.88
172.00	RENTS REC.-JOINT USE POLE RENTAL	248,657.61
181.00	UNAMORTIZED DEBT EXPENSE	0.00
184.40	TRANSPORTATION EXPENSE	136.47
186.00	MISCELLANEOUS DEFERRED DEBITS	231,815.95-
186.10	DEFERRED BENEFITS EXPENSES	0.00
186.20	MISC.DEF.DEBITS-NEW HEADQUARTERS	0.00

*Exhibit Y  
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ACCOUNT	DESCRIPTION	AMOUNT
186.30	DEFERRED-EMPLOYER 401K MATCH EXP	0.00
186.40	WALTON FACILITY EXPANSION	0.00
186.50	TELEPHONE & OTHER EXP - CLEARING	0.00
186.60	MISC. AMI EXPENSES	86,792.00
186.70	Fixed Assets Additions/Adj	0.00
200.10	MEMBERSHIPS ISSUED - \$5,\$10,\$25	1,118,630.00-
201.10	PATRONS CAPITAL CREDITS	32,931,622.19-
201.11	PATRONS CAP. CRED.-ASSOC. ORGAN.	18,408,295.07-
201.20	PATRONAGE CAPITAL ASSIGNABLE	0.00
201.21	PAT. CAP. ASIGN.-PRIOR YRS.N-OPR	0.00
208.00	DONATED CAPITAL	28,943.59-
217.00	RETIRED CAPITAL CREDITS - GAIN	1,737,103.44-
219.10	OPERATING MARGINS	0.00
219.20	NON-OPERATING MARGINS	0.00
224.11	OTHER LONG-TERM DEBT-SUBSCR.-CFC	0.00
224.12	OTHER LONG-TERM DEBT - CFC	27,840,190.25-
224.13	CFC NOTES EXECUTED- DEBIT	0.00
224.30	LONG-TERM DEBT-RUS CONST. NOTES	71,706,065.26-
224.40	RUS NOTES EXECUTED - CONST. - DR	15,955,000.00
224.50	INTER. ACCRUAL-DEFER.-REA CONST.	0.00
228.30	ACCUM.PROVISION FOR BENEFITS	9,348,056.00-
228.31	ACCUM.PROV.FOR BENEFITS-FUNDED	3,196,084.47
231.00	NOTES PAYABLE	5,720,932.76-
232.00	ACCOUNTS PAYABLE	1,301,408.79-
232.10	ACCOUNTS PAYABLE - CUSTOMER REF.	2,900.64-
232.15	PO Receiving Liability Account	23,178.80-
232.20	ACCOUNTS PAYABLE - UNION DUES	0.00
232.25	ACCOUNTS PAYABLE - ACRE W/H	0.00
232.26	ACCOUNTS PAYABLE - UNITED WAY	0.00
232.27	ACCOUNTS PAYABLE-UNITED CHARITY	0.00
232.28	ACCOUNTS PAYABLE - EMP.FUND	0.00
232.30	ACCOUNTS PAYABLE - 401K CONTRIB.	226.21-
232.31	ACCOUNT PAY.-401K EMPLOYER MATCH	226.21-
232.32	AACCOUNTS PAYABLE 457	3,125.00-
232.40	ACCOUNTS PAYABLE - HOMESTEAD	0.00
232.50	ACCOUNTS PAYABLE - MISCELLANEOUS	3,508,872.54-
232.60	ACCT.PAYABLE-ROADGARD RECEIPTS	0.00
232.70	ACCT.PAYABLE-HOMEGARD RECEIPTS	0.00
232.90	ACCOUNTS PAYABLE- RCCU RECEIPTS	0.00
232.95	ACC.PAYABLE-KENTUCKY UTIL. PMTS.	0.00
235.00	CUSTOMER DEPOSITS	1,893,274.09-
235.10	INTEREST PAYABLE ON CUST.DEPOSIT	459,168.41-
235.50	DEPOSITS - OTHER	0.00
236.10	ACCRUED PROPERTY TAXES	0.00
236.20	FEDERAL EMPLOYMENT	0.00
236.30	FICA	0.00
236.40	ACCRUED STATE SS TAX- UNEMPLOY.	0.00
236.45	ACCRUED STATE-IND SS TAX-UNEMP.	0.00
236.50	ACCRUED STATE SALES TAX-CONSUMER	91,192.48-

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ACCOUNT	DESCRIPTION	AMOUNT
236.61	ACCRUED SCHOOL TAX-OWEN CO.	15,775.81-
236.62	ACCRUED SCHOOL TAX-GRANT CO.	24,609.48-
236.63	ACCRUED SCHOOL TAX-PENDLETON CO.	13,622.26-
236.64	ACCRUED SCHOOL TAX- GALLATIN CO.	14,813.96-
236.65	ACCRUED SCHOOL TAX-SCOTT CO.	5,625.46-
236.66	ACCRUED SCHOOL TAX-BOONE CO.	93,618.32-
236.67	ACCRUED SCHOOL TAX-KENTON CO.	39,928.98-
236.68	ACCRUED SCHOOL TAX-CAMPBELL CO.	13,573.24-
236.69	ACCRUED SCHOOL TAX-CARROLL CO.	4,600.00-
236.70	FRANCHISE FEES PAYABLE-COVINGTON	2,119.11-
236.74	FRANCHISE TAX PAYABLE - SPARTA	907.19-
236.75	FRANCHISE FEE PAYABLE-GEORGETOWN	2,119.11
236.80	ACCRUED STATE SALES TAX - USE	423.14-
236.90	ACCRUED STATE SALES TAX - MISC.	91.18
237.10	INTEREST ACCR.-RUS CONST.OBLIG.	17,786.89-
237.20	INTEREST ACCR.-CFC CONST. OBLIG.	129,919.20-
237.30	INT. ACCR.-CFC & OTHER SHORTTERM	39,013.97-
241.00	TAX COLL.PAY.-FEDERAL INCOME TAX	10.52-
241.10	TAX COL.PAYABLE-STATE INCOME TAX	0.00
241.15	TAX COL.PAYABLE-STATE-IND.INCTAX	0.00
241.20	TAX COL.PAYABLE-KENTON CO.OCCUP.	0.00
241.21	TAX COL.PAYABLE-KENTON & INDEP.	0.00
241.22	TAX COL.PAYABLE-INDEPEND. CITY	0.00
241.23	TAX COL.PAYABLE-ERLANGER CITY	0.00
241.24	TAX COL PAYABLE COVINGTON CITY	0.00
241.30	TAX COL.PAYABLE-BOONE CO.OCCUP.	0.00
241.31	TAX.COL.PAYBLE-BOONE & SPECIAL	0.00
241.32	TAX COL.PAYABLE-BOONE SPECIAL	0.00
241.40	TAX COL.PAY-G'TOWN&SCOTT CO.OCCU	0.00
241.41	TAX COL.PAYABLE-GEORGETOWN CITY	0.00
241.50	TAX COL.PAYABLE-CARROLL CO.OCCUP	0.00
241.60	TAX COL.PAYABLE-OWENTON CITY	0.00
241.61	TAX COL PAYABLE PENDLETON CO	0.00
241.70	TAX COL.PAYABLE-DRY RIDGE OCCUPA	0.00
241.80	TAX COLL.PAYABLE-ALEXANDRIA CITY	0.00
241.81	CAMPBELL CO. W/H	0.00
241.90	FLORENCE CITY PAYROLL TAX	0.00
241.91	TAX COL PAYABLE FLO & BOONE (OV)	0.00
241.95	TAX COL.PAYABLE-SWITZERLAND,IND.	0.00
242.00	CURRENT & ACCR. LIAB.-WINTERCARE	0.00
242.01	CURR.& ACCR.LIAB-SECUREPAY INS	0.00
242.10	CURR.& ACCRUED LIAB.-EXEC. RET.	339,018.72-
242.20	CURNT.& ACCR.LIAB.-ACCR.PAYROLL	326,321.69-
242.21	CURR.& ACCR.PAY.-DIRECT DEPOSIT	0.00
242.30	CUR.& ACCRUED LIAB.-VACATION	76,408.67-
242.40	CURR.& ACCRU LIAB. - SICKLEAVE	1,604,202.42-
242.41	SICKLEAVE HOURS	0.00
242.50	CUR.& ACCRUED LIAB.-GROUP INSUR.	0.00
242.60	CUR.& ACCRUED LIAB.-GEN.INSUR.	0.00

Exhibit V  
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ACCOUNT	DESCRIPTION	AMOUNT
242.70	CUR. & ACCRUED LIAB.-NRECA RET.	0.00
242.75	NRECA LIFE INSURANCE	0.00
242.80	CUR. & ACCRUED LIAB.-COLONIAL INS	516.33-
242.81	CUR. & ACCR.LIAB.-EQUITABLE INS.	100.74
242.82	DENTAL INSURANCE W/H	1,000.20-
242.83	VISION INS. W/H	312.95
242.84	MEDICAL FLEX SPEND W/H	0.00
242.85	LONG TERM CARE INS	311.26
242.86	RELAY-LIFE	1,000.00
242.90	CUR. & ACCR.LIAB.-LINCOLN INSUR.	0.00
252.00	CUSTOMER ADVANCES FOR CONSTRUCT.	519,020.67-
253.00	OTHER DEFERRED CREDITS	118,308.00-
253.10	DEFERRED CREDITS - PREPAID CIAC	0.00
253.20	DEF. CREDITS-ENERGY CERTIFICATES	42.66
265.20	MISC.OPER.RESERVES-DEFERRED COMP	0.00
364.00	POLES, TOWERS & FIXTURES	47,449,379.58
365.00	OVERHEAD CONDUCTORS & DEVICES	34,619,234.95
366.00	UNDERGROUND CONDUIT	0.00
367.00	UNDERGROUND CONDUCTORS & DEVICES	24,459,121.68
367.10	U/G CABLE PRE 1987	0.00
368.00	LINE TRANSFORMERS	23,606,506.81
369.00	SERVICES	16,069,745.78
370.00	METERS	3,681,557.62
370.10	METERS - AMI	6,421,660.05
370.20	METERS - AMI COMMUN. DEVICES	1,163,160.11
370.30	METERS - AMI COMPUTER SOFTWARE	96,784.36
371.00	INSTALL. ON CONSUMER PREMISES	4,663,305.56
373.00	STREET LIGHTING & SIGNAL SYSTEMS	102,345.80
389.00	LAND & LAND RIGHTS	2,259,071.72
389.10	LAND & LAND RIGHTS-INDEPENDENCE	0.00
390.00	STRUC.& IMPROV.-OFFICE & WHSE.	9,634,835.18
391.00	OFFICE FURN. & EQUIPMENT	2,327,594.41
391.20	COMPUTER EQUIPMENT	0.00
392.00	TRANSPORTATION EQUIPMENT	4,674,221.04
393.00	STORES EQUIPMENT	121,436.99
394.00	TOOLS,SHOP,& GARAGE EQUIPMENT	293,575.93
395.00	LABORATORY EQUIPMENT	352,796.50
396.00	POWER OPERATED EQUIPMENT	198,380.99
397.00	COMMUNICATIONS EQUIPMENT	2,317,902.64
398.00	MISCELLANEOUS EQUIPMENT	122,581.51
399.00	OTHER TANGIBLE PROPERTY	44,241.46
403.60	DEPREC.EXPENSE DISTRIBUTION PLT.	8,992,598.57
403.70	DEPRECIATION EXP.-GENERAL PLANT	664,099.71
404.00	AMORTIZATION- LIMITED-TERM PLANT	0.00
408.10	TAXES-PROPERTY	0.00
408.20	TAXES-U.S. SOCIAL SEC.-UNEMPLOY.	0.00
408.30	TAXES-U.S. SOCIAL SEC.-FICA	0.00
408.40	TAXES-STATE SOCIAL SEC.-UNEMPLOY	0.00
408.45	TAXES-STATE-IND-SOC.SEC.-UNEMP.	0.00

Exhibit Y  
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ACCOUNT	DESCRIPTION	AMOUNT
408.50	TAXES-STATE SALES TAX	0.00
408.60	TAXES-COUNTY SCHOOL TAXES	0.00
408.70	TAXES - OTHER	128,897.53
408.80	TAXES - USE	0.00
408.90	TAXES - MISCELLANEOUS SALES	0.00
415.00	REVENUES FROM MERCHANDISING	9,232.59-
416.00	COSTS & EXPENSES OF MERCHANDIS.	8,504.97
417.00	REVENUES-NON-UTILITY OPERATIONS	18,639.77-
417.10	EXPENSES- NON-UTILITY OPERATIONS	9,663.95
418.10	EQUITY IN EARNINGS OF SUBSIDIARY	0.00
419.00	INTEREST & DIVIDEND INCOME	113,134.26-
419.10	INTEREST & DIV. INC. - EXEC LIFE	0.00
421.00	MISC.NON-OPERATING INCOME	8,923.40-
421.10	MISC.NON-OPERATING INCOME-APPLI.	14.04-
421.20	GAIN(LOSS) ON DISP. OF PROPERTY	12,954.45-
421.30	LOSS ON DISPOSITION OF PROPERTY	0.00
423.00	GENER.&TRANS.COOP.CAPITAL CRED.	0.00
424.00	OTHER CAP.CREDITS & PAT.DIVID.	428,601.37-
426.10	OTHER INCOME DEDUCT.-DONATIONS	68,267.37
426.11	MISC DONATION-CAP CR SCHOLARSHIP	27,000.00
426.20	MISC.DEDUCT.-EXEC.RETIRE.INS.	745.40
426.30	PENALTIES	5,604.40
426.40	OTHR INCOME DED.-CIV.& POL. ACT.	0.00
426.50	MISC.INCOME DEDUCTIONS-OTHER	3,582.45
426.60	MISC.DEDUCT.-DIRECTORS LIFE INS.	0.00
427.10	INTEREST ON RUS CONSTRUCT. LOANS	2,290,340.80
427.20	INTER.ON OTHR LONG-TERM DEBT-CFC	1,533,419.68
428.00	AMORT. OF DEBT DISCOUNT & EXP.	0.00
431.00	INTEREST ON SHORT-TERM DEBT	689,737.57
431.10	INTEREST ON CUSTOMER DEPOSITS	130,050.82
440.10	RESIDENTIAL SALES - RURAL	66,226,928.15-
440.20	SECURITY LIGHTS ONLY	232,855.54-
442.10	COMMERCIAL & INDUST.SALES-SMALL	3,732,481.91-
442.20	COMMERCIAL & INDUST.SALES-LARGE	25,305,086.13-
442.21	GALLATIN STEEL- INDUST. SALES	44,355,185.00-
444.00	PUBLIC STREET & HIGHWAY LIGHTING	52,324.66-
444.10	PUBLIC STREET & HIGHWAY LIGHTING	0.00
444.20	PUBLIC ST.& HWY.LIGHTING-METERED	0.00
445.00	OTHER SALES TO PUBLIC AUTHORIT.	1,312,487.04-
450.00	LATE PAYMENT PENALTIES	879,772.79-
451.00	MISC.SER.REV.-DISC.& RECON. FEES	423,192.50-
451.10	MISC.SER.REV.-METER READING FEES	0.00
452.00	OTHER ELEC.REV.-BAD CHECK CHARGE	14,526.17-
454.00	RENT FROM ELECTRIC PROPERTY	248,657.61-
454.10	RENTAL FROM U/G TEMP OWNED BASE	166,205.17-
454.20	RENTAL O/H TEMP METER BASE	20,280.00-
454.30	RENTAL U/G METER BASE	3,335.00-
456.00	OTHER ELECTRIC REVENUE	19,032.83-
555.00	PURCHASED POWER	70,933,726.00

*Exhibit Y  
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ACCOUNT	DESCRIPTION	AMOUNT
555.10	GALLATIN STEEL-PURCHASED POWER	44,866,999.00
580.00	OPER. SUPERVISION & ENGINEERING	199,778.15
581.00	LOAD DISPATCHING	0.00
582.00	STATION EXPENSE	12,684.14
583.00	OVERHEAD LINE EXPENSE	1,393,616.51
583.10	OVERHEAD LINE EXPENSE-LINE PATR.	95,106.39
583.20	TRANSFORMER OUTAGE	26,500.74
584.00	UNDERGROUND LINE EXPENSE	449,924.27
586.00	METER EXPENSE	522,167.52
586.10	U/G TEMP METER BASE EXP OWNED	13,993.77
586.20	O/H TEMP METER BASE EXPENSE	22,509.28
586.30	U/G TEMP METER BASE EXPENSE	44,499.16
587.00	CONSUMER INSTALLATION EXPENSE	405,185.75
588.00	MISCELLANEOUS DISTRIBUTION EXP.	612,688.31
588.10	IT	138,834.38
588.20	NEW TELEPHONE SYSTEM	0.00
589.00	RENTS	444.54
590.00	MAINT.SUPERVISION & ENGINEERING	66,532.22
593.00	MAINTENANCE OF OVERHEAD LINES	860,303.93
593.10	O/H LINES OUTAGE	229,620.75
593.20	MAINT. OF O/H LINES-RIGHT-OF-WAY	1,622,258.52
593.40	MAINT.OF O/H LINES-SERVICE OCR'S	24,570.68
593.50	MAINT.OF O/H LINES-POLE TREATMNT	111,777.89
594.00	MAINT. OF UNDERGROUND LINES	216,496.62
594.10	U/G OUTAGE	37,955.45
595.00	MAINTENANCE OF LINE TRANSFORMER	29,565.26
597.00	MAINTENANCE OF METERS	14,920.04
901.00	SUPERVISION OF CONSUMER ACCOUNT.	145,212.46
902.00	METER READING EXPENSE	426,634.14
903.00	CONSUMER REC. AND COLLECTION EXP	2,716,189.53
903.10	CONS. RCD. & COLL. EXP - IT	15,008.09
904.00	UNCOLLECTABLE ACCOUNTS EXPENSE	162,000.00
905.00	MISC. CONSUMER ACCOUNTS EXPENSE	0.00
907.00	SUPERVISION OF CUSTOMER ASSIST.	46,288.34
908.00	CUSTOMER ASSISTANCE EXPENSES	93,462.22
908.10	CUSTOMER ASSIST.EXP.-APPLIANCES	0.00
909.00	INF. & INSTRUCT.ADVERTISING EXP.	36,662.50
910.00	MISC. CUSTOMER SERV.& INFORM EXP	93,331.94
912.00	DEMONSTRATING & SELLING-KEY ACCT	115,109.93
920.00	ADMINISTRATIVE & GEN. SALARIES	1,146,281.80
920.10	ADMIN. & GEN SALARIES - IT	247,169.81
920.20	ADM. & GEN. EXP.-CAPITAL CREDITS	20,589.59
921.00	OFFICE SUPPLIES AND EXPENSE	259,826.78
921.20	OFF.SUP.& EXP.-OVER & SHORT-OWEN	82.85
921.30	OFF.SUP.& EXP.-OVER&SHORT-KENTON	0.00
921.40	OFF.SUP.& EXP.-OVER&SHORT-GRANT	61.05-
921.50	OFF.SUP.& EXP.-OVER&SHORT-BOONE	7.28
921.60	OFF.SUP.& EXP.-OVER&SHORT-PEND.	50.00
921.70	OFF.SUP& EXP.-OVER & SHORT SCOTT	0.00

*F 'hibit Y*  
*Page 8 of 8*

ACCOUNT	DESCRIPTION	AMOUNT
921.80	OFF.SUP.& EXP.-OVER & SHORT BOK	0.00
923.00	OUTSIDE SERVICES EMPLOYED	95,016.72
924.00	PROPERTY INSURANCE	0.00
925.00	INJURIES AND DAMAGES	126,662.51
926.00	EMPLOYEES PENSIONS & BENEFITS	142,947.37
928.00	REGULATORY COMMISSION EXPENSES	0.00
929.00	DUPLICATE CHARGES-CREDIT ELECTRI	115,772.03-
930.00	MISC.GEN.EXP.-DIRECTORS EXPENSES	274,557.78
930.10	MISC.GEN.EXP.-GENERAL ADVERTISG.	288,740.23
930.11	KEY ACCOUNTS/MARKETING	0.00
930.20	MISC.GEN.EXP.- SECUREPAY INS.	0.00
930.30	MISC.GEN.EXP.-DUES PD.ASSOC.ORG.	180,034.23
930.40	MISC.GEN.EXP.-ANNUAL MEETING EXP	73,283.16
930.50	MISC.GEN.EXP.-PROPERTY RECORDS	0.00
931.00	RENTS - BRANCH OFFICES	44,791.92
932.10	MAINT. GEN. PLANT-STRUCTURES	270,136.64
932.20	MAINT.GEN.PLANT-OFFICE EQUIPMENT	420.17
932.40	MAINT.GEN.PLANT-STORE EQUIPMENT	0.00
932.50	MAINT.GEN.PLT.-TOOL.SHOP.GARAGE	0.00
932.60	MAINT.GEN.PLT.-LABORATORY EQUIP.	0.00
932.70	MAINT. OF POWER OPERATED EQUIP.	0.00
932.80	MAINT.GEN.PLT.-COMMUNICATION EQ.	0.00
932.90	MAINT.GEN.PLT.-MISC. EQUIPMENT	69.60

ACCOUNTS 000.00 TO 399.99 826,056.62-  
ACCOUNTS 400.00 TO 999.99 826,056.62



Owen Electric Cooperative  
Case No. 2008 - 00154

Comparative Capital Structure (Excluding JDIC)  
For the Periods as Shown  
"000" Omitted

Line No.	Type of Capital	1997 10th Year		1998 9th Year		1999 8th Year		2000 7th Year		2001 6th Year		2002 5th Year	
		Amount	Ratio	Amount	Ratio	Amount	Ratio	Amount	Ratio	Amount	Ratio	Amount	Ratio
1	Long Term Debt	46,409	61%	46,779	59%	51,142	61%	53,144	61%	54,654	58%	56,930	54%
2	Short Term Debt	1,195	2%	2,319	3%	1,344	2%	1,090	1%	1,236	1%	2,354	2%
3	Memberships	734	1%	776	1%	819	1%	853	1%	891	1%	933	1%
4	Patronage Capital	27,558	36%	28,929	37%	30,388	36%	32,337	37%	37,323	40%	44,665	43%
5	Other (Itemize by type)		0%		0%		0%		0%		0%		0%
6	Total Capitalization	75,896	100%	78,803	100%	83,693	100%	87,424	100%	94,104	100%	104,882	100%

Line No.	Type of Capital	2003 4th Year		2004 3rd Year		2005 2nd Year		2006 1st Year		2007 Test year		Latest Quarter Dec 31, 2007		Average Test Year	
		Amount	Ratio	Amount	Ratio	Amount	Ratio	Amount	Ratio	Amount	Ratio	Amount	Ratio	Amount	Ratio
1	Long Term Debt	58,809	50%	60,601	48%	69,731	55%	73,243	55%	83,591	59%	75,082	53%	72,800	51%
2	Short Term Debt	7,965	7%	11,517	9%	2,220	2%	5,683	4%	5,721	4%	12,148	9%	13,748	10%
3	Memberships	976	1%	1,015	1%	1,055	1%	1,092	1%	1,119	1%	1,117	1%	1,106	1%
4	Patronage Capital	50,230	43%	52,235	42%	54,808	43%	54,335	40%	52,280	37%	53,335	38%	54,181	38%
5	Other (Itemize by type)		0%		0%		0%		0%		0%		0%	0	0%
6	Total Capitalization	117,980	100%	125,368	100%	127,814	100%	134,353	100%	142,711	100%	141,683	100%	141,835	100%

Owen Electric Cooperative  
 Case No. 2008 - 00154  
 Calculation of Average Test Period Capital Structure  
 12 months ended December 31, 2007

Line No.	Item (a)	Total Capital (b)	Long-Term Debt (c)	Short-Term Debt (d)	Memberships (e)	Common Stock (f)	Patronage Capital (g)	Total Common Equity (h)
1	Balance Beginning of Test year	134,353	73,243	5,683	1,092		54,335	
2	1st month	138,602	73,100	10,105	1,094		54,303	
3	2nd month	145,842	73,086	16,063	1,098		55,595	
4	3rd month	148,724	72,932	19,850	1,101		54,841	
5	4th month	148,862	72,775	21,626	1,102		53,359	
6	5th month	138,433	71,400	12,604	1,104		53,325	
7	6st month	139,789	71,386	14,329	1,100		52,974	
8	7th month	140,889	71,233	13,814	1,110		54,732	
9	8th month	140,033	71,076	12,813	1,112		55,032	
10	9th month	143,275	70,921	15,392	1,114		55,848	
11	10th month	141,358	70,908	14,900	1,116		54,434	
12	11th month	140,980	70,748	15,824	1,117		53,291	
13	12th month	142,711	83,591	5,721	1,119		52,280	
14	Total (Line 1 through Line 13)	1,843,851	946,399	178,724	14,379	0	704,349	0
15	Average balance (Line 14/13)	141,835	72,800	13,748	1,106	0	54,181	0
16	Average capitalization ratios	100%	51%	10%	1%	0%	38%	0%
17	End of period capitalization ratios	100%	59%	4%	1%	0%	37%	0%

Owen Electric Cooperative  
Case No. 2008-00154  
December 31, 2007

**Payroll Adjustment**

To reflect the increase granted by the Board of Directors, the step increases granted and promotions during the year. To give recognition to employees terminated and employees hired during the test year. Overtime pay is calculated at 1-1/2 times regular pay rate for hours worked in excess of 8 hours per day.

Union employees are granted wage increases in August of each year and non-union employees are generally granted increases during March of each year.

A temporary employee is used for certain busy times of the month, or when an employee has scheduled vacation time off. This is expected to continue into the future.

Wage and salary increases are as follows:

	<u>Increase</u>	
	<u>Non-Union</u>	<u>Union</u>
2008	2.00%	3.50%
2007	2.00%	3.50%
2006	3.60%	3.50%
2005	3.00%	3.50%
2004	3.50%	1.50%

The amount of increase was allocated based on the actual test year.

Projected wages	\$8,277,749
Actual wages for test year	<u>8,023,567</u>
Adjustment	<u>\$254,182</u>

The allocation is on the following page:

Owen Electric Cooperative  
Case No. 2008-00154

## Allocation of increase in payroll:

		Labor Distribution	Percent	Allocation
107.20	Construction work in progress	2,416,557	30.1%	76,555
108.80	Retirement work in progress	204,287	2.5%	6,472
143.00	AR, other	57,122	0.7%	1,810
163.00	Stores	270,733	3.4%	8,577
184.00	Transportation	112,546	1.4%	3,565
242.40	Employee sick leave	10,098	0.1%	320
426.00	Donations	1,159	0.0%	37
580.00	Operations	102,583		
582.00	Station	7,186		
583.00	Overhead line	428,127		
584.00	Underground	96,030		
586.00	Meter	518,311		
587.00	Constr Install Eq	196,428		
588.00	Miscellaneous distribution	190,590	19.2%	48,763
590.00	Maintenance	31,322		
593.00	Overhead line	406,665		
593.10	Right of way	340,353		
594.00	Underground	86,952		
597.00	Meters	8,587	10.9%	27,684
901.00	Supervision, customer accounts	83,902		
902.00	Meter reading	117,144		
903.00	Consumer records	978,945	14.7%	37,381
907.00	Supervision customer assistance	25,761		
908.00	Consumer assistance	87,663		
913.00	Demonstration and selling	53,574	2.1%	5,290
920.00	Administrative	833,663		
926.00	Employee benefits	283,032		
930.00	Miscellaneous	19,763		
935.00	Maintenance general plant	54,484	14.8%	37,728
	Total	<u>8,023,567</u>	<u>100.0%</u>	<u>254,182</u>

Owen Electric Cooperative  
Case No. 00154  
Employee Earnings and Hours  
December 31, 2007

Employee Number	Hours Worked Test Year					Actual Test Year Wages						Wage Rate March 1, 2008	Normalized Wages @ 2,080 hours					
	Regular	Overtime	Double Time	Excess Vac	Total	Regular	Overtime	Double Time	Performance Bonus	Excess Vac	Total		Regular	Overtime	Double Time	Performance Bonus	Excess Vac	Normalized Wages
<b>Salary Employees</b>																		
2012	2,088.00			48.00	2,136.00	98,240			2,959	2,258	103,457	50.11	104,229		2,959	2,405	109,593	
2020	2,088.50				2,088.50	68,856			1,907		70,763	33.03	68,702		1,907	0	70,609	
2048	2,088.00				2,088.00	64,215			1,907		66,122	32.03	66,622		1,907	0	68,529	
2324	2,064.00				2,064.00	51,902			1,957		53,859	26.56	55,245		1,957	0	57,202	
4047	2,088.00				2,088.00	79,542			2,787		82,329	38.61	80,309		2,787	0	83,096	
5049	2,088.00				2,088.00	225,880			1,822		227,702	108.18	225,014		1,822	0	226,836	
5051	2,088.00			24.00	2,112.00	104,546			2,622	1,202	108,370	51.86	107,869		2,622	1,245	111,735	
5067	1,568.00				1,568.00	75,518			1,050		76,568	52.14	108,451		1,050	0	109,501	
5069	2,088.00			32.00	2,120.00	81,286			2,410	1,246	84,942	41.27	85,842		2,410	1,321	89,572	
5127	2,088.00			41.00	2,129.00	103,481			2,410	2,032	107,923	52.22	108,618		2,410	2,141	113,169	
6095	2,088.00			40.00	2,128.00	69,032			1,360	1,380	71,772	35.20	73,216		1,360	1,408	75,984	
8139	2,088.00			6.00	2,094.00	74,194			2,328	289	76,811	36.80	76,544		2,328	221	79,093	
12 Subtotal S	24,512.50	0.00	0.00	191.00	24,703.50	1,096,692	0	0	25,519	8,407	1,130,618		1,160,661	0	0	25,519	8,740	1,194,920
<b>Hourly Employees</b>																		
2016	2,088.00	14.50			2,102.50	48,181	472		1,360		50,013	24.37	50,690	530	0	1,360	0	52,580
2017	2,088.00	106.50		40.00	2,234.50	41,950	3,173		1,464	794	47,381	19.86	41,309	3,173	0	1,464	794	46,740
2022	2,088.00	91.00			2,179.00	54,024	3,541		1,360		58,925	26.31	54,725	3,591	0	1,360	0	59,676
2030	2,088.00	4.00			2,092.00	46,527	122		1,360		48,009	24.46	50,877	147	0	1,360	0	52,384
2031	2,088.00	1.00			2,089.00	46,686	31		1,360		48,077	23.16	48,173	35	0	1,360	0	49,568
2033	2,088.00	20.00			2,108.00	49,893	703		1,360		51,956	23.91	49,733	717	0	1,360	0	51,810
2042	2,088.00	7.00			2,095.00	41,958	206		1,360		43,524	19.64	40,851	206	0	1,360	0	42,417
2050	2,072.00	47.00			2,119.00	37,830	1,284		1,651		40,765	18.86	39,229	1,330	0	1,651	0	42,209
2051	2,088.00	50.00			2,138.00	39,721	1,398		1,360		42,479	18.64	38,771	1,398	0	1,360	0	41,529
2052	2,085.00	49.00		48.00	2,182.00	53,566	1,872		1,436	1,244	58,118	25.91	53,893	1,904	0	1,436	1,244	58,477
2053	2,032.50	90.50			2,123.00	46,137	3,069		1,360		50,566	23.00	47,840	3,122	0	1,360	0	52,322
2056	1,542.00	10.50			1,552.50	26,698	271		1,773		28,742	17.88	37,190	282	0	1,773	0	39,245
2059	2,088.00	95.00			2,183.00	39,993	2,676		1,360		44,029	18.78	39,062	2,676	0	1,360	0	43,099
2303	2,088.00				2,088.00	49,297			1,360		50,657	23.72	49,338	0	0	1,360	0	50,698
2304	2,041.00	118.00			2,159.00	39,925	3,395		1,360		44,680	19.56	40,685	3,462	0	1,360	0	45,507
2307	2,088.00	64.00			2,152.00	50,429	2,273		1,360		54,062	23.68	49,254	2,273	0	1,360	0	52,888
2309	2,088.00	36.00			2,124.00	37,396	954		1,360		39,710	17.67	36,754	954	0	1,360	0	39,068
2313	2,088.00	12.00		40.00	2,140.00	41,549	357		1,360	808	44,074	20.59	42,827	371	0	1,360	824	45,381
2319	2,088.00	12.00			2,100.00	40,251	341		1,360		41,952	18.99	39,499	342	0	1,360	0	41,201
2320	1,600.50	7.00			1,607.50	30,027	191		1,360		31,578	18.18	37,814	191	0	1,360	0	39,365
2321	2,088.00	47.50		16.00	2,151.50	39,513	1,291		1,360	290	42,454	18.11	37,669	1,290	0	1,360	290	40,609
2322	2,070.00	8.00			2,078.00	38,228	218		1,360		39,806	18.27	38,002	219	0	1,360	0	39,581
2323	2,040.00	34.50			2,074.50	37,359	930		1,360		39,649	17.97	37,378	930	0	1,360	0	39,668
2325	2,088.00	55.00		20.00	2,163.00	37,308	1,480		1,360	363	40,511	18.67	38,834	1,540	0	1,360	373	42,107
2326	2,088.00	11.50			2,099.50	39,135	323		1,360		40,818	19.48	40,518	336	0	1,360	0	42,214
2327	2,088.00	23.50			2,111.50	36,597	608		1,360		38,565	17.24	35,859	608	0	1,360	0	37,827
2328	1,952.50	25.00			1,977.50	32,744	629		1,360		34,733	16.77	34,882	629	0	1,360	0	36,870
2329	2,088.00	32.50			2,120.50	35,505	830		1,360		37,695	17.66	36,733	861	0	1,360	0	38,954
2330	2,045.50	11.50			2,057.00	34,256	289		1,360		35,905	17.30	35,984	298	0	1,360	0	37,642
2331	1,640.00	18.00			1,658.00	27,571	453		1,050		29,074	17.40	36,192	470	0	1,050	0	37,712
3042	2,088.00				2,088.00	43,486			1,360		44,846	21.84	45,427	0	0	1,360	0	46,787

Owen Electric Cooperative  
Case No. 00154  
Employee Earnings and Hours  
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Employee Number	Hours Worked Test Year					Actual Test Year Wages						Wage Rate March 1, 2008	Normalized Wages @ 2,080 hours					
	Regular	Overtime	Double Time	Excess Vac	Total	Regular	Overtime	Double Time	Performance Bonus	Excess Vac	Total		Regular	Overtime	Double Time	Performance Bonus	Excess Vac	Normalized Wages
	3045	2,088.00	158.00	1.50		2,247.50	19,853	2,252	28	1,250			23,383	16.90	35,152	4,005	51	1,250
3382	1,640.00	15.50			1,655.50	27,571	389		1,050		29,010	17.40	36,192	405	0	1,050	0	37,647
4043	2,032.00	255.50			2,287.50	19,328	3,640		1,050		24,018	9.70	20,176	3,718	0	1,050	0	24,944
4045	1,624.00				1,624.00	34,375			1,050		35,425	21.87	45,490	0	0	1,050	0	46,540
4050	2,088.00				2,088.00	57,712			1,360		59,072	28.60	59,488	0	0	1,360	0	60,848
4052	1,376.00	84.50			1,460.50	13,181	1,217		1,050		15,448	9.70	20,176	1,229	0	1,050	0	22,455
4053	435.50	41.50			477.00	4,224	604		1,050		5,878	9.70	20,176	604	0	1,050	0	21,830
5053	2,088.00				2,088.00	41,809			1,360		43,169	20.30	42,224	0	0	1,360	0	43,584
5058	821.00				821.00	16,792			1,050		17,842	20.10	41,808	0	0	1,050	0	42,858
5061	2,088.00	28.00		48.00	2,164.00	50,770	1,001		1,360	1,144	54,275	24.32	50,586	1,021	0	1,360	1,167	54,134
5063	2,088.00			48.00	2,136.00	64,093			1,250	1,495	66,838	31.14	64,771	0	0	1,250	1,495	67,516
5064	2,088.00	22.00			2,110.00	36,293	571		1,360		38,224	17.86	37,149	589	0	1,360	0	39,098
5070	2,088.00				2,088.00	65,396			1,250		66,646	32.27	67,122	0	0	1,250	0	68,372
5071	2,088.00	627.00	2.50		2,717.50	56,123	25,259	132	1,250		82,764	27.42	57,034	25,789	137	1,250	0	84,209
5073	2,084.00	62.00			2,146.00	51,370	2,248		1,250		54,868	24.17	50,274	2,248	0	1,250	0	53,771
5074	2,086.00	225.50	17.00		2,328.50	57,477	9,300	941	1,250		68,968	28.10	58,448	9,505	955	1,250	0	70,158
5076	2,076.50	702.00	17.00		2,795.50	55,815	28,309	901	1,250		86,275	27.42	57,034	28,873	932	1,250	0	88,089
5077	2,086.00	693.50	19.50		2,799.00	56,088	27,925	1,065	1,250		86,328	27.42	57,034	28,524	1,069	1,250	0	87,877
5078	2,038.00	266.50	12.50		2,317.00	56,275	10,926	692	1,250		69,143	28.10	58,448	11,233	703	1,250	0	71,633
5080	2,036.00	345.50			2,381.50	56,419	14,103		1,360		71,882	27.76	57,741	14,387	0	1,360	0	73,487
5081	2,082.00	189.00	14.50	32.00	2,317.50	54,857	7,479	766	1,250	860	65,212	26.87	55,890	7,618	779	1,250	860	66,396
5082	2,050.50	409.50			2,460.00	56,814	16,716		1,360		74,890	27.76	57,741	17,052	0	1,360	0	76,152
5084	2,088.00	391.00		48.00	2,527.00	53,495	14,678		1,360	1,220	70,753	25.92	53,914	15,202	0	1,360	1,244	71,720
5087	2,097.50	12.50		48.00	2,158.00	61,658	524		2,870	1,508	66,560	34.71	72,197	651	0	2,870	1,666	77,384
5088	2,082.00	199.50	12.50		2,294.00	55,603	7,916	675	1,250		65,444	26.87	55,890	8,041	672	1,250	0	65,852
5089	2,088.00				2,088.00	57,924			1,360		59,284	29.37	61,090	0	0	1,360	0	62,450
5093	2,035.50	413.00			2,448.50	56,405	16,859		1,360		74,624	27.76	57,741	17,197	0	1,360	0	76,298
5094	2,080.50	302.50	23.50		2,406.50	54,963	11,918	1,246	1,250		69,377	26.87	55,890	12,192	1,263	1,250	0	70,595
5095	2,085.50	136.00	10.50		2,232.00	50,637	4,955	511	1,250		57,353	24.77	51,522	5,053	520	1,250	0	58,345
5096	2,063.00	228.50	12.00		2,303.50	54,731	8,987	636	1,458		65,812	26.87	55,890	9,210	645	1,458	0	67,202
5097	2,088.00	35.00	4.50		2,127.50	55,055	1,377	234	1,250		57,916	26.87	55,890	1,411	242	1,250	0	58,792
5098	2,082.00	122.00	15.00		2,219.00	54,879	4,798	792	1,250		61,719	26.87	55,890	4,917	806	1,250	0	62,863
5099	2,080.00	321.50	20.00	47.00	2,468.50	54,926	12,684	1,064	1,250	1,263	71,187	26.87	55,890	12,958	1,075	1,250	1,263	72,435
5102	2,088.00	115.50	5.50		2,209.00	55,220	4,555	286	1,250		61,311	26.87	55,890	4,655	296	1,250	0	62,090
5103	2,088.00	150.00	2.50		2,240.50	55,016	5,941	130	1,250		62,337	26.87	55,890	6,046	134	1,250	0	63,320
5104	2,088.00	144.50	7.50		2,240.00	56,570	5,839	389	1,250		64,048	28.10	58,448	6,091	422	1,250	0	66,210
5105	2,083.50	204.00	12.50		2,300.00	55,010	8,060	658	1,250		64,978	26.87	55,890	8,222	672	1,250	0	66,034
5106	2,088.00	262.00	13.50		2,363.50	55,104	10,376	712	1,250		67,442	26.87	55,890	10,560	725	1,250	0	68,425
5108	2,083.00	158.50			2,241.50	44,377	5,059		1,360		50,796	22.04	45,843	5,240	0	1,360	0	52,443
5109	2,088.00				2,088.00	57,254			1,250		58,504	28.45	59,176	0	0	1,250	0	60,426
5111	2,063.00	237.00	9.50		2,309.50	54,490	9,308	493	1,873		66,164	26.87	55,890	9,552	511	1,873	0	67,825
5112	2,088.00	259.00	16.50		2,363.50	53,013	9,801	843	1,250		64,907	26.87	55,890	10,439	887	1,250	0	68,465
5113	2,086.00	107.00			2,193.00	46,031	3,563		1,250		50,844	22.51	46,821	3,613	0	1,250	0	51,684
5114	2,088.00	153.00			2,241.00	47,341	5,179		1,250		53,770	23.46	48,797	5,384	0	1,250	0	55,431
5115	2,088.00				2,088.00	59,855			1,360		61,215	29.66	61,693	0	0	1,360	0	63,053
5118	2,082.00	137.50	9.50		2,229.00	42,443	4,207	384	1,250		48,284	20.63	42,910	4,255	392	1,250	0	48,807
5119	2,000.00	147.50	10.00		2,157.50	45,729	5,050	443	1,250		52,472	24.87	51,730	5,502	497	1,250	0	58,979

Owen Electric Cooperative  
Case No. 00154  
Employee Earnings and Hours  
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Exhibit i  
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Witness: Aki

Employee Number	Hours Worked Test Year					Actual Test Year Wages						Wage Rate March 1, 2008	Normalized Wages @ 2,080 hours					
	Regular	Overtime	Double Time	Excess Vac	Total	Regular	Overtime	Double Time	Performance Bonus	Excess Vac	Total		Regular	Overtime	Double Time	Performance Bonus	Excess Vac	Normalized Wages
	5120	2,082.50	174.00	17.50		2,274.00	42,742	5,335	722	1,250			50,049	20.63	42,910	5,384	722	1,250
5121	2,088.00				2,088.00	59,056			1,360		60,416	29.21	60,757	0	0	1,360	0	62,117
5122	2,088.00	205.00	11.50		2,304.50	42,852	6,303	471	1,250		50,876	22.91	47,653	7,045	527	1,250	0	56,475
5123	2,088.00	232.50			2,320.50	41,390	6,889		1,250		49,529	20.93	43,534	7,299	0	1,250	0	52,084
5124	1,979.00	289.00	20.00		2,288.00	38,809	8,360	837	1,250		49,256	20.93	43,534	9,073	837	1,250	0	54,695
5125	2,068.50	28.50			2,097.00	45,972	944		1,250		48,166	22.98	47,798	982	0	1,250	0	50,031
5126	2,047.50	453.50		60.00	2,561.00	52,748	17,538		1,360	1,570	73,216	26.88	55,910	18,285	0	1,360	1,613	77,168
5128	2,088.00	480.00			2,568.00	39,623	13,684		1,250		54,557	20.63	42,910	14,854	0	1,250	0	59,014
5129	2,088.00	40.50			2,128.50	37,469	1,084		1,250		39,803	20.63	42,910	1,253	0	1,250	0	45,414
5130	2,088.00	437.50			2,525.50	36,969	11,650		1,250		49,869	18.93	39,374	12,423	0	1,250	0	53,047
5131	2,082.00	339.00	8.00		2,429.00	37,013	9,008	288	1,250		47,559	18.93	39,374	9,626	303	1,250	0	50,553
5132	2,088.00	324.00			2,412.00	37,134	8,660		1,250		47,044	18.93	39,374	9,200	0	1,250	0	49,824
5133	2,085.50	210.00	0.50		2,296.00	31,293	5,088	9	1,250		37,640	18.93	39,374	5,963	19	1,250	0	46,606
5134	2,087.00	208.00	14.50		2,309.50	25,134	4,357	301	1,250		31,042	18.93	39,374	5,906	549	1,250	0	47,080
6079	2,088.00	20.50			2,108.50	57,541	835		1,250		59,626	28.10	58,448	864	0	1,250	0	60,562
6081	2,088.00	236.50			2,324.50	48,283	8,190		1,250		57,723	23.59	49,067	8,369	0	1,250	0	58,686
6091	2,088.00				2,088.00	59,059			1,250		60,309	29.27	60,882	0	0	1,250	0	62,132
6094	2,008.00	57.50			2,065.50	39,477	1,661		1,050		42,188	20.21	42,037	1,743	0	1,050	0	44,830
6127	2,094.00	141.00	0.50		2,235.50	58,949	5,840	27	1,250		66,066	28.10	58,448	5,943	28	1,250	0	65,669
6132	2,088.00	12.00			2,100.00	55,986	474		1,250		57,710	26.85	55,848	483	0	1,250	0	57,581
6150	2,088.00	40.00			2,128.00	51,823	1,489		1,250		54,562	25.27	52,562	1,516	0	1,250	0	55,328
6154	2,088.00	132.00			2,220.00	48,283	4,578		1,250		54,111	23.59	49,067	4,671	0	1,250	0	54,988
6155	2,086.00	87.50	16.00		2,189.50	43,432	2,708	660	1,250		48,050	20.63	42,910	2,708	660	1,250	0	47,528
6156	2,087.00	78.50	19.00		2,184.50	34,776	1,957	625	1,250		38,608	17.61	36,629	2,074	669	1,250	0	40,622
6157	2,088.00			48.00	2,136.00	50,459			1,360	1,181	53,000	25.41	52,853	0	0	1,360	1,220	55,432
8129	2,084.00	606.50	15.00	48.00	2,753.50	56,054	24,378	811	1,250	1,316	83,809	27.42	57,034	24,945	823	1,250	1,316	85,368
8130	2,082.00	673.00	8.00	48.00	2,811.00	55,958	27,138	439	1,250	1,316	86,101	27.42	57,034	27,680	439	1,250	1,316	87,719
8133	2,066.00	548.00	36.00		2,650.00	55,530	22,106	1,959	1,250		80,845	27.42	57,034	22,539	1,974	1,250	0	82,797
8134	2,080.00	938.00	22.50	48.00	3,088.50	55,912	37,815	1,199	1,250	1,316	97,492	27.42	57,034	38,580	1,234	1,250	1,316	99,414
8135	2,080.00	891.00	24.00		2,995.00	55,911	35,855	1,284	1,250		94,300	27.42	57,034	36,647	1,316	1,250	0	96,247
8140	2,088.00				2,088.00	69,756			1,360		71,116	33.33	69,326	0	0	1,360	0	70,686
8141	2,088.00	165.00			2,253.00	48,284	5,737		1,250		55,271	23.59	49,067	5,839	0	1,250	0	56,156
8143	2,080.00	1,088.50	21.50		3,190.00	55,910	43,814	1,147	1,250		102,121	27.42	57,034	44,770	1,179	1,250	0	104,233
8144	2,088.00	514.50	8.50		2,611.00	57,517	21,230	462	1,250		80,459	28.10	58,448	21,686	478	1,250	0	81,862
8145	2,088.00	34.50	7.50		2,130.00	56,186	1,371	407	1,250		59,214	25.96	53,997	1,343	389	1,250	0	56,980
8148	2,082.50	627.00	18.00		2,727.50	55,972	25,273	972	1,250		83,467	27.42	57,034	25,789	987	1,250	0	85,059
8149	2,088.00	195.50	10.50		2,294.00	57,515	8,043	577	1,250		67,385	28.10	58,448	8,240	590	1,250	0	68,528
8153	2,028.50	543.00	20.00	48.00	2,639.50	55,902	22,340	1,105	1,250	1,349	81,946	28.10	58,448	22,887	1,124	1,250	1,349	85,058
8155	2,086.00	177.00	12.00		2,275.00	57,476	7,277	660	1,250		66,663	28.10	58,448	7,461	674	1,250	0	67,833
8156	2,086.00	312.00	18.50		2,416.50	57,495	12,906	1,021	1,250		72,672	28.10	58,448	13,151	1,040	1,250	0	73,889
8157	2,029.00	498.50	26.00		2,553.50	55,804	20,077	1,443	1,250		78,574	28.10	58,448	21,012	1,461	1,250	0	82,171
8169	2,083.00	274.50	20.00		2,377.50	54,922	10,799	1,056	1,250		68,027	26.87	55,890	11,064	1,075	1,250	0	69,278
8170	2,081.00	257.00	0.50		2,338.50	54,901	10,134	26	1,250		66,311	26.87	55,890	10,358	27	1,250	0	67,525
8171	2,016.00	385.50	16.50		2,418.00	53,169	15,104	868	1,458		70,599	26.87	55,890	15,538	887	1,458	0	73,772
122 Subtotal	247,367.00	22,420.50	662.00	735.00	271,184.50	5,740,550	824,982	33,397	159,393	19,037	6,777,359		6,012,219	852,269	34,395	159,393	19,350	7,077,626

Owen Electric Cooperative  
Case No. 00154  
Employee Earnings and Hours  
December 31, 2007

Exhibit 1  
page 6 of 8  
Witness: Al

Employee Number	Hours Worked Test Year					Actual Test Year Wages						Wage Rate March 1, 2008	Normalized Wages @ 2,080 hours					
	Regular	Overtime	Double Time	Excess Vac	Total	Regular	Overtime	Double Time	Performance Bonus	Excess Vac	Total		Regular	Overtime	Double Time	Performance Bonus	Excess Vac	Normalized Wages
<b>Summer and Part Time Employees:</b>																		
3044	566.50	4.00			570.50	4,982	54		50		5,086	9.00	5,099	54	0	50	0	5,203
Subtotal st	566.50	4.00	0.00	0.00	570.50	4,982	54	0	50	0	5,086		5,099	54	0	50	0	5,203
<b>Retirees:</b>																		
1003	0.00				0.00	0					0							
3035	352.00				352.00	18,422			1,759		20,181							
5079	1,455.00				1,455.00	47,949			646		48,595							
6076	290.00				290.00	9,645			646		10,291							
6077	40.00	1.00			41.00	1,059	40		200		1,299							
6086	1,103.00				1,103.00	29,938			200		30,138							
6 Subtotal rc	3,240.00	1.00	0.00	0.00	3,241.00	107,013	40	0	3,451	0	110,504		0	0	0	0	0	0
141 Total	275,686.00	22,425.50	662.00	926.00	299,699.50	6,949,237	825,076	33,397	188,413	27,444	8,023,567		7,177,978	852,323	34,395	184,962	28,090	8,277,749



Witness: Robert Hood

Owen Electric Cooperative  
Case No. 2008-00154  
Employee Information  
December 31, 2007

The following is a list of employees added during the test year, and the employees that were replaced, or reason for hiring the employees.

<u>Employee</u>	<u>Hired</u>	<u>Reason</u>		
	4053	Replaced retired employee	6076	4053
	2331	New position in Call Center	-	2331
	4052	Replaced retired employee	6077	4052
	4045	Replaced retiree from 2006	-	4045
	3382	New position in Call Center	-	3382
	6094	Replaced retired employee	5079	6094
	4043	Replaced retired employee	6086	4043
	5067	Replaced retired employee	3035	5067
	5058	Employee on disability in 2007, full-time in 2008	-	5058

The following is a list of employees terminated, and the date.

<u>Employee</u>	<u>Month</u>
<u>Number</u>	<u>Terminated</u>
1003	01/07
3035	01/07
5079	08/07
6076	02/07
6077	01/07
6086	06/07

Owen Electric Cooperative  
Case No. 2008-00154  
Compensation of Executive Officers  
December 31, 2007

	<----	Test Year	---->	Employees
	<u>Salary</u>	Percent of	<u>Date</u>	who
		<u>Increase</u>		<u>Report</u>
Chief Executive Officer - CEO	225,014	-3.1%	01/01/07	all
CFO / VP, Finance	85,814	-18.3%	03/01/08	17
VP, Customer Service	97,864	4.4%	03/01/08	30
VP, Engineering		-		
Manager, System Reliability	103,085	-	03/01/08	17
VP, Operations				
Sr. VP, Operations & Engineering				
Manager, Operations	80,674	-	03/01/08	65
VP, Human Resources	79,313	12.0%	03/01/08	1
Chief Information Officer - CIO	104,146	2.3%	03/01/08	4

First Preceding Year

	<u>Salary</u>	Percent of	<u>Date</u>
		<u>Increase</u>	
Chief Executive Officer - CEO	232,137	10.0%	01/01/07
CFO / VP, Finance	105,002	17.4%	10/23/06
VP, Customer Service	93,708	8.5%	10/23/06
VP, Engineering		-100.0%	06/01/06
Manager, System Reliability			
VP, Operations		-100.0%	06/01/06
Sr. VP, Operations & Engineering	116,121	135.4%	10/23/06
Manager, Operations			
VP, Human Resources	70,815	-25.3%	06/01/06
Chief Information Officer - CIO	101,758	145.4%	10/23/06

Second Preceding Year

	<u>Salary</u>	Percent of	<u>Date</u>
		<u>Increase</u>	
Chief Executive Officer - CEO	211,031	10.0%	06/01/05
CFO / VP, Finance	89,412	519.8%	06/01/05
VP, Customer Service	86,389	-12.3%	06/01/05
VP, Engineering	54,848	-40.0%	06/01/05
Manager, System Reliability			
VP, Operations	62,768	-38.9%	06/01/05
Sr. VP, Operations & Engineering	49,327	-	06/01/05
Manager, Operations			
VP, Human Resources	94,817	2.2%	06/01/05
Chief Information Officer - CIO	41,466	-	06/01/05

Owen Electric Cooperative  
Case No. 2008-00154  
**Payroll Taxes**

The employer's portion of FICA and medicare rates remain the same for 2008 as they were for 2007. The FICA rate is 6.2% and medicare is 1.45%. The wage limit increases from \$97,500 in 2007 to \$102,000 in 2008 for FICA; all wages are subject to medicare.

Federal unemployment rates are 0.80% for the first \$7,000 of wages and state unemployment rate is 0.70% for the first \$8,000 of wages.

Proposed FICA amounts

FICA	495,084	
Medicare	118,179	
	<u>613,263</u>	
Proposed FUTA	7,546	
Proposed SUTA	7,540	628,349

Test year amount

FICA and Medicare	612,257	
Test year FUTA	7,865	
Test year SUTA	7,855	627,977

Increase		<u>372</u>
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**Adjustment:**

		<u>Percent</u>	<u>Amount</u>
107	Capitalized	32.7%	122
163 - 416	Clearing and others	5.6%	21
580	Operations	19.2%	71
590	Maintenance	10.9%	41
901	Consumer accounts	14.7%	55
908	Customer service	2.1%	8
912	Sales	0.0%	0
920	Administrative and general	14.8%	55
		<u>100.00%</u>	<u>\$372</u>

State unemployment (SUTA) wage rates are as follows:

2008	0.70%
2007	0.70%
2006	0.40%
2005	0.40%
2004	0.40%
2003	0.40%

Owen Electric Cooperative  
Case No. 2008-00154  
Adjustment for Payroll Taxes  
December 31, 2007

Employee Number	Normalized Wages	Social Security Wages		Medicare Wages		Federal Unemployment		State Unemployment		
		Up To \$102,000	@ 6.20%	All Wages	1.45%	Up to \$7,000	0.80%	Up to \$8,000	0.700%	
<b>Salary Employees</b>										
1	2012	109,593	102,000	6,324	109,593	1,589	7,000	56	8,000	56
1	2020	70,609	70,609	4,378	70,609	1,024	7,000	56	8,000	56
1	2048	68,529	68,529	4,249	68,529	994	7,000	56	8,000	56
1	2324	57,202	57,202	3,547	57,202	829	7,000	56	8,000	56
1	4047	83,096	83,096	5,152	83,096	1,205	7,000	56	8,000	56
1	5049	226,836	102,000	6,324	226,836	3,289	7,000	56	8,000	56
1	5051	111,735	102,000	6,324	111,735	1,620	7,000	56	8,000	56
1	5067	109,501	102,000	6,324	109,501	1,588	7,000	56	8,000	56
1	5069	89,572	89,572	5,553	89,572	1,299	7,000	56	8,000	56
1	5127	113,169	102,000	6,324	113,169	1,641	7,000	56	8,000	56
1	6095	75,984	75,984	4,711	75,984	1,102	7,000	56	8,000	56
1	8139	79,093	79,093	4,904	79,093	1,147	7,000	56	8,000	56
12	Subtotal S	1,194,920	1,034,085	64,113	1,194,920	17,326	84,000	672	96,000	672
<b>Hourly Employees</b>										
1	2016	52,580	52,580	3,260	52,580	762	7,000	56	8,000	56
1	2017	46,740	46,740	2,898	46,740	678	7,000	56	8,000	56
1	2022	59,676	59,676	3,700	59,676	865	7,000	56	8,000	56
1	2030	52,384	52,384	3,248	52,384	760	7,000	56	8,000	56
1	2031	49,568	49,568	3,073	49,568	719	7,000	56	8,000	56
1	2033	51,810	51,810	3,212	51,810	751	7,000	56	8,000	56
1	2042	42,417	42,417	2,630	42,417	615	7,000	56	8,000	56
1	2050	42,209	42,209	2,617	42,209	612	7,000	56	8,000	56
1	2051	41,529	41,529	2,575	41,529	602	7,000	56	8,000	56
1	2052	58,477	58,477	3,626	58,477	848	7,000	56	8,000	56
1	2053	52,322	52,322	3,244	52,322	759	7,000	56	8,000	56
1	2056	39,245	39,245	2,433	39,245	569	7,000	56	8,000	56
1	2059	43,099	43,099	2,672	43,099	625	7,000	56	8,000	56
1	2303	50,698	50,698	3,143	50,698	735	7,000	56	8,000	56
1	2304	45,507	45,507	2,821	45,507	660	7,000	56	8,000	56
1	2307	52,888	52,888	3,279	52,888	767	7,000	56	8,000	56
1	2309	39,068	39,068	2,422	39,068	566	7,000	56	8,000	56
1	2313	45,381	45,381	2,814	45,381	658	7,000	56	8,000	56
1	2319	41,201	41,201	2,554	41,201	597	7,000	56	8,000	56
1	2320	39,365	39,365	2,441	39,365	571	7,000	56	8,000	56
1	2321	40,609	40,609	2,518	40,609	589	7,000	56	8,000	56
1	2322	39,581	39,581	2,454	39,581	574	7,000	56	8,000	56
1	2323	39,668	39,668	2,459	39,668	575	7,000	56	8,000	56
1	2325	42,107	42,107	2,611	42,107	611	7,000	56	8,000	56
1	2326	42,214	42,214	2,617	42,214	612	7,000	56	8,000	56
1	2327	37,827	37,827	2,345	37,827	548	7,000	56	8,000	56
1	2328	36,870	36,870	2,286	36,870	535	7,000	56	8,000	56
1	2329	38,954	38,954	2,415	38,954	565	7,000	56	8,000	56
1	2330	37,642	37,642	2,334	37,642	546	7,000	56	8,000	56
1	2331	37,712	37,712	2,338	37,712	547	7,000	56	8,000	56
1	3042	46,787	46,787	2,901	46,787	678	7,000	56	8,000	56

Owen Electric Cooperative  
Case No. 2008-00154  
Adjustment for Payroll Taxes  
December 31, 2007

Employee Number	Normalized Wages	Social Security Wages		Medicare Wages		Federal Unemployment		State Unemployment	
		Up To \$102,000	@ 6.20%	All Wages	1.45%	Up to \$7,000	0.80%	Up to \$8,000	0.700%
1 3045	40,458	40,458	2,508	40,458	587	7,000	56	8,000	56
1 3382	37,647	37,647	2,334	37,647	546	7,000	56	8,000	56
1 4043	24,944	24,944	1,546	24,944	362	7,000	56	8,000	56
1 4045	46,540	46,540	2,885	46,540	675	7,000	56	8,000	56
1 4050	60,848	60,848	3,773	60,848	882	7,000	56	8,000	56
1 4052	22,455	22,455	1,392	22,455	326	7,000	56	8,000	56
1 4053	21,830	21,830	1,353	21,830	317	7,000	56	8,000	56
1 5053	43,584	43,584	2,702	43,584	632	7,000	56	8,000	56
1 5058	42,858	42,858	2,657	42,858	621	7,000	56	8,000	56
1 5061	54,134	54,134	3,356	54,134	785	7,000	56	8,000	56
1 5063	67,516	67,516	4,186	67,516	979	7,000	56	8,000	56
1 5064	39,098	39,098	2,424	39,098	567	7,000	56	8,000	56
1 5070	68,372	68,372	4,239	68,372	991	7,000	56	8,000	56
1 5071	84,209	84,209	5,221	84,209	1,221	7,000	56	8,000	56
1 5073	53,771	53,771	3,334	53,771	780	7,000	56	8,000	56
1 5074	70,158	70,158	4,350	70,158	1,017	7,000	56	8,000	56
1 5076	88,089	88,089	5,462	88,089	1,277	7,000	56	8,000	56
1 5077	87,877	87,877	5,448	87,877	1,274	7,000	56	8,000	56
1 5078	71,633	71,633	4,441	71,633	1,039	7,000	56	8,000	56
1 5080	73,487	73,487	4,556	73,487	1,066	7,000	56	8,000	56
1 5081	66,396	66,396	4,117	66,396	963	7,000	56	8,000	56
1 5082	76,152	76,152	4,721	76,152	1,104	7,000	56	8,000	56
1 5084	71,720	71,720	4,447	71,720	1,040	7,000	56	8,000	56
1 5087	77,384	77,384	4,798	77,384	1,122	7,000	56	8,000	56
1 5088	65,852	65,852	4,083	65,852	955	7,000	56	8,000	56
1 5089	62,450	62,450	3,872	62,450	906	7,000	56	8,000	56
1 5093	76,298	76,298	4,730	76,298	1,106	7,000	56	8,000	56
1 5094	70,595	70,595	4,377	70,595	1,024	7,000	56	8,000	56
1 5095	58,345	58,345	3,617	58,345	846	7,000	56	8,000	56
1 5096	67,202	67,202	4,167	67,202	974	7,000	56	8,000	56
1 5097	58,792	58,792	3,645	58,792	852	7,000	56	8,000	56
1 5098	62,863	62,863	3,898	62,863	912	7,000	56	8,000	56
1 5099	72,435	72,435	4,491	72,435	1,050	7,000	56	8,000	56
1 5102	62,090	62,090	3,850	62,090	900	7,000	56	8,000	56
1 5103	63,320	63,320	3,926	63,320	918	7,000	56	8,000	56
1 5104	66,210	66,210	4,105	66,210	960	7,000	56	8,000	56
1 5105	66,034	66,034	4,094	66,034	957	7,000	56	8,000	56
1 5106	68,425	68,425	4,242	68,425	992	7,000	56	8,000	56
1 5108	52,443	52,443	3,251	52,443	760	7,000	56	8,000	56
1 5109	60,426	60,426	3,746	60,426	876	7,000	56	8,000	56
1 5111	67,825	67,825	4,205	67,825	983	7,000	56	8,000	56
1 5112	68,465	68,465	4,245	68,465	993	7,000	56	8,000	56
1 5113	51,684	51,684	3,204	51,684	749	7,000	56	8,000	56
1 5114	55,431	55,431	3,437	55,431	804	7,000	56	8,000	56
1 5115	63,053	63,053	3,909	63,053	914	7,000	56	8,000	56
1 5118	48,807	48,807	3,026	48,807	708	7,000	56	8,000	56
1 5119	58,979	58,979	3,657	58,979	855	7,000	56	8,000	56

Owen Electric Cooperative  
Case No. 2008-00154  
Adjustment for Payroll Taxes  
December 31, 2007

Employee Number	Normalized Wages	Social Security Wages		Medicare Wages		Federal Unemployment		State Unemployment	
		Up To \$102,000	@ 6.20%	All Wages	1.45%	Up to \$7,000	0.80%	Up to \$8,000	0.700%
1 5120	50,267	50,267	3,117	50,267	729	7,000	56	8,000	56
1 5121	62,117	62,117	3,851	62,117	901	7,000	56	8,000	56
1 5122	56,475	56,475	3,501	56,475	819	7,000	56	8,000	56
1 5123	52,084	52,084	3,229	52,084	755	7,000	56	8,000	56
1 5124	54,695	54,695	3,391	54,695	793	7,000	56	8,000	56
1 5125	50,031	50,031	3,102	50,031	725	7,000	56	8,000	56
1 5126	77,168	77,168	4,784	77,168	1,119	7,000	56	8,000	56
1 5128	59,014	59,014	3,659	59,014	856	7,000	56	8,000	56
1 5129	45,414	45,414	2,816	45,414	658	7,000	56	8,000	56
1 5130	53,047	53,047	3,289	53,047	769	7,000	56	8,000	56
1 5131	50,553	50,553	3,134	50,553	733	7,000	56	8,000	56
1 5132	49,824	49,824	3,089	49,824	722	7,000	56	8,000	56
1 5133	46,606	46,606	2,890	46,606	676	7,000	56	8,000	56
1 5134	47,080	47,080	2,919	47,080	683	7,000	56	8,000	56
1 6079	60,562	60,562	3,755	60,562	878	7,000	56	8,000	56
1 6081	58,686	58,686	3,639	58,686	851	7,000	56	8,000	56
1 6091	62,132	62,132	3,852	62,132	901	7,000	56	8,000	56
1 6094	44,830	44,830	2,779	44,830	650	7,000	56	8,000	56
1 6127	65,669	65,669	4,071	65,669	952	7,000	56	8,000	56
1 6132	57,581	57,581	3,570	57,581	835	7,000	56	8,000	56
1 6150	55,328	55,328	3,430	55,328	802	7,000	56	8,000	56
1 6154	54,988	54,988	3,409	54,988	797	7,000	56	8,000	56
1 6155	47,528	47,528	2,947	47,528	689	7,000	56	8,000	56
1 6156	40,622	40,622	2,519	40,622	589	7,000	56	8,000	56
1 6157	55,432	55,432	3,437	55,432	804	7,000	56	8,000	56
1 8129	85,368	85,368	5,293	85,368	1,238	7,000	56	8,000	56
1 8130	87,719	87,719	5,439	87,719	1,272	7,000	56	8,000	56
1 8133	82,797	82,797	5,133	82,797	1,201	7,000	56	8,000	56
1 8134	99,414	99,414	6,164	99,414	1,441	7,000	56	8,000	56
1 8135	96,247	96,247	5,967	96,247	1,396	7,000	56	8,000	56
1 8140	70,686	70,686	4,383	70,686	1,025	7,000	56	8,000	56
1 8141	56,156	56,156	3,482	56,156	814	7,000	56	8,000	56
1 8143	104,233	102,000	6,324	104,233	1,511	7,000	56	8,000	56
1 8144	81,862	81,862	5,075	81,862	1,187	7,000	56	8,000	56
1 8145	56,980	56,980	3,533	56,980	826	7,000	56	8,000	56
1 8148	85,059	85,059	5,274	85,059	1,233	7,000	56	8,000	56
1 8149	68,528	68,528	4,249	68,528	994	7,000	56	8,000	56
1 8153	85,058	85,058	5,274	85,058	1,233	7,000	56	8,000	56
1 8155	67,833	67,833	4,206	67,833	984	7,000	56	8,000	56
1 8156	73,889	73,889	4,581	73,889	1,071	7,000	56	8,000	56
1 8157	82,171	82,171	5,095	82,171	1,191	7,000	56	8,000	56
1 8169	69,278	69,278	4,295	69,278	1,005	7,000	56	8,000	56
1 8170	67,525	67,525	4,187	67,525	979	7,000	56	8,000	56
1 8171	73,772	73,772	4,574	73,772	1,070	7,000	56	8,000	56
122 Subtotal h	7,077,626	7,075,393	438,674	7,077,626	102,626	854,000	6,832	976,000	6,832

Owen Electric Cooperative  
Case No. 2008-00154  
Adjustment for Payroll Taxes  
December 31, 2007

Employee Number	Normalized Wages	Social Security Wages		Medicare Wages		Federal Unemployment		State Unemployment	
		Up To	@	All Wages	1.45%	Up to	0.80%	Up to	0.700%
		\$102,000	6.20%			\$7,000		\$8,000	

**Summer and Part Time Employees:**

1	3044	5,203	5,203	323	5,203	75	5,203	42	5,203	36
1	Subtotal s	5,203	5,203	323	5,203	75	5,203	42	5,203	36

**Retirees:**

1	1003									
1	3035									
1	5079									
1	6076									
1	6077									
1	6086									
6	Subtotal r	0	0	0	0	0	0	0	0	0
141	<b>Total</b>	8,277,749	8,114,681	503,110	8,277,749	120,027	943,203	7,546	1,077,203	7,540

Owen Electric Cooperative  
Case No. 2008-00154  
December 31, 2007

**Depreciation Expense**

Depreciation is computed on a composite basis. The ending plant balance is multiplied by rates that are within RUS approved guidelines. Depreciation rates and procedures follow RUS Bulletin 183-1. Owen Electric has had a depreciation study performed as of December 31, 1995 and is submitting that study with this application.

Owen Electric has contacted the firm that performed that last study, and will update the study at such time as the meters are replaced with the new AMI technology. That study will be submitted to RUS and the Commission when it is completed.

Depreciation on transportation equipment is charged to a clearing account. Transportation costs are then cleared to various accounts based on time used for each vehicle from the daily time sheets of employees driving the vehicles.

Items of general plant that are fully-depreciated have been removed from the calculation in order to determine the normalized depreciation cost. These amounts have been separated on the right hand column of the normalized calculation.

Owen Electric implemented an Automated Meter Information ("AMI") system. As a result, the old meters were retired during 2007. Since the old meters were not fully-depreciated, there was an additional \$1,500,000 depreciation accrued on the old meters. This \$1,500,000 has been removed from the proposed depreciation expenses included with this Exhibit through the normalization process.



Owen Electric Cooperative  
Case No. 2008-00154  
December 31, 2007

Schedule 3  
page 2 of 6

Account Number	Description	Test Year Balance	Existing Rate	Normalized Expense	Test Year Expense	Exclude Items Fully Depreciated
<b>Distribution plant:</b>						
362	Station equipment					
364	Poles, towers & fixtures	47,449,380	4.70%	2,230,121		
365	Overhead conductors & devices	34,619,235	5.30%	1,834,819		
367	Underground conductor & devices	24,459,122	5.15%	1,259,645		
368	Line transformers	23,606,507	2.97%	701,113		
369	Services	16,069,746	5.50%	883,836		
370	Meters	3,681,557	3.53%	129,959		
370.10	Meters, AMI	6,421,660	6.67%	428,325		
370.20	Meters, AMI commun. devices	1,163,160	6.67%	77,583		
370.30	Meters, AMI computer software	96,783	6.67%	6,455		
371	Installations on customer premises	4,663,306	5.35%	249,487		
373	Street lights	102,346	5.33%	5,455		
		<u>162,332,802</u>		<u>7,806,798</u>	<u>8,992,599</u>	
<b>General plant:</b>						
389	Land	2,259,072				
390	Structures and improvements	9,634,835	2.41%	219,037	195,650	546,180
391	Office furn and eqt	2,327,594	14.70%	257,919	280,091	573,042
392	Transportation	4,674,221	11.41%	444,356	444,751	779,781
393	Stores	121,437	6.60%	6,447	6,259	23,762
394	Tools, shop and garage	293,576	10.91%	20,823	20,871	102,710
395	Laboratory	352,797	14.29%	33,858	32,215	115,862
396	Power operated	198,381	11.07%	14,491	14,748	67,478
397	Communications	2,317,903	10.22%	121,393	114,255	1,130,100
398	Miscellaneous	122,581	13.54%	15,078	14,759	11,219
399	Other tangible	44,241	5.44%	2,407	2,073	
		<u>22,346,638</u>		<u>1,135,809</u>	<u>1,125,672</u>	
	Total electric plant	<u>\$184,679,440</u>		<u>8,942,607</u>	<u>10,118,271</u>	

Items that are fully depreciated are removed from the ending balance to compute test year depreciation.

Owen Electric Cooperative  
Case No. 2008-00154  
December 31, 2007

	<u>Normalized</u>	<u>Test Year</u>	<u>Adjustment</u>
Total depreciation accruals	8,942,607	10,118,271	(1,175,664)
Less amount to transportation clearing	<u>458,847</u>	<u>459,499</u>	<u>(652)</u>
Depreciation expense	<u>8,483,761</u>	<u>9,658,772</u>	<u>(1,175,011)</u>

The allocation of the increase in depreciation on transportation equipment is based on actual test year transportation clearing.

<u>Account</u>	<u>%</u>	<u>Amount</u>
Construction and retirement WIP	34%	(\$225)
Others	1%	(8)
Distribution - operations	15%	(98)
Distribution - maintenance	27%	(176)
Consumer accounts	7%	(45)
Consumer service and information	6%	(37)
Administrative and general	<u>10%</u>	<u>(64)</u>
Total	<u>100%</u>	<u>(\$652)</u>

Owen Electric Cooperative  
Case No. 2008-00154  
**Depreciation Guideline Curve**  
December 31, 2007

Year Ended	Distribution Plant in Service	Accumulated Deprec for Distribution	Reserve Ratio	Ratio of Current Distribution Plant to Distribution Plant 10 Years Prior
2007	162,332,802	54,731,727	33.72%	1.98
2006	146,542,962	49,358,308	33.68%	1.92
2005	137,133,115	44,309,706	32.31%	1.93
2004	129,103,863	39,979,437	30.97%	1.99
2003	121,509,211	35,995,883	29.62%	2.01
1997	81,865,259	18,383,775	22.46%	
1996	76,128,819	15,969,640	20.98%	
1995	71,143,594	13,925,731	19.57%	
1994	65,039,424	12,361,486	19.01%	
1993	60,465,467	10,553,789	17.45%	

Owen Electric Cooperative  
Case No. 2008-00154  
December 31, 2007

Exhibit 3  
page 5 of 6

<b>Changes in electric plant:</b>		<u>Begin</u> <u>Balance</u>	<u>Additions</u>	<u>Retirements</u>	<u>Transfer</u>	<u>End</u> <u>Balance</u>
364	Poles, towers and fixtures	44,458,352	3,667,094	676,066		47,449,380
365	Overhead conductor and devices	31,784,130	3,115,203	280,098		34,619,235
367	Underground conductor and devices	22,378,052	2,147,050	65,980		24,459,122
368	Line transformers	22,418,740	1,476,003	288,236		23,606,507
369	Services	14,845,312	1,344,161	119,727		16,069,746
370	Meters	4,292,606	156,145	767,194		3,681,557
370.10	Meters, AMI	1,477,482	4,944,178			6,421,660
370.20	Meters, AMI commun. devices	384,504	778,656			1,163,160
370.30	Meters, AMI computer software	84,743	12,040			96,783
371	Security lights	4,324,842	425,237	86,773		4,663,306
373	Street lights	94,200	8,884	738		102,346
	Subtotal distribution plant	146,542,963	18,074,651	2,284,812	0	162,332,802
389	Land	2,259,072	0			2,259,072
390	Structures and improvements	9,094,175	540,660			9,634,835
391	Office furn and eqt	2,461,640	291,481	425,527		2,327,594
392	Transportation	4,406,085	363,668	95,532		4,674,221
393	Stores	110,504	10,933			121,437
394	Tools, shop and garage	294,907	(1,331)			293,576
395	Laboratory	330,145	33,356	10,704		352,797
396	Power operated	230,256	0	31,875		198,381
397	Communication	2,198,686	127,846	8,629		2,317,903
398	Miscellaneous	120,815	2,436	670		122,581
399	Other tangible	41,437	3,005	201		44,241
	Subtotal general plant	21,547,722	1,372,054	573,138	0	22,346,638
	Total electric plant in service	168,090,685	19,446,705	2,857,950	0	184,679,440

Owen Electric Cooperative  
Case No. 2008-00154  
December 31, 2007

Exh. 3  
page 6 of 6

**Changes in reserve for depreciation:**

	<u>Begin Balance</u>	<u>Accrual</u>	<u>Original Cost</u>	<u>Removal Cost</u>	<u>Gain/Loss Salvage</u>	<u>Net Charge</u>	<u>End Balance</u>
Distribution plant	49,358,308	8,992,599	2,284,812	1,500,976	166,609	3,619,179	54,731,728
Land							
Structures and improvements	992,312	195,650	0				1,187,962
Office furn and eqt	1,215,136	280,091	425,527		189,732		1,259,431
Transportation	1,792,780	444,751	95,532		17,000		2,158,998
Stores	63,876	6,259	0				70,135
Tools, shop and garage	155,826	20,871	0				176,696
Laboratory	198,546	32,215	10,704				220,056
Power operated	152,281	14,748	31,875				135,154
Communication	1,505,680	114,255	8,629				1,611,306
Miscellaneous	63,357	14,759	670				77,446
Other tangible	36,146	2,073	201				38,018
Subtotal general plant	6,175,940	1,125,672	573,138	0	206,732	0	6,935,202
Retirement WIP	624,118			(258,682)		(258,682)	365,436
Total accumulated depreciation	54,910,130	10,118,271	2,857,950	1,759,658	373,341	3,877,861	61,301,494

OWEN ELECTRIC COOPERATIVE, INC.

OWENTON, KENTUCKY

SERVICE LIFE AND SALVAGE STUDY  
AND  
RECOMMENDED DEPRECIATION ACCRUAL RATES  
AS OF DECEMBER 31, 1995



Harrisburg, Pennsylvania

Calgary, Alberta

Valley Forge, Pennsylvania

OWEN ELECTRIC COOPERATIVE, INC.

Owenton, Kentucky

SERVICE LIFE AND SALVAGE STUDY  
AND  
RECOMMENDED DEPRECIATION ACCRUAL RATES  
AS OF DECEMBER 31, 1995

GANNETT FLEMING VALUATION AND RATE CONSULTANTS, INC.

Harrisburg, Pennsylvania



**Gannett Fleming Valuation  
and Rate Consultants, Inc.**

P.O. Box 67100  
Harrisburg, PA 17106-7100

Location:  
207 Senate Avenue  
Camp Hill, PA 17011

Fax: (717) 763-8150  
Phone: (717) 763-7211

January 31, 1997

Owen Electric Cooperative, Inc.  
510 Georgetown Road  
Owenton, KY 40359

Attention Mr. William T. Prather  
Manager of Administrative Services

Gentlemen:

Pursuant to your request, we have studied the service life and net salvage characteristics of the electric distribution plant of the Owen Electric Cooperative, Inc., for the purpose of determining recommended annual depreciation accrual rates as of December 31, 1995. The results of our study are presented in the attached report.

The report sets forth a brief description of the concepts and methods upon which the study was based, our estimates of survivor curves and net salvage, and the ensuing remaining life depreciation accrual rates. A summary statement of the results of our study is presented on page III-4 of the report.

Respectfully submitted,

GANNETT FLEMING VALUATION  
AND RATE CONSULTANTS, INC.

WILLIAM M. STOUT, P.E.  
President

JOHN F. WIEDMAYER  
Supervisor, Depreciation Studies

WMS/JFW:krm  
Attachment



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OWEN ELECTRIC COOPERATIVE, INC.  
SERVICE LIFE AND SALVAGE STUDY  
AND  
RECOMMENDED DEPRECIATION ACCRUAL RATES  
AS OF DECEMBER 31, 1995

PART I. INTRODUCTION

SCOPE

This report presents the results of the service life and net salvage study prepared by Gannett Fleming Valuation and Rate Consultants, Inc., for Owen Electric Cooperative Inc. The report relates to the concepts, methods, and basic judgments which underlie the depreciation calculations related to current electric plant in service. The primary objective of the study was to determine the estimated survivor curves, average service lives and net salvage applicable to the depreciable property groups of electric distribution plant in service.

The report presents a summary of the annual accrual rates and level of annual depreciation expense as of December 31, 1995, as well as historical statistics related to the survivor curve and net salvage analyses in graphic and tabular form.

BASIS OF STUDY

Depreciation. The annual depreciation accrual rates and pro forma amounts as of December 31, 1995, were calculated by the straight line method and the average remaining life basis. The calculations were based on the estimated service life characteristics and estimated net salvage resulting from our study of each depreciable distribution plant account.

Service Life Estimates. The average service life estimates were based on informed judgment which incorporated analyses of available historical service life data related to the property, a review of management's current plans and operating policies, and a general knowledge of service lives experienced and estimated in the electric industry. The use of survivor curves to reflect the expected dispersion of retirements provides a consistent method of estimating depreciation for utility property. Iowa type survivor curves were used to depict the estimated survivor curves for the plant account property groups.

The procedure for estimating service lives consisted of compiling historical data for the plant accounts or depreciable groups, analyzing this history through the use of widely accepted techniques, and forecasting the survivor characteristics for each depreciable group on the basis of interpretations of the historical data analyses and the probable future. The combination of the historical experience and the estimated future yielded estimated survivor curves from which the average service lives were derived.

The retirement rate method of life analysis was used for the distribution plant accounts included in the study. Statistically aged plant accounting data through 1995 were used in the retirement rate computations and were the primary statistical support of the service life estimates.

Net Salvage Estimates. The method of analysis underlying the estimates of net salvage consisted of studying historical gross salvage and cost of removal data for total distribution plant and judging the net salvage on the basis of that history, outlook for the future, and a review of salvage estimates of other electric utilities for similar plant accounts. The data analyzed included gross salvage and cost of removal related to distribution plant retirements recorded during the period 1980 through 1995.

## PART II. METHODS USED IN THE ESTIMATION OF DEPRECIATION

### DEPRECIATION

*Depreciation, as defined in the Uniform System of Accounts, is the loss in service value not restored by current maintenance, incurred in connection with the consumption or prospective retirement of electric plant in the course of service from causes which are known to be in current operation and against which the utility is not protected by insurance. Among the causes to be given consideration are wear and tear, decay, action of the elements, inadequacy, obsolescence, changes in the art, changes in demand, and requirements of public authorities.*

Depreciation as used in accounting is a method of distributing fixed capital costs over a period of time by *allocating annual amounts to expense*. Each annual amount of such depreciation expense is part of that year's total cost of providing utility service. There are two bases for computing depreciation, the whole life basis and the remaining life basis. In the whole life basis, the original cost and net salvage are recovered over the entire *service life from age zero to the retirement age*. In the remaining life basis, the original cost less depreciation less future net salvage are recovered over the remaining life from the study age to the retirement age. The most prevalent method of allocation for both bases is to distribute an equal amount of cost to each year of service life. This method is known as the straight line method of depreciation.

To calculate straight line remaining life depreciation, prior determinations of survivor curves and net salvage are required. These subjects are discussed in the sections which follow.

## LIFE ANALYSIS

### Average Service Life

The use of an average service life for a property group implies that the various units in the group have different lives. Thus, the average life may be obtained by determining the separate lives of each of the units, or by constructing a survivor curve by plotting the number of units which survive at successive ages. The use of survivor curves, which reflect experienced and expected dispersion of service lives, is a systematic and rational means of estimating average service lives to be used to calculate depreciation for utility property. A discussion of the general concept of survivor curves and the Iowa type survivor curves is presented.

### Survivor Curves

The survivor curve graphically depicts the amount of property existing at each age throughout the life of an original group. From the survivor curve, the average life of the group, the remaining life expectancy, the probable life and the frequency curve can be calculated. In Figure 1, a typical smooth survivor curve and the derived curves are illustrated. The average life is obtained by calculating the area under the survivor curve, from age zero to the maximum age, and dividing this area by the ordinate at age zero. The remaining life expectancy at any age can be calculated by obtaining the area under the curve, from the observation age to the maximum age, and dividing this area by the percent surviving at the observation age. For example, in Figure 1 the remaining life at age 30 years is equal to the crosshatched area under the survivor curve divided by 29.5 percent surviving at age 30. The probable life at any age is developed by adding the age and remaining life. If the probable life of the property is calculated for each year of age, the

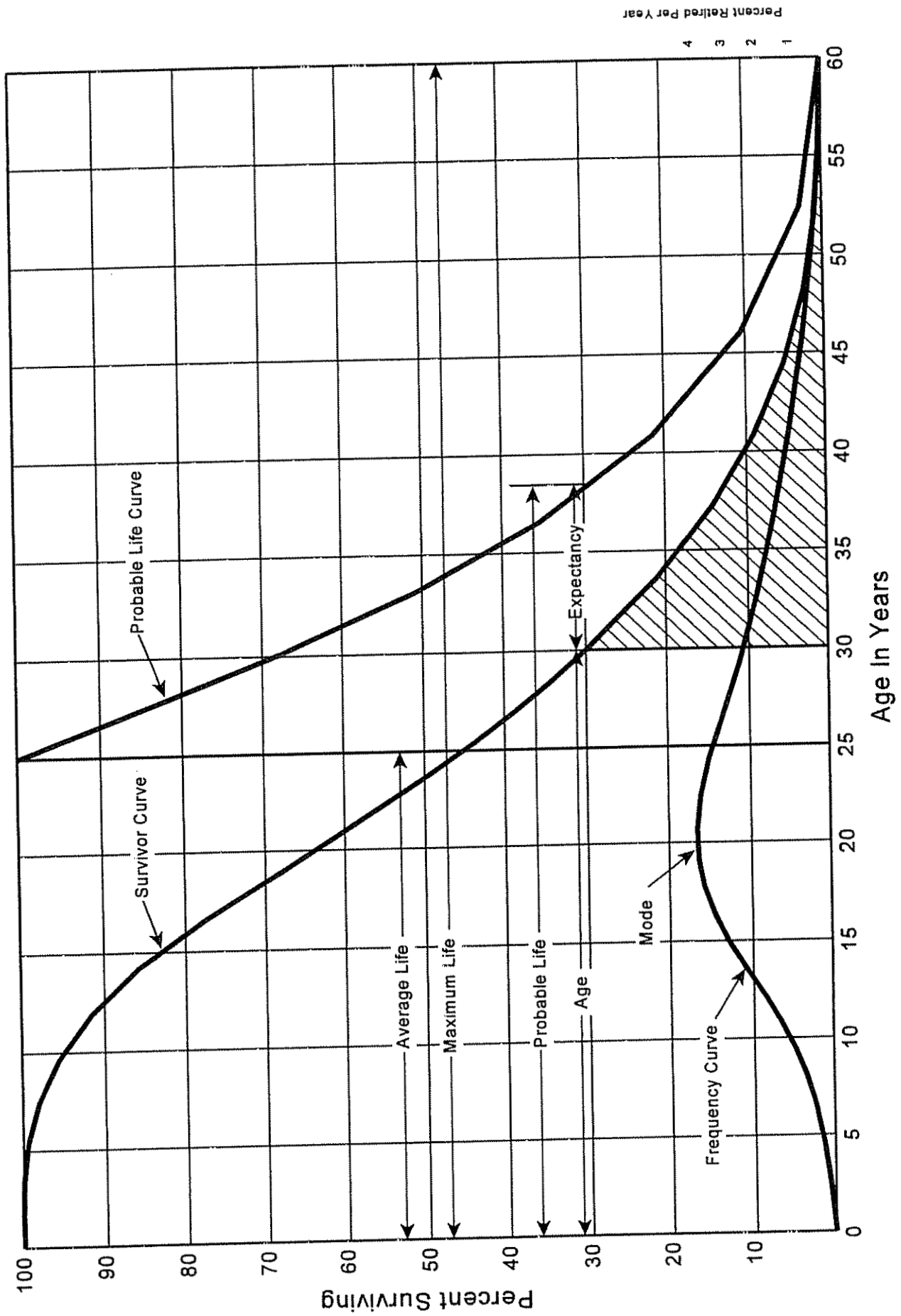


Figure 1. A Typical Survivor Curve and Derived Curves

probable life curve shown in the chart can be developed. The frequency curve presents the number of units retired in each age interval and is derived by obtaining the differences between the amount of property surviving at the beginning and at the end of each interval.

Iowa Type Curves. The range of survivor characteristics usually experienced by utility and industrial properties is encompassed by a system of generalized survivor curves known as the Iowa type curves. There are four families in the Iowa system, labeled in accordance with the location of the modes of the retirements in relationship to the average life and the relative height of the modes. The left moded curves, presented in Figure 2, are those in which the greatest frequency of retirement occurs to the left of, or prior to, average service life. The symmetrical moded curves, presented in Figure 3, are those in which the greatest frequency of retirement occurs at average service life. The right moded curves, presented in Figure 4, are those in which the greatest frequency occurs to the right of, or after, average service life. The origin moded curves, presented in Figure 5, are those in which the greatest frequency of retirement occurs at the origin, or immediately after age zero. The letter designation of each family of curves (L, S, R or O) represents the location of the mode of the associated frequency curve with respect to the average service life. The numerical subscripts represent the relative heights of the modes of the frequency curves within each family.

The Iowa curves were developed at the Iowa State College Engineering Experiment Station through an extensive process of observation and classification of the ages at which industrial property had been retired. A report of the study which resulted in the classification of property survivor characteristics into 18 type curves, which constitute three of the



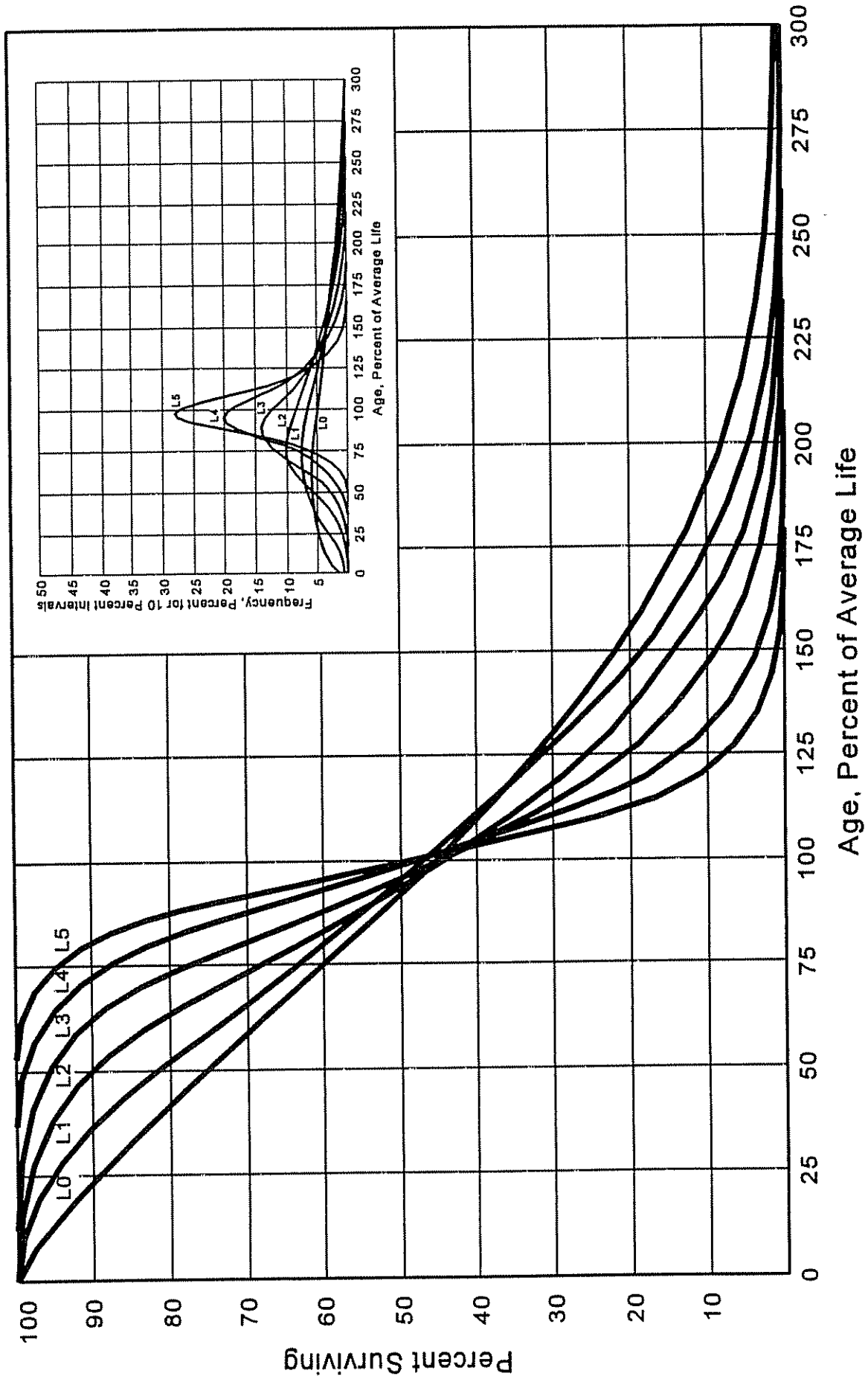


Figure 2. Left Modal or "L" Iowa Type Survivor Curves

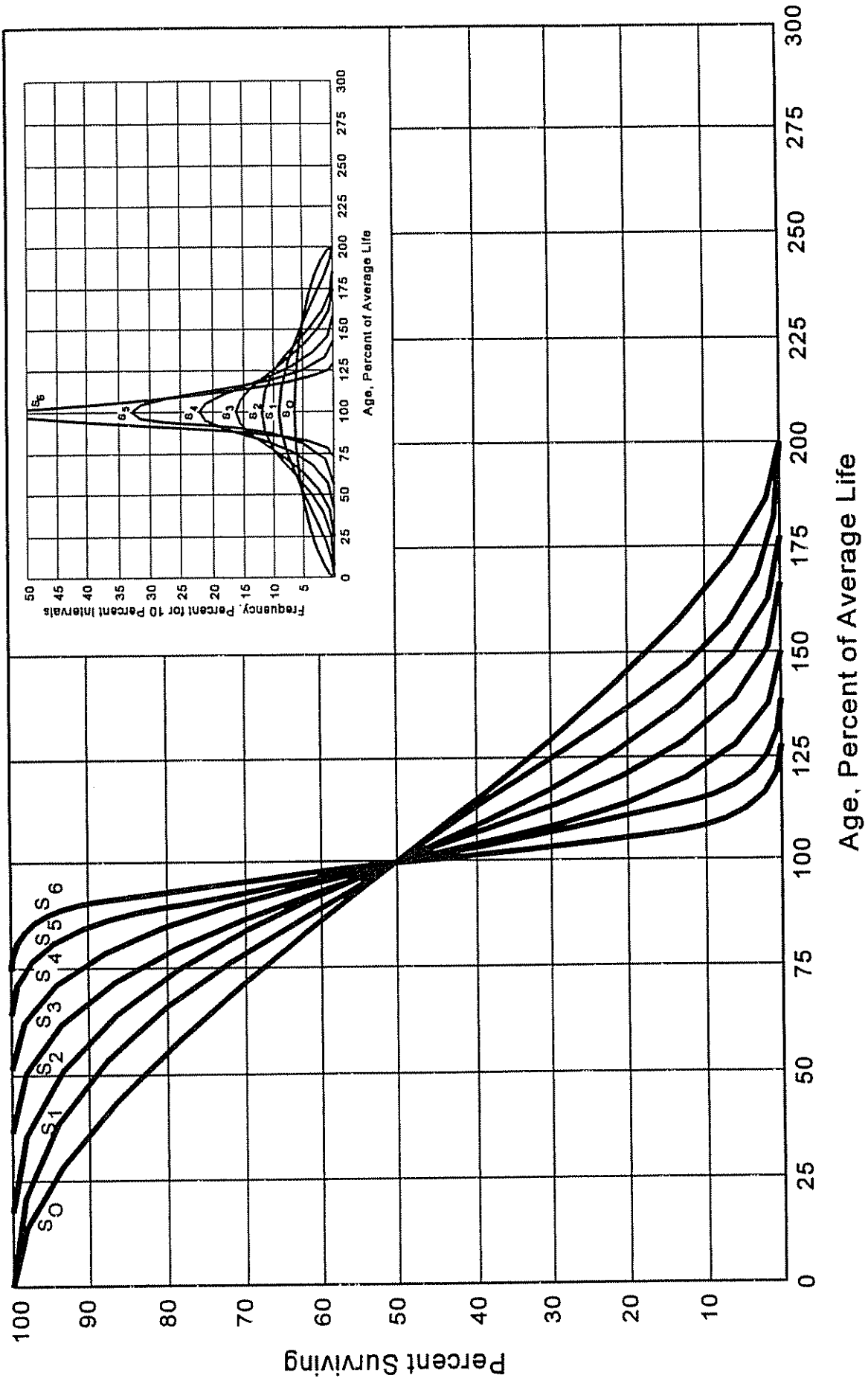


Figure 3. Symmetrical or "S" Iowa Type Survivor Curves

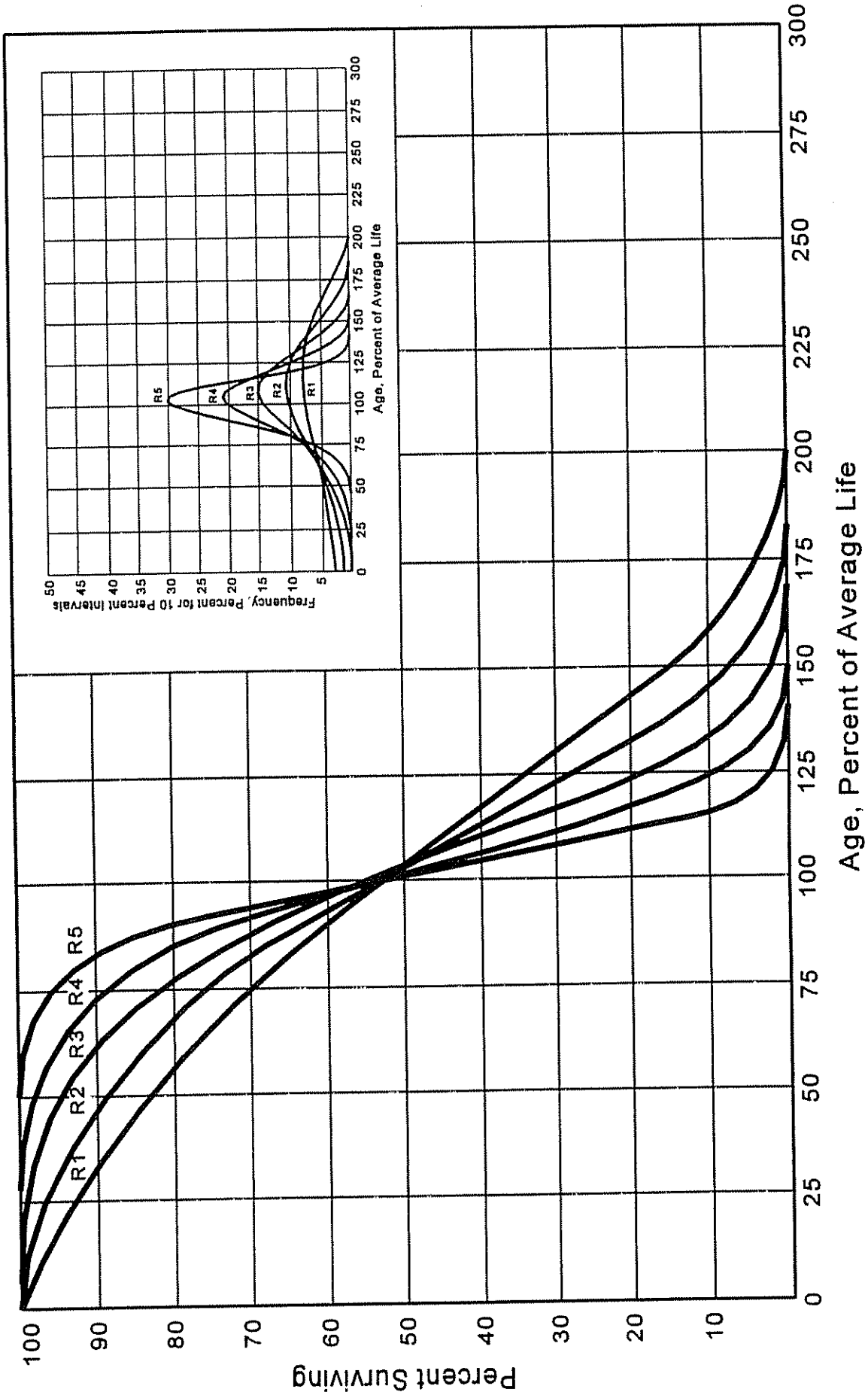


Figure 4. Right Modal or "R" Iowa Type Survivor Curves

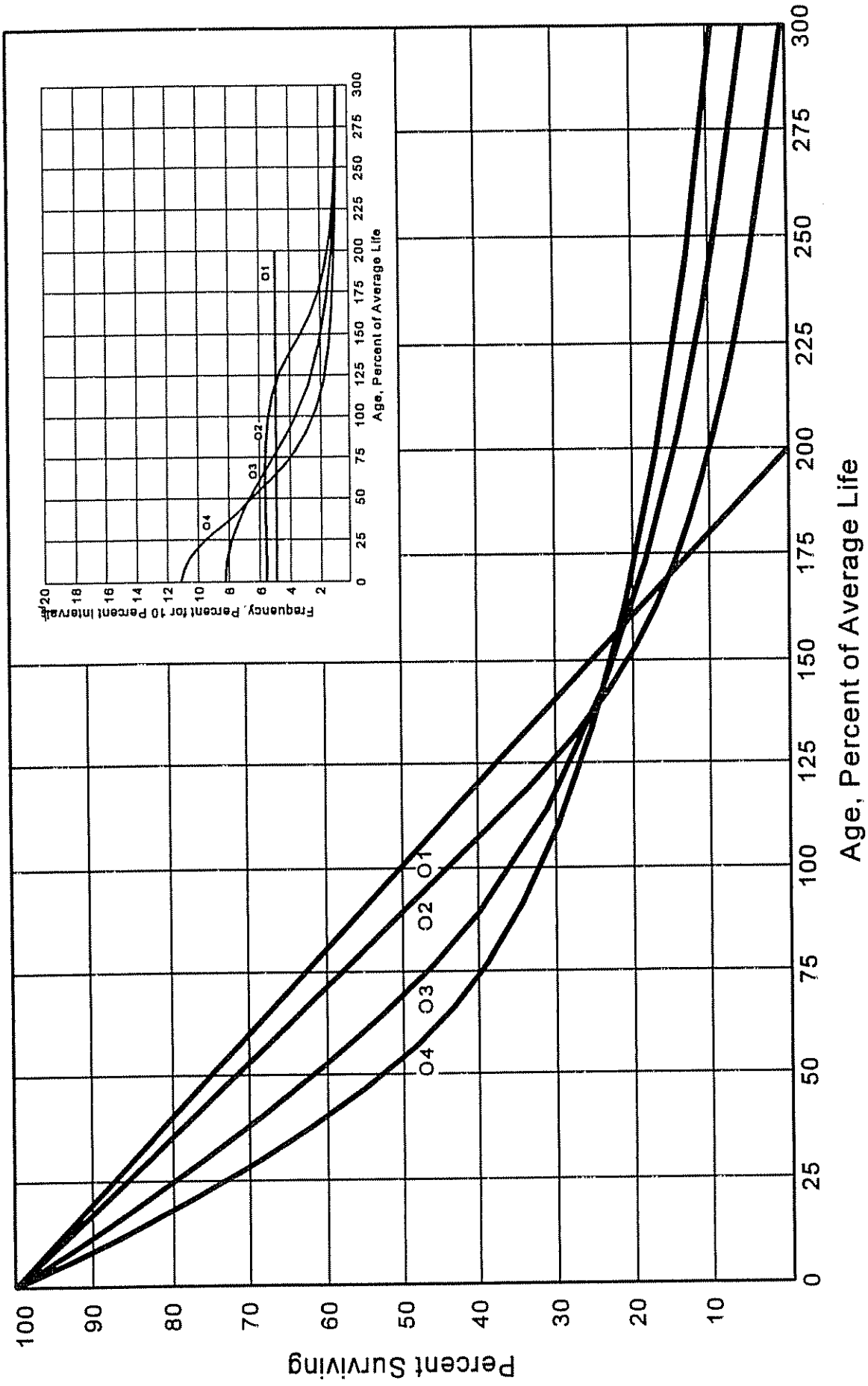


Figure 5. Origin Modal or "O" Iowa Type Survivor Curves

four families, was published in 1935 in the form of the Experiment Station's Bulletin 125<sup>1</sup>. These type curves have also been presented in subsequent Experiment Station bulletins and in the text, "Engineering Valuation and Depreciation"<sup>2</sup>. In 1957, Frank V. B. Couch, Jr., an Iowa State College graduate student, submitted a thesis<sup>3</sup> presenting his development of the fourth family consisting of the four O type survivor curves.

#### Retirement Rate Method of Analysis

The retirement rate method is an actuarial method of deriving survivor curves using the average rates at which property of each age group is retired. The method relates to property groups for which aged accounting experience is available or for which aged accounting experience is developed by statistically aging unaged amounts and is the method used to develop the original stub survivor curves in this study. The method (also known as the annual rate method) is illustrated through the use of an example in the following text, and is also explained in several publications, including "Statistical Analyses of Industrial Property Retirements,"<sup>4</sup> "Engineering Valuation and Depreciation"<sup>5</sup> and "Methods of Estimating Utility Plant Life".<sup>6</sup>

---

<sup>1</sup>Winfrey, Robley. Statistical Analyses of Industrial Property Retirements. Iowa State College, Engineering Experiment Station, Bulletin 125. 1935.

<sup>2</sup>Marston, Anson, Robley Winfrey and Jean C. Hempstead. Engineering Valuation and Depreciation, 2nd Edition. New York, McGraw-Hill Book Company. 1953.

<sup>3</sup>Couch, Frank V. B., Jr. "Classification of Type O Retirement Characteristics of Industrial Property." Unpublished M.S. thesis (Engineering Valuation). Library, Iowa State College, Ames, Iowa. 1957.

<sup>4</sup>Winfrey, Robley, Supra Note 1.

<sup>5</sup>Marston, Anson, Robley Winfrey, and Jean C. Hempstead, Supra Note 2.

<sup>6</sup>A Report of the Engineering Subcommittee of the Depreciation Accounting Committee, Edison Electric Institute. Publication No. 51-23. Published 1952.

The average rate of retirement used in the calculation of the percent surviving for the survivor curve (life table) requires two sets of data: first, the property retired during a period of observation, identified by the property's age at retirement; and second, the property exposed to retirement at the beginnings of the age intervals during the same period. The period of observation is referred to as the experience band, and the band of years which represent the installation dates of the property exposed to retirement during the experience band is referred to as the placement band. An example of the calculations used in the development of a life table based on the age at retirement in years follows. The example includes schedules of annual aged property transactions, a schedule of plant exposed to retirement, a life table and illustrations of smoothing the stub survivor curve.

Schedules of Annual Transactions in Plant Records. The property group used to illustrate the retirement rate method is observed for the experience band 1986-1995 during which there were placements during the years 1981-1995. In order to illustrate the summation of the aged data by age interval, the data were compiled in the manner presented in Tables 1 and 2 on pages II-11 and II-12. In Table 1, the year of installation (year placed) and the year of retirement are shown. The age interval during which a retirement occurred is determined from this information. In the example which follows, \$10,000 of the dollars invested in 1981 were retired in 1986. The \$10,000 retirement occurred during the age interval between 4½ and 5½ years on the basis that approximately one-half of the amount of property was installed prior to and subsequent to July 1 of each year. That is, on the average, property installed during a year is placed in service at the midpoint of the year for the purpose of the analysis. All retirements also are stated as

TABLE 1. RETIREMENTS FOR EACH YEAR 1985 -1994

SUMMARIZED BY AGE INTERVAL

Year	Retirements, Thousands of Dollars										Placement Band 1981-1995		
	1986	1987	1988	1989	1990	1991	1992	1993	1994	1995	Age Interval	Total During	Age
Placed	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	
1981	10	11	12	13	14	16	23	24	25	26	26	26	13½-14½
1982	11	12	13	15	16	18	20	21	22	19	44	44	12½-13½
1983	11	12	13	14	16	17	19	21	22	18	64	64	11½-12½
1984	8	9	10	11	11	13	14	15	16	17	83	83	10½-11½
1985	9	10	11	12	13	14	16	17	19	20	93	93	9½-10½
1986	4	9	10	11	12	13	14	15	16	20	105	105	8½-9½
1987	5	5	11	12	13	14	15	16	18	20	113	113	7½-8½
1988	6	6	6	12	13	15	16	17	19	19	124	124	6½-7½
1989	6	6	6	6	13	15	16	17	19	19	131	131	5½-6½
1990	7	7	7	7	7	14	16	17	19	20	143	143	4½-5½
1991	8	8	8	8	8	8	18	20	22	23	146	146	3½-4½
1992	9	9	9	9	9	9	9	20	22	25	150	150	2½-3½
1993	11	11	11	11	11	11	11	11	23	25	151	151	1½-2½
1994	11	11	11	11	11	11	11	11	11	24	153	153	½-1½
1995	13	13	13	13	13	13	13	13	13	13	80	80	0-½
Total	53	68	86	106	128	157	196	231	273	308	1,606	1,606	

TABLE 2. OTHER TRANSACTIONS FOR EACH YEAR 1985-1994  
SUMMARIZED BY AGE INTERVAL

Year Placed (1)	Experience Band 1986-1995										Placement Band 1981-1995		
	Acquisitions, Transfers, and Sales, Thousands of Dollars										Total During Age Interval (12)	Age Interval (13)	
	1986 (2)	1987 (3)	1988 (4)	1989 (5)	1990 (6)	1991 (7)	1992 (8)	1993 (9)	1994 (10)	1995 (11)			
1981	-	-	-	-	-	-	60a	-	-	-	-	-	13½-14½
1982	-	-	-	-	-	-	-	-	-	-	-	-	12½-13½
1983	-	-	-	-	-	-	-	-	-	-	-	-	11½-12½
1984	-	-	-	-	-	-	-	(5)b	-	-	60	-	10½-11½
1985	-	-	-	-	-	-	-	6 a	-	-	-	-	9½-10½
1986	-	-	-	-	-	-	-	-	-	-	(5)	-	8½-9½
1987	-	-	-	-	-	-	-	-	-	-	6	-	7½-8½
1988	-	-	-	-	-	-	-	-	-	-	-	-	6½-7½
1989	-	-	-	-	-	-	-	(12)b	-	-	-	-	5½-6½
1990	-	-	-	-	-	-	-	-	22a	-	-	-	4½-5½
1991	-	-	-	-	-	-	-	(19)b	-	-	10	-	3½-4½
1992	-	-	-	-	-	-	-	-	-	-	-	-	2½-3½
1993	-	-	-	-	-	-	-	-	-	(102)c	(121)	-	1½-2½
1994	-	-	-	-	-	-	-	-	-	-	-	-	½-1½
1995	-	-	-	-	-	-	-	-	-	-	-	-	0-½
Total	=	=	=	=	=	=	60	(30)	22	(102)	(50)		

a Transfer Affecting Exposures at Beginning of Year  
b Transfer Affecting Exposures at End of Year  
c Sale with Continued Use  
Parentheses denote Credit amount.



occurring at the midpoint of a one-year age interval of time, except the first age interval which encompasses only one-half year.

The total retirements occurring in each age interval in a band are determined by summing the amounts for each transaction year-installation year combination for that age interval. For example, the total of \$143,000 retired for age interval 4½-5½ is the sum of the retirements entered on Table 1 immediately above the stairstep line drawn on the table beginning with the 1986 retirements of 1981 installations and ending with the 1995 retirements of the 1990 installations. Thus, the total amount of 143 for age interval 4½-5½ equals the sum of:

$$10 + 12 + 13 + 11 + 13 + 13 + 15 + 17 + 19 + 20.$$

In Table 2, other transactions which affect the group are recorded in a similar manner. The entries illustrated include transfers and sales. The entries which are credits to the plant account are shown in parentheses. The items recorded on this schedule are not totaled with the retirements but are used in developing the exposures at the beginning of each age interval.

Schedule of Plant Exposed to Retirement. The development of the amount of plant exposed to retirement at the beginning of each age interval is illustrated in Table 3 on page II-14.

The surviving plant at the beginning of each year from 1986 through 1995 is recorded by year in the portion of the table headed "Annual Survivors at the Beginning of the Year". The last amount entered in each column is the amount of new plant added to the group during the year. The amounts entered in Table 3 for each successive year following the beginning balance or addition are obtained by adding or subtracting the net

TABLE 3. PLANT EXPOSED TO RETIREMENT  
 JANUARY 1 OF EACH YEAR 1986-1995  
 SUMMARIZED BY AGE INTERVAL

Year Placed	Exposures, Thousands of Dollars										Total at		Age Interval
	1986 (2)	1987 (3)	1988 (4)	1989 (5)	1990 (6)	1991 (7)	1992 (8)	1993 (9)	1994 (10)	1995 (11)	Beginning of Age Interval	(12)	
1981	255	245	234	222	209	195	239	216	192	167	167	167	13½-14½
1982	279	268	256	243	228	212	194	174	153	131	323	323	12½-13½
1983	307	296	284	271	257	241	224	205	184	162	531	531	11½-12½
1984	338	330	321	311	300	289	276	262	242	226	823	823	10½-11½
1985	376	367	357	346	334	321	307	297	280	261	1,097	1,097	9½-10½
1986	420 <sup>a</sup>	416	407	397	386	374	361	347	332	316	1,503	1,503	8½-9½
1987		460 <sup>a</sup>	455	444	432	419	405	390	374	356	1,952	1,952	7½-8½
1988			510 <sup>a</sup>	504	492	479	464	448	431	412	2,463	2,463	6½-7½
1989				580 <sup>a</sup>	574	561	546	530	501	482	3,057	3,057	5½-6½
1990					660 <sup>a</sup>	653	639	623	628	609	3,789	3,789	4½-5½
1991						750 <sup>a</sup>	742	724	685	663	4,332	4,332	3½-4½
1992							850 <sup>a</sup>	841	821	799	4,955	4,955	2½-3½
1993								960 <sup>a</sup>	949	926	5,719	5,719	1½-2½
1994									1,080 <sup>a</sup>	1,069	6,579	6,579	½-1½
1995										1,220 <sup>a</sup>	7,490	7,490	0-½
Total	1,975	2,382	2,824	3,318	3,872	4,494	5,247	6,017	6,852	7,799	44,780	44,780	

<sup>a</sup> Additions during the year.

entries shown on Tables 1 and 2. For the purpose of determining the plant exposed to retirement, transfers-in are considered as being exposed to retirement in this group at the beginning of the year in which they occurred, and the sales and transfers-out are considered to be removed from the plant exposed to retirement at the beginning of the following year. Thus, the amounts of plant shown at the beginning of each year are the amounts of plant from each placement year considered to be exposed to retirement at the beginning of each successive transaction year. For example, the exposures for the installation year 1990 are calculated in the following manner:

Exposures at age 0 = amount of addition	=	\$750,000
Exposures at age ½ = \$750,000 - \$ 8,000	=	\$742,000
Exposures at age 1½ = \$742,000 - \$18,000	=	\$724,000
Exposures at age 2½ = \$724,000 - \$20,000 - \$19,000	=	\$685,000
Exposures at age 3½ = \$685,000 - \$22,000	=	\$663,000

For the entire experience band 1986-1995, the total exposures at the beginning of an age interval are obtained by summing diagonally in a manner similar to the summing of the retirements during an age interval (Table 1). For example, the figure of 3,789, shown as the total exposures at the beginning of age interval 4½-5½, is obtained by summing:

$$255 + 268 + 284 + 311 + 334 + 374 + 405 + 448 + 501 + 609.$$

Original Life Table. The original life table, illustrated in Table 4 on page II-16, is developed from the totals shown on the schedules of retirements and exposures, Tables 1 and 3, respectively. The exposures at the beginning of the age interval are obtained from the corresponding age interval of the exposure schedule, and the retirements during the age interval are obtained from the corresponding age interval of the retirement schedule. The retirement ratio is the result of dividing the retirements during the age

TABLE 4. ORIGINAL LIFE TABLE  
CALCULATED BY THE RETIREMENT RATE METHOD

Experience Band 1986-1995

Placement Band 1981-1995

(Exposure and Retirement Amounts are in Thousands of Dollars)

<u>Age at Beginning of Interval</u> (1)	<u>Exposures at Beginning of Age Interval</u> (2)	<u>Retirements During Age Interval</u> (3)	<u>Retirement Ratio</u> (4)	<u>Survivor Ratio</u> (5)	<u>Percent Surviving at Beginning of Age Interval</u> (6)
0.0	7,490	80	0.0107	0.9893	100.00
0.5	6,579	153	0.0233	0.9767	98.93
1.5	5,719	151	0.0264	0.9736	96.62
2.5	4,955	150	0.0303	0.9697	94.07
3.5	4,332	146	0.0337	0.9663	91.22
4.5	3,789	143	0.0377	0.9623	88.15
5.5	3,057	131	0.0429	0.9571	84.83
6.5	2,463	124	0.0503	0.9497	81.19
7.5	1,952	113	0.0579	0.9421	77.11
8.5	1,503	105	0.0699	0.9301	72.65
9.5	1,097	93	0.0848	0.9152	67.57
10.5	823	83	0.1009	0.8991	61.84
11.5	531	64	0.1205	0.8795	55.60
12.5	323	44	0.1362	0.8638	48.90
13.5	<u>167</u>	<u>26</u>	0.1557	0.8443	42.24
					35.66
Total	<u>44,780</u>	<u>1,606</u>			

Column 2 from Table 3, Column 12, Plant Exposed to Retirement.

Column 3 from Table 1, Column 12, Retirements for Each Year.

Column 4 = Column 3 Divided by Column 2.

Column 5 = 1.0000 Minus Column 4.

Column 6 = Column 5 Multiplied by Column 6 as of the Preceding Age Interval.

interval by the exposures at the beginning of the age interval. The percent surviving at the beginning of each age interval is derived from survivor ratios, each of which equals one minus the retirement ratio. The percent surviving is developed by starting with 100% at age zero and successively multiplying the percent surviving at the beginning of each interval by the survivor ratio, i.e., one minus the retirement ratio for that age interval. The calculations necessary to determine the percent surviving at age 5½ are as follows:

Percent surviving at age 4½	=	88.15	
Exposures at age 4½	=	3,789,000	
Retirements from age 4½ to 5½	=	143,000	
Retirement Ratio	=	$143,000 \div 3,789,000$	= 0.0377
Survivor Ratio	=	$1.000 - 0.0377$	= 0.9623
Percent surviving at age 5½	=	$(88.15) \times (0.9623)$	= 84.83

The totals of the exposures and retirements (columns 2 and 3) are shown for the purpose of checking with the respective totals in Tables 1 and 3. The ratio of the total retirements to the total exposures, other than for each age interval, is meaningless.

The original survivor curve is plotted from the original life table (column 6, Table 4). When the curve terminates at a percent surviving greater than zero, it is called a stub survivor curve. Survivor curves developed from retirement rate studies generally are stub curves.

Smoothing the Original Survivor Curve. The smoothing of the original survivor curve eliminates any irregularities and serves as the basis for the preliminary extrapolation to zero percent surviving of the original stub curve. Even if the original survivor curve is complete from 100% to zero percent, it is desirable to eliminate any irregularities as there is still an extrapolation for the vintages which have not yet lived to the age at which the

curve reaches zero percent. In this study, the smoothing of the original curve with established type curves was used to eliminate irregularities in the original curve.

The lowa type curves are used in this study to smooth those original stub curves which are expressed as percents surviving at ages in years. Each original survivor curve was compared to the lowa curves using visual and mathematical matching in order to determine the better fitting smooth curves. In Figures 6, 7, and 8, the original curve developed in Table 4 is compared with the L, S, and R lowa type curves which most nearly fit the original survivor curve. In Figure 6, the L1 curve with an average life between 12 and 13 years appears to be the best fit. In Figure 7, the S0 type curve with a 12-year average life appears to be the best fit and appears to be better than the L1 fitting. In Figure 8, the R1 type curve with a 12-year average life appears to be the best fit and appears to be better than either the L1 or the S0. In Figure 9, the three fittings, 12-L1, 12-S0, and 12-R1 are drawn for comparison purposes. It is probable that the 12-R1 lowa curve would be selected as the most representative of the plotted survivor characteristics of the group, assuming no contrary relevant factors external to the analysis of historical data.

#### Simulated Plant Balance Method

The simulated plant balance method of life analysis is a statistical procedure by which experienced average service life and survivor characteristics are inferred through a series of approximations in which several average service life and survivor curve combinations are tested. The testing procedure consists of applying survivor ratios defined by the average service life and survivor curve combinations being tested to historical plant

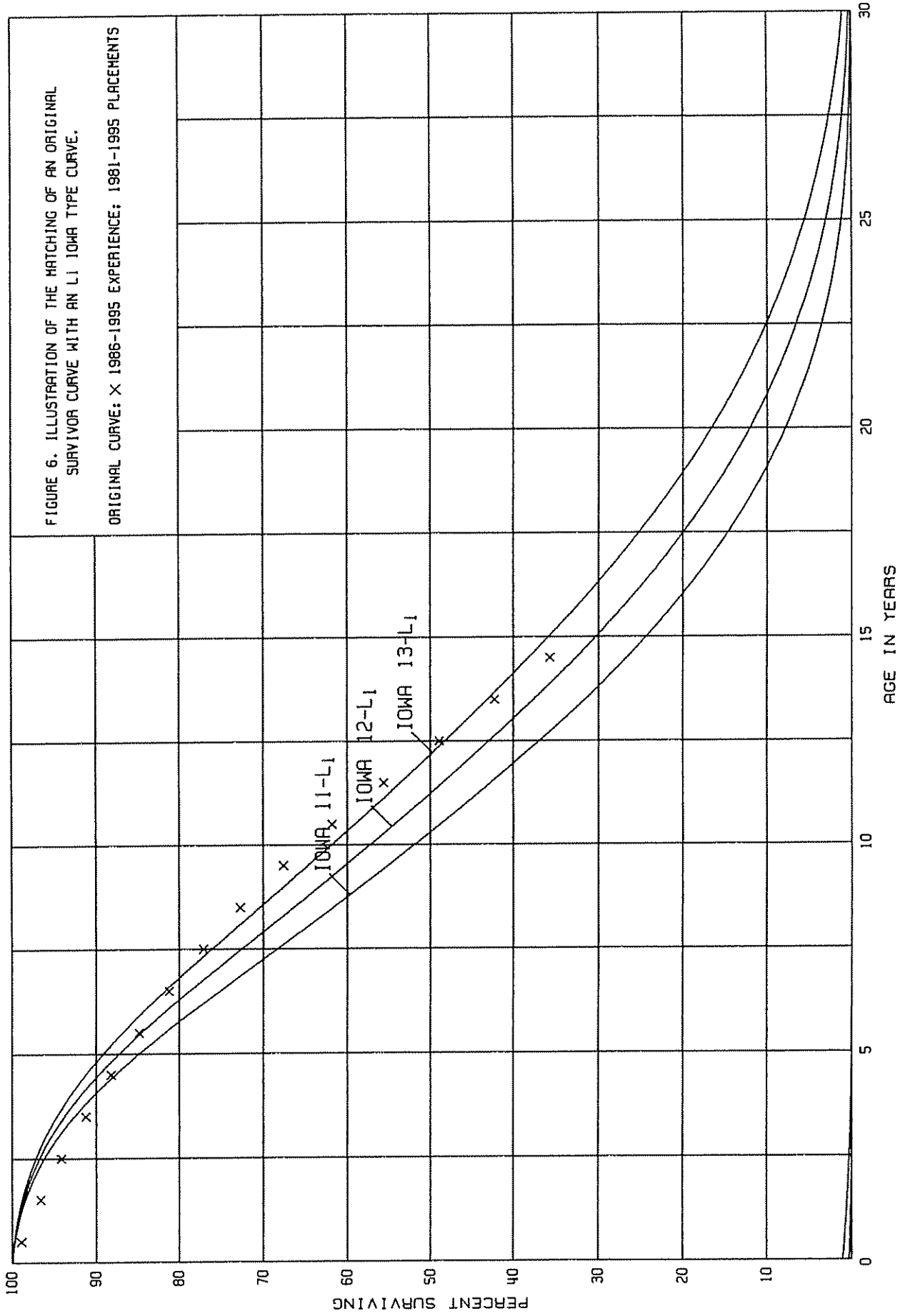
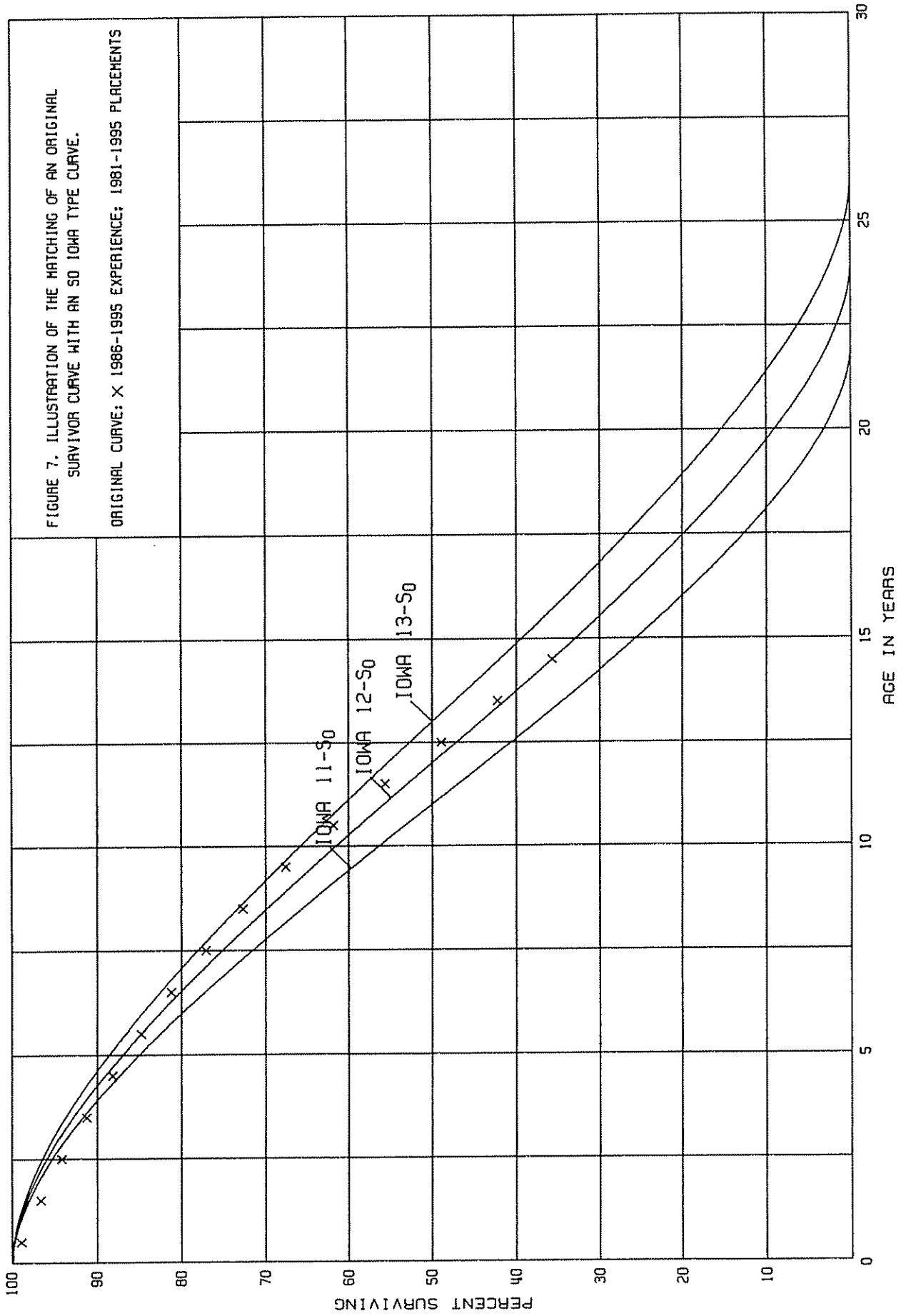
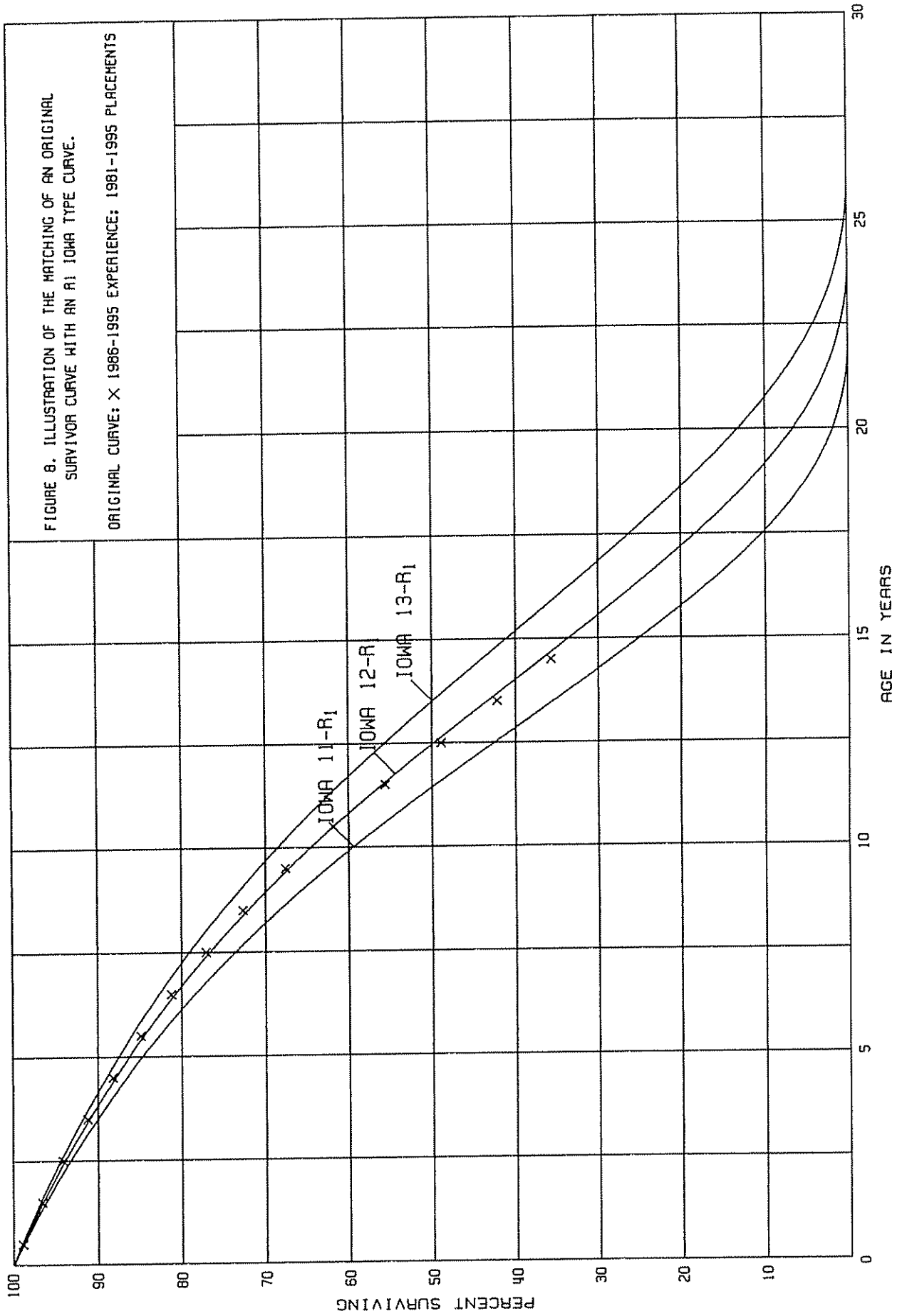


FIGURE 6. ILLUSTRATION OF THE MATCHING OF AN ORIGINAL SURVIVOR CURVE WITH AN L1 IOWA TYPE CURVE.  
ORIGINAL CURVE: X 1986-1995 EXPERIENCE: 1981-1995 PLACEMENTS







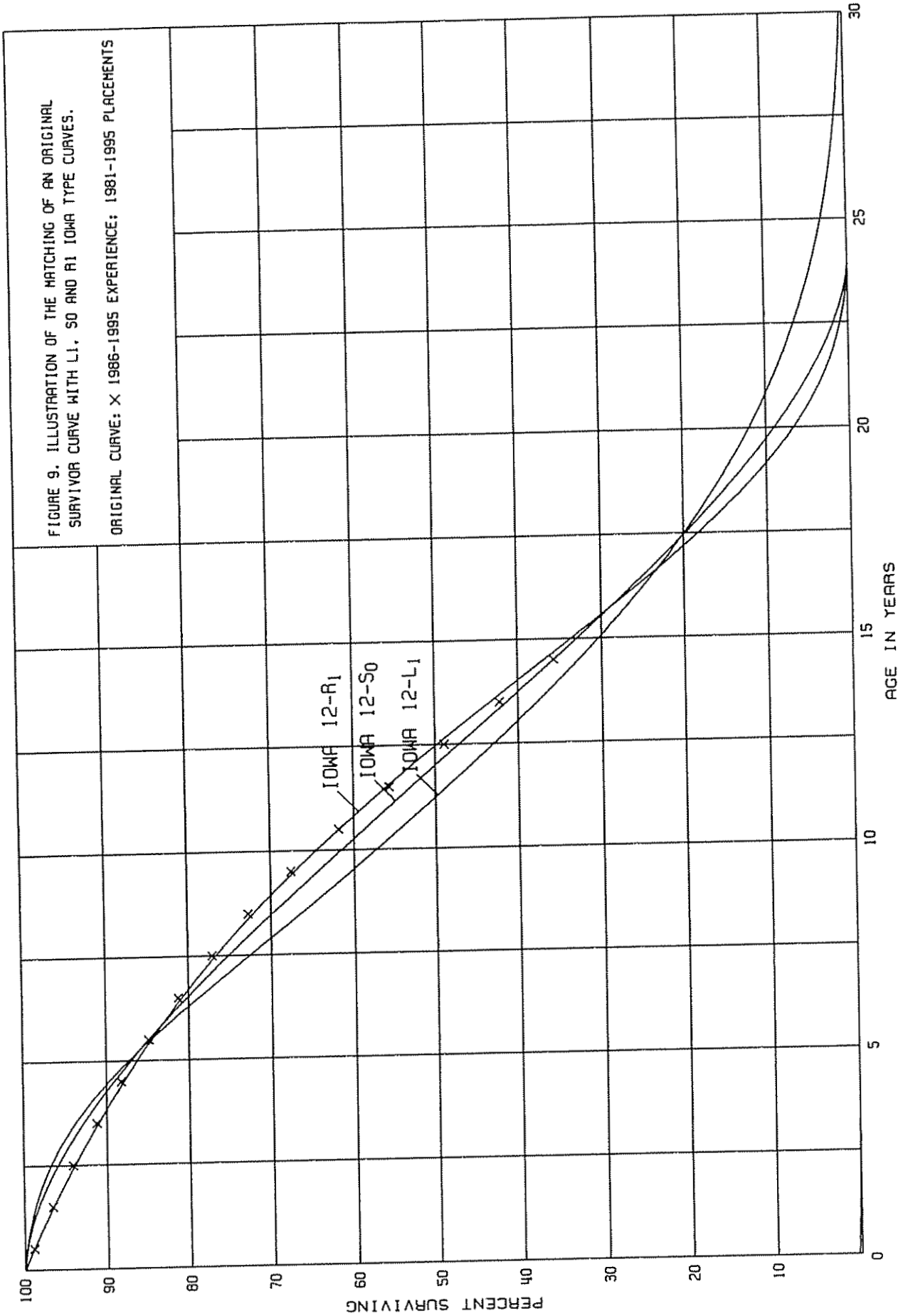


FIGURE 9. ILLUSTRATION OF THE MATCHING OF AN ORIGINAL SURVIVOR CURVE WITH L1, S0 AND R1 IOWA TYPE CURVES.

ORIGINAL CURVE: X 1986-1995 EXPERIENCE; 1981-1995 PLACEMENTS

additions and comparing the resulting calculated, or simulated, surviving balances with the *actual surviving balances*.

Each year-end book balance is the sum of the plant surviving from the original annual additions. Each calculated year-end balance is the sum of the simulated plant surviving from the same original annual additions. The simulated survivors are calculated for each vintage by multiplying the original additions by the percent surviving corresponding to the age of the vintage as of the date of the year-end balances being simulated. This procedure is repeated until a series of simulated balances are calculated. The balances are then compared with the book balances to determine which average service life and survivor curve combinations result in calculated balances most nearly simulating the progression of actual balances.

The simulated plant record method is presented in greater detail in the Edison Electric Institute's publication, "Methods of Estimating Utility Plant Life"<sup>7</sup>.

#### Computed Mortality Method

The computed mortality method of life analysis as used in this study is a procedure for statistically aging annual retirements of property and analyzing the statistically aged retirements by the retirement rate method. In this procedure, an aged plant balance is developed for the year prior to and for each test year during the given term of comparison. Each given balance is aged by a simulation procedure which applies a series of successive survivor curve trials using a specified Iowa type curve. The Iowa type survivor curve specified for each account is based on judgment incorporating the results of the simulated

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<sup>7</sup>Supra Note 6.

plant record analyses, a knowledge of the property, and the type curves estimated for the account in other electric companies. Each trial consists of constructing a specific survivor curve at one-year intervals beginning with age ½. From this curve, survivor ratios are computed and applied, by vintage, to the previous year's aged ending balance and the current test year's given gross addition. The resultant aged surviving balances also produce the aged retirements which are the differences between successive aged balances. The aged data are then analyzed by the retirement rate method as described above.

#### NET SALVAGE ANALYSIS

The statistical basis for the estimates of net salvage included a study of the amounts of gross salvage received and costs of removal incurred in connection with experienced retirements during the period 1980 through 1995. These data were available for each transaction year, but could not be identified by plant account within total distribution plant.

The estimates of net salvage by plant account were based on judgment which incorporated analyses of the available historical data, expectations with respect to future levels of removal costs and gross salvage, and considerations of other electric utilities' experience. The level of experienced negative net salvage for total distribution plant during the most recent five years, 1991 through 1995 was a significant factor in the estimation of net salvage percentages for the individual plant accounts.

## CALCULATION OF DEPRECIATION

The recommended annual depreciation rates were calculated as of December 31, 1995, based on electric distribution plant and the accumulated provision for depreciation (book reserve) balances as of that date, the straight line method of depreciation, the average service life procedure, and the average remaining life basis. Use of the remaining life basis recognizes the current status of the accumulated provision for depreciation and aims to allocate the previously unallocated service value over the remaining life.

Group Depreciation Procedures. A group procedure for depreciation is appropriate when considering more than a single item of property. Normally the items within a group do not have identical service lives, but have lives that are dispersed over a range of time. There are two primary group procedures, namely, average service life and equal life group.

In the average service life procedure, the rate of annual depreciation is based on the average life or average remaining life of the group, and this rate is applied to the surviving balance of the group's cost. A characteristic of this procedure is that the cost of plant retired prior to average life is not fully recouped at the time of retirement, whereas the cost of plant retired subsequent to average life is more than fully recouped. Over the entire life cycle, the portion of cost not recouped prior to average life is balanced by the cost recouped subsequent to average life.

Remaining Life Annual Accruals. For the purpose of calculating remaining life accrual rates as of December 31, 1995, the estimated book depreciation reserve for total distribution plant is allocated among the depreciable plant accounts in proportion to the calculated accrued depreciation for each account. The detailed calculations that support

the calculated accrued depreciation and average remaining life for each account are set forth in the Results of Study section of the report.

In the average service life procedure, the remaining life annual accrual for each account is determined by dividing future book accruals (original cost less book accumulated depreciation less future net salvage) by the average remaining life of the account. The average remaining life is a directly weighted average derived from the estimated future survivor curve in accordance with the average service life procedure.

The calculated accrued depreciation, used to allocate the book depreciation reserve among plant accounts, represents that portion of the depreciable cost of the group which would not be allocated to expense through future whole life depreciation accruals if current forecasts of life characteristics are used as the basis for such accruals. The accrued depreciation calculation consists of applying an appropriate ratio to the surviving original cost of each vintage of each account, based upon the attained age and service life. The straight line accrued depreciation ratios are calculated as follows for the average service life procedure:

$$\text{Ratio} = \left( 1 - \frac{\text{Average Remaining Life}}{\text{Average Service Life}} \right) (1 - \text{Net Salvage}).$$

## PART III. RESULTS OF STUDY

### SUMMARY OF RESULTS

The estimates of survivor curves and net salvage and the determination of remaining life depreciation accrual rates are the principal results of the depreciation study. *The survivor curve and net salvage estimates and the derived annual depreciation accrual rates are set forth in Schedule 1, "Summary of Service Life and Net Salvage Estimates and Calculated Remaining Life Annual Accruals Related to Original Cost at December 31, 1995," on page III-4. Schedule 2 on page III-5 presents a comparison of existing and proposed depreciation accrual rates and amounts as of December 31, 1995. Schedule 3 on page III-6 presents the allocation of total distribution plant book accumulated depreciation to each account in proportion to the calculated accrued depreciation.*

### QUALIFICATION OF RESULTS

The calculated annual and accrued depreciation presented in this report are based on the surviving original cost of electric plant in service at December 31, 1995. Continued *surveillance and periodic revisions are normally required to maintain continued use of appropriate annual depreciation accrual rates. An assumption that accrual rates can remain unchanged over a long period of time implies a disregard for the inherent variability in service lives and net salvage and for the change of the composition of property in service. The composite remaining life and the accrued depreciation for each account were calculated in accordance with the straight line average service life method of depreciation based on estimates which reflect considerations of current historical evidence and expected future conditions.*

## DESCRIPTION OF STATISTICAL SUPPORT

The service life and net salvage estimates were based on judgment which incorporated statistical analyses of retirement data, discussions with management, previous estimates used by Owen Electric Cooperative, Inc., and consideration of estimates made for other electric utilities. The results of the statistical analyses of service life for distribution plant are presented in the section beginning on page III-7. The results of the salvage analyses for distribution plant are presented in the section beginning on page III-26.

The estimated survivor curves for each account are presented in graphical form. The charts depict the estimated smooth survivor curve and original survivor curve(s) related to each account. For accounts where the original survivor curve was plotted, the calculation of the original life table is also presented.

The salvage analyses for distribution plant present the total distribution plant original cost retired, cost of removal, gross salvage and net salvage for the period 1980 through 1995. Each amount is expressed as a percent of the retirement amount. Three-year moving averages and the average for the most recent five-year period, 1991-1995, also are presented. The graph on page III-28 presents the annual percentages for each component of net salvage.



## DESCRIPTION OF DEPRECIATION TABULATIONS

The tables of the calculated accrued depreciation are presented in account sequence on pages III-29 through III-43. The tables indicate the estimated survivor curve and net salvage percent for the account and set forth, for each installation year, the original cost, the average service life, the average remaining life or expectancy, and the calculated accrued depreciation factor and amount.

The tables of composite remaining lives are presented in account sequence on pages III-44 through III-57. The tables indicate the estimated survivor curve and net salvage percent for the account and set forth, for each installation year, the original cost, average service life, whole life annual accrual rate and amount, average remaining life, and the future accruals factor and amount. The composite remaining life at the end of each tabulation is the summation of the future accruals divided by the summation of the whole life annual accrual and is brought forward to column 7 of Schedule I on page III-4. The whole life annual accrual rates and amounts presented in these tables are required for the direct weighting of the remaining lives by installation year. Such rates are not the recommended annual depreciation accrual rates for Owen Electric Cooperative, Inc. as of December 31, 1995.

**OWEN ELECTRIC COOPERATIVE, INC.**

**Schedule 1. Summary of Service Life and Net Salvage Estimates and Calculated Remaining Life Annual Accruals  
Related to Original Cost at December 31, 1995**

(1) Account	(2) Survivor Curve	(3) Net Salvage Percent	(4) Original Cost at 12/31/95	(5) Book Accumulated Depreciation	(6) Future Accruals	(7) Composite Remaining Life	(8) Calculated Annual Accrual	
							Amount (8)=(6)/(7)	Rate (9)=(8)/(4)
364 Poles, Towers and Fixtures	44-R0.5	(95)	25,847,558	4,765,174	45,637,564	37.53	1,216,029	4.70
365 Overhead Conductors and Devices	37-L2	(75)	17,198,910	4,821,507	25,276,586	27.74	911,196	5.30
367 Underground Conductors and Devices	25-R3	(20)	7,333,297	942,611	7,857,345	20.80	377,757	5.15
368 Line Transformers	37-R1.5	0	11,838,328	1,654,560	10,183,768	28.93	352,014	2.97
369 Services	36-R0.5	(85)	5,057,337	962,452	8,393,621	30.17	278,211	5.50
370 Meters	33-R3	0	2,068,734	416,775	1,651,959	22.59	73,128	3.53
371 Install. on Customers' Premises	28-R1	(35)	1,762,636	355,524	2,024,035	21.45	94,361	5.35
373 Street Lighting	28-R1	(35)	36,794	7,128	42,544	21.71	1,960	5.33
<b>Total Electric Distribution Plant</b>			<b>71,143,594</b>	<b>13,925,731</b>	<b>101,067,422</b>		<b>3,304,655</b>	<b>4.65</b>

OWEN ELECTRIC COOPERATIVE, INC.

Schedule 2. Comparison of Proposed and Existing Depreciation Accrual Rates and Amounts as of December 31, 1995

Account (1)	Original Cost (2)	Proposed Estimates			Existing Estimates			Change in Annual Accrual Increase / (Decrease) (11) = (6)-(10)
		Survivor Curve (3)	Net Salvage Percent (4)	Calculated Annual Remaining Life Accrual Rate (5)	Survivor Curve (7)	Net Salvage Percent (8)	Annual Accrual per Books Amount (10) = (2)*(9)	
364 Poles, Towers and Fixtures	25,847,558	44-R0.5	(95)	4.70	43-L0	(90)	4.42	1,142,462
365 Overhead Conductors and Devices	17,198,910	37-L2	(75)	5.30	38-L1	(50)	3.95	679,357
367 Underground Conductors and Devices	7,333,297	25-R3	(20)	5.15	21-S2	(20)	5.71	418,731
368 Line Transformers	11,838,328	37-R1.5	0	2.97	42-R0.5	0	2.38	281,752
369 Services	5,057,337	36-R0.5	(65)	5.50	34-L0	(80)	5.29	267,533
370 Meters	2,068,734	33-R3	0	3.53	34-R3	0	2.94	60,821
371 Installations on Customers' Premises	1,762,636	28-R1	(35)	5.35	27-R1	(35)	5.00	88,132
373 Street Lighting	36,794	28-R1	(35)	5.33	27-R1	(35)	5.00	1,840
<b>Total Electric Distribution Plant</b>	<b>71,143,594</b>						<b>4.13</b>	<b>2,940,628</b>
Amortization of Book Accumulated Depreciation Variance								205,474
<b>Grand Total</b>	<b>71,143,594</b>			<b>4.65</b>			<b>4.42</b>	<b>3,146,102</b>
								<b>158,553</b>

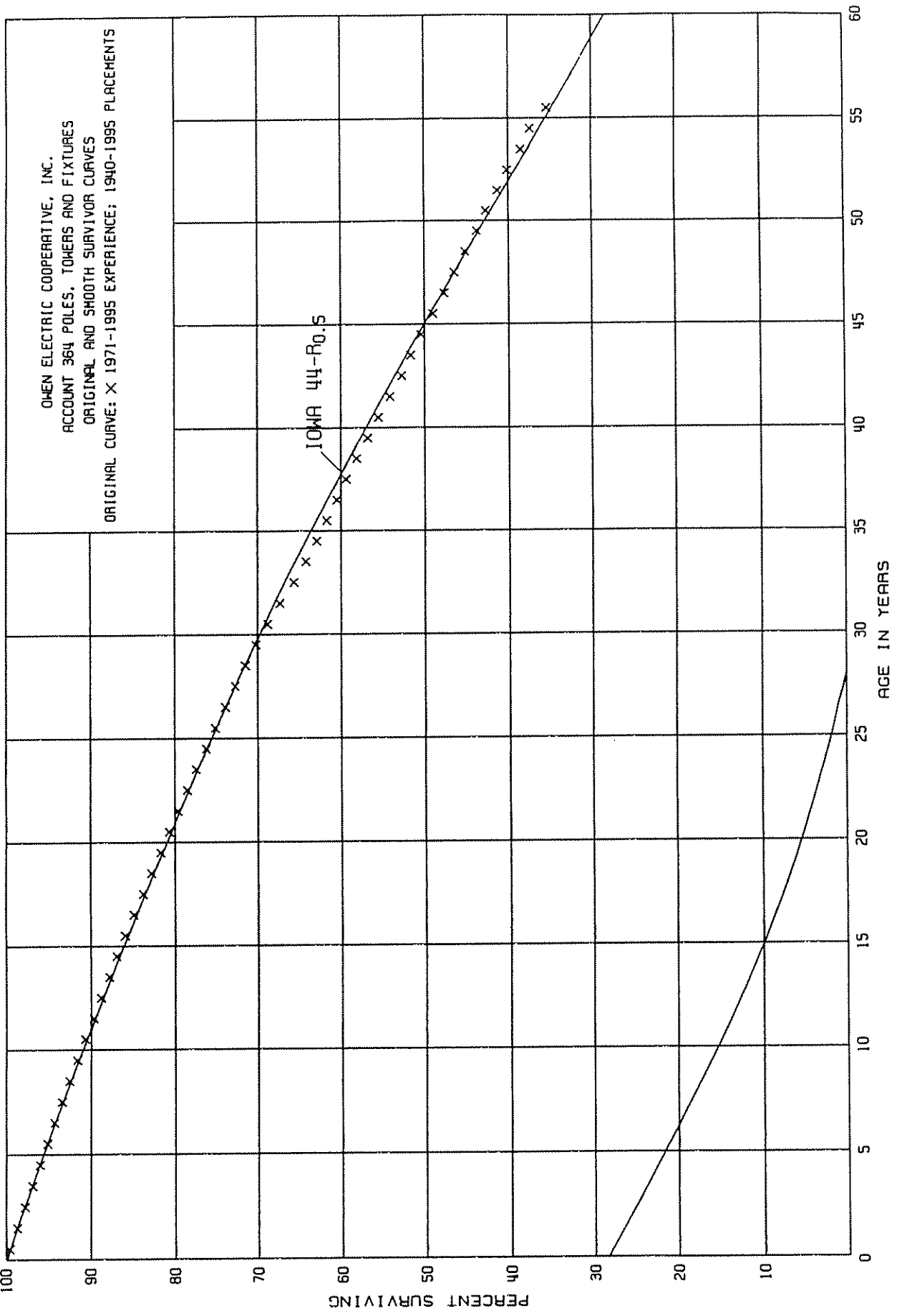
**OWEN ELECTRIC COOPERATIVE, INC.**

**Schedule 3. Allocation of Book Accumulated Depreciation from the Functional Level to the Account Level  
in Proportion to the Calculated Accrued Depreciation**

	(1) Account	(2) Original Cost at 12/31/95	(3) Survivor Curve	(4) Net Salvage Percent	(5) Calculated Accrued Depreciation		(6) Total		(7) Book Accumulated Depreciation at 12/31/95		(8) Total
					Amount	Percent of Total	Amount	Percent of Total	Amount	Percent of Total	
364	Poles, Towers and Fixtures	25,847,558	44-R0.5	(95)	7,464,898	34.22	4,765,174	34.22	4,765,174	34.22	34.22
365	Overhead Conductors and Devices	17,198,910	37-L2	(75)	7,553,151	34.62	4,821,507	34.62	4,821,507	34.62	34.62
367	Underground Conductors and Devices	7,333,297	25-R3	(20)	1,476,650	6.77	942,611	6.77	942,611	6.77	6.77
368	Line Transformers	11,838,328	37-R1.5	0	2,591,957	11.88	1,654,560	11.88	1,654,560	11.88	11.88
369	Services	5,057,337	36-R0.5	(85)	1,507,732	6.91	962,452	6.91	962,452	6.91	6.91
370	Meters	2,068,734	33-R3	0	652,900	2.99	416,775	2.99	416,775	2.99	2.99
371	Install. on Customers' Premises	1,762,636	28-R1	(35)	556,949	2.56	355,524	2.56	355,524	2.56	2.56
373	Street Lighting	36,794	28-R1	(35)	11,169	0.05	7,128	0.05	7,128	0.05	0.05
<b>Total Electric Distribution Plant</b>		<b>71,143,594</b>			<b>21,815,406</b>	<b>100.00</b>	<b>13,925,731</b>	<b>100.00</b>	<b>13,925,731</b>	<b>100.00</b>	<b>100.00</b>

III-7

## SERVICE LIFE STATISTICS



OWEN ELECTRIC COOPERATIVE, INC.

ACCOUNT 364 POLES, TOWERS AND FIXTURES

ORIGINAL LIFE TABLE

PLACEMENT BAND 1940-1995			EXPERIENCE BAND 1971-1995		
AGE AT BEGIN OF INTERVAL	EXPOSURES AT BEGINNING OF AGE INTERVAL	RETIREMENTS DURING AGE INTERVAL	RETMT RATIO	SURV RATIO	PCT SURV BEGIN OF INTERVAL
0.0	25,845,354	114,670	0.0044	0.9956	100.00
0.5	23,685,655	210,822	0.0089	0.9911	99.56
1.5	22,026,867	197,331	0.0090	0.9910	98.67
2.5	20,599,660	185,658	0.0090	0.9910	97.78
3.5	18,975,385	173,121	0.0091	0.9909	96.90
4.5	17,352,839	159,298	0.0092	0.9908	96.02
5.5	16,088,936	148,995	0.0093	0.9907	95.14
6.5	14,859,482	139,574	0.0094	0.9906	94.26
7.5	13,701,278	129,907	0.0095	0.9905	93.37
8.5	12,609,304	122,278	0.0097	0.9903	92.48
9.5	11,613,884	116,073	0.0100	0.9900	91.58
10.5	10,835,324	111,899	0.0103	0.9897	90.66
11.5	9,975,824	103,761	0.0104	0.9896	89.73
12.5	9,124,651	98,920	0.0108	0.9892	88.80
13.5	7,999,143	89,388	0.0112	0.9888	87.84
14.5	6,803,117	79,161	0.0116	0.9884	86.86
15.5	5,557,666	64,177	0.0115	0.9885	85.85
16.5	4,761,765	58,365	0.0123	0.9877	84.86
17.5	4,172,897	52,655	0.0126	0.9874	83.82
18.5	3,649,409	46,404	0.0127	0.9873	82.76
19.5	3,244,092	41,631	0.0128	0.9872	81.71
20.5	3,203,041	42,951	0.0134	0.9866	80.66
21.5	3,080,823	43,073	0.0140	0.9860	79.58
22.5	2,890,370	41,142	0.0142	0.9858	78.47
23.5	2,706,823	40,747	0.0151	0.9849	77.36
24.5	2,503,883	37,150	0.0148	0.9852	76.19
25.5	2,314,642	34,737	0.0150	0.9850	75.06
26.5	2,092,306	34,067	0.0163	0.9837	73.93
27.5	1,940,067	34,018	0.0175	0.9825	72.72
28.5	1,710,633	29,636	0.0173	0.9827	71.45
29.5	1,650,720	33,810	0.0205	0.9795	70.21
30.5	1,550,863	34,223	0.0221	0.9779	68.77
31.5	1,379,057	33,572	0.0243	0.9757	67.25
32.5	1,226,038	26,759	0.0218	0.9782	65.62
33.5	1,114,211	22,558	0.0202	0.9798	64.19
34.5	1,074,661	20,697	0.0193	0.9807	62.89
35.5	959,545	17,953	0.0187	0.9813	61.68
36.5	813,186	14,791	0.0182	0.9818	60.53
37.5	760,585	16,498	0.0217	0.9783	59.43
38.5	706,591	15,944	0.0226	0.9774	58.14

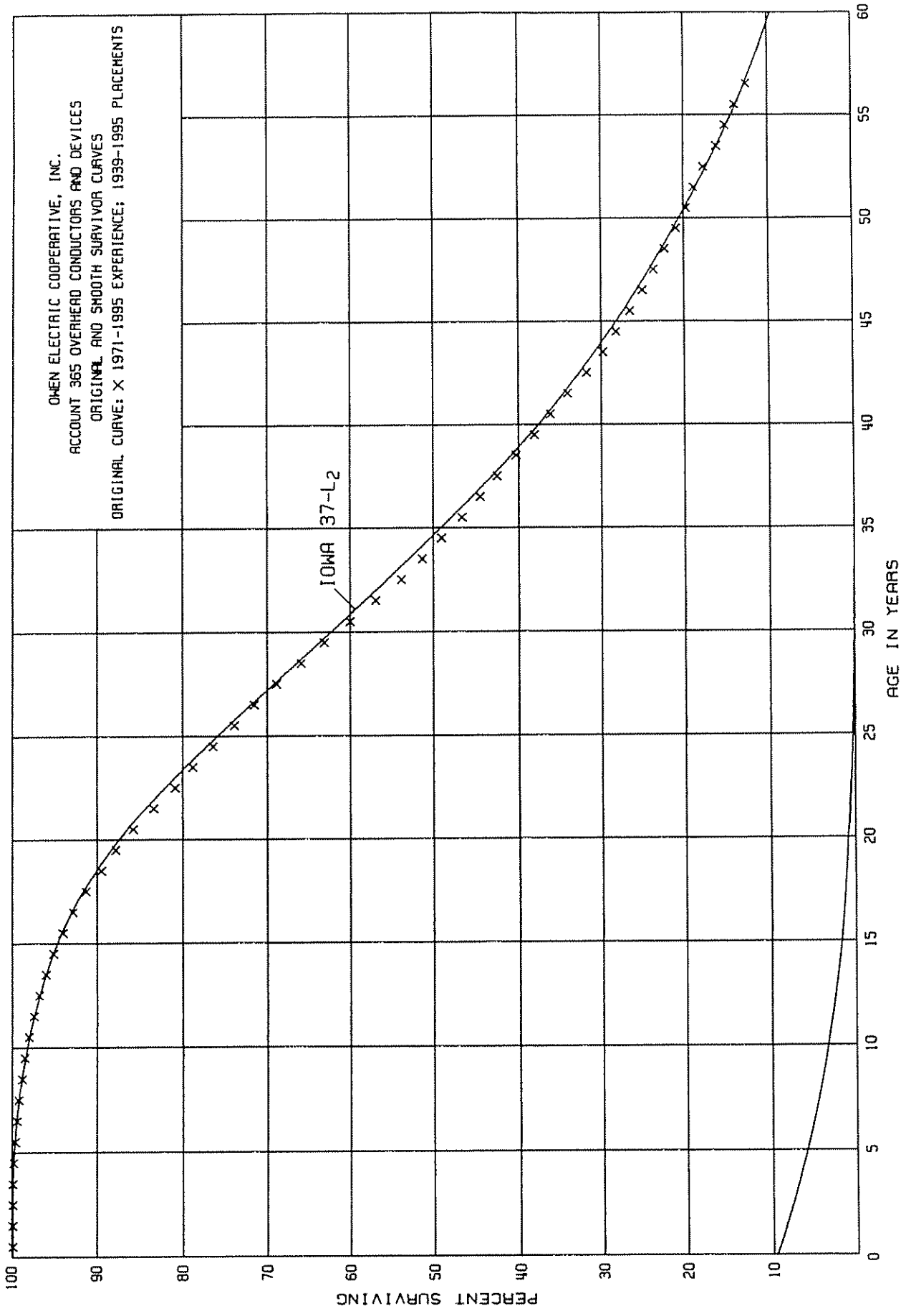
OWEN ELECTRIC COOPERATIVE, INC.

ACCOUNT 364 POLES, TOWERS AND FIXTURES

ORIGINAL LIFE TABLE, CONT.

PLACEMENT BAND 1940-1995			EXPERIENCE BAND 1971-1995		
AGE AT BEGIN OF INTERVAL	EXPOSURES AT BEGINNING OF AGE INTERVAL	RETIREMENTS DURING AGE INTERVAL	RETMT RATIO	SURV RATIO	PCT SURV BEGIN OF INTERVAL
39.5	628,888	15,264	0.0243	0.9757	56.83
40.5	578,522	14,135	0.0244	0.9756	55.45
41.5	547,137	14,185	0.0259	0.9741	54.10
42.5	480,462	10,151	0.0211	0.9789	52.70
43.5	417,549	9,715	0.0233	0.9767	51.59
44.5	381,852	10,559	0.0277	0.9723	50.39
45.5	215,604	5,701	0.0264	0.9736	48.99
46.5	148,777	3,746	0.0252	0.9748	47.70
47.5	110,494	3,205	0.0290	0.9710	46.50
48.5	59,980	1,784	0.0297	0.9703	45.15
49.5	58,196	1,535	0.0264	0.9736	43.81
50.5	56,661	1,803	0.0318	0.9682	42.65
51.5	54,183	1,615	0.0298	0.9702	41.29
52.5	51,105	1,989	0.0389	0.9611	40.06
53.5	21,292	621	0.0292	0.9708	38.50
54.5	19,375	1,048	0.0541	0.9459	37.38
55.5					35.36





OWEN ELECTRIC COOPERATIVE, INC.

ACCOUNT 365 OVERHEAD CONDUCTORS AND DEVICES

ORIGINAL LIFE TABLE

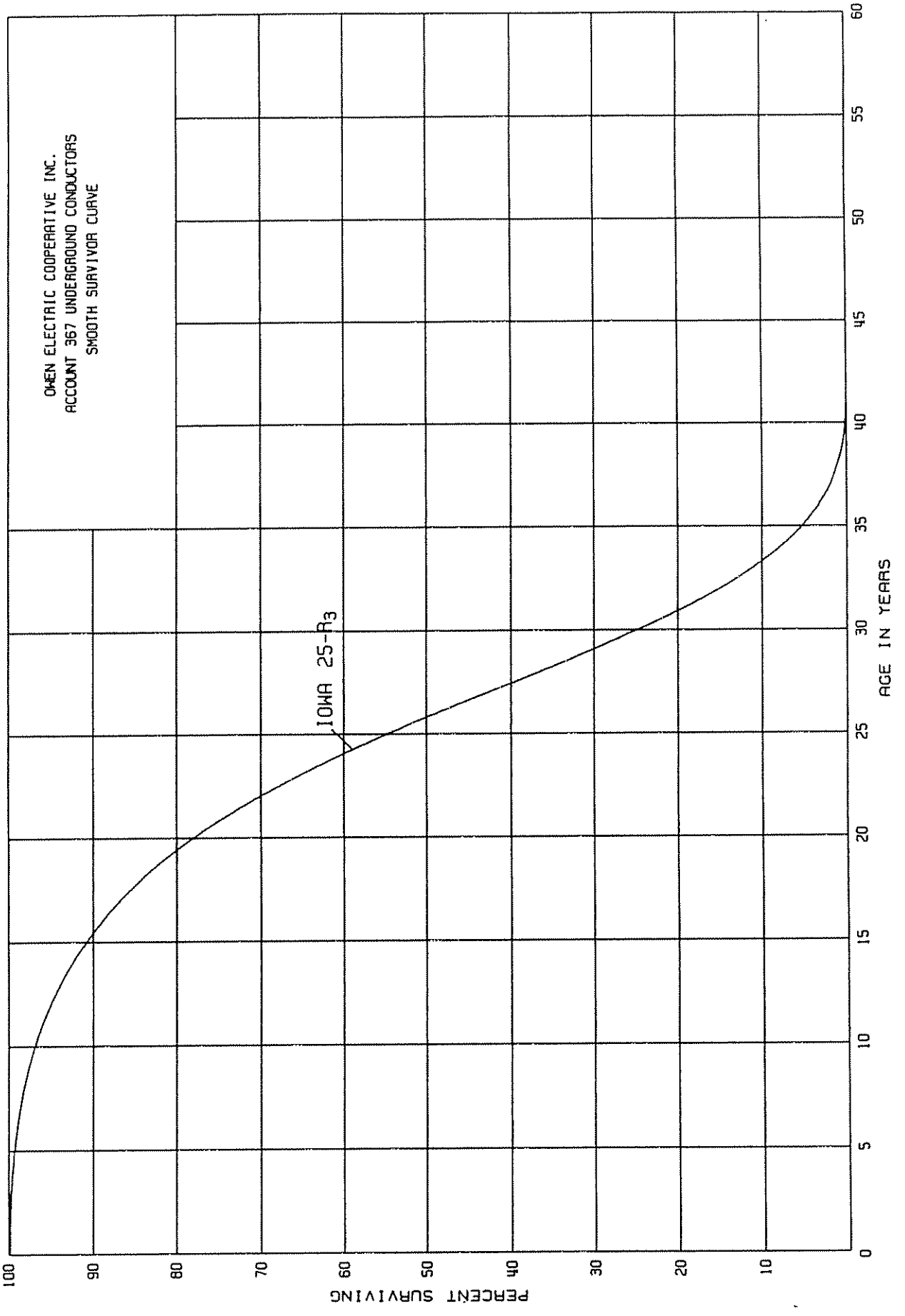
PLACEMENT BAND 1939-1995			EXPERIENCE BAND 1971-1995		
AGE AT BEGIN OF INTERVAL	EXPOSURES AT BEGINNING OF AGE INTERVAL	RETIREMENTS DURING AGE INTERVAL	RETMT RATIO	SURV RATIO	PCT SURV BEGIN OF INTERVAL
0.0	16,536,902	99	0.0000	1.0000	100.00
0.5	15,367,670	1,566	0.0001	0.9999	100.00
1.5	14,367,842	4,794	0.0003	0.9997	99.99
2.5	13,598,098	8,972	0.0007	0.9993	99.96
3.5	12,162,511	13,366	0.0011	0.9989	99.89
4.5	11,086,775	17,123	0.0015	0.9985	99.78
5.5	10,506,352	21,933	0.0021	0.9979	99.63
6.5	9,863,506	26,553	0.0027	0.9973	99.42
7.5	9,274,719	29,591	0.0032	0.9968	99.15
8.5	8,659,638	32,112	0.0037	0.9963	98.83
9.5	8,171,405	38,010	0.0047	0.9953	98.46
10.5	8,024,895	46,472	0.0058	0.9942	98.00
11.5	7,577,400	50,290	0.0066	0.9934	97.43
12.5	7,199,644	57,464	0.0080	0.9920	96.79
13.5	6,255,982	60,832	0.0097	0.9903	96.02
14.5	5,258,759	61,854	0.0118	0.9882	95.09
15.5	4,078,872	51,601	0.0127	0.9873	93.97
16.5	3,588,881	59,042	0.0165	0.9835	92.78
17.5	3,124,861	59,942	0.0192	0.9808	91.25
18.5	2,753,135	53,757	0.0195	0.9805	89.50
19.5	2,515,862	58,279	0.0232	0.9768	87.75
20.5	2,491,771	67,974	0.0273	0.9727	85.71
21.5	2,333,478	68,358	0.0293	0.9707	83.37
22.5	2,172,160	57,798	0.0266	0.9734	80.93
23.5	2,088,708	63,901	0.0306	0.9694	78.78
24.5	1,938,342	62,296	0.0321	0.9679	76.37
25.5	1,794,833	59,128	0.0329	0.9671	73.92
26.5	1,638,258	59,941	0.0366	0.9634	71.49
27.5	1,531,824	66,964	0.0437	0.9563	68.87
28.5	1,398,272	59,664	0.0427	0.9573	65.86
29.5	1,302,412	62,243	0.0478	0.9522	63.05
30.5	1,173,825	61,156	0.0521	0.9479	60.04
31.5	1,127,712	61,333	0.0544	0.9456	56.91
32.5	993,053	46,185	0.0465	0.9535	53.81
33.5	910,537	41,623	0.0457	0.9543	51.31
34.5	863,082	40,979	0.0475	0.9525	48.97
35.5	696,019	32,115	0.0461	0.9539	46.64
36.5	591,091	26,338	0.0446	0.9554	44.49
37.5	537,440	27,989	0.0521	0.9479	42.51
38.5	498,259	26,845	0.0539	0.9461	40.30

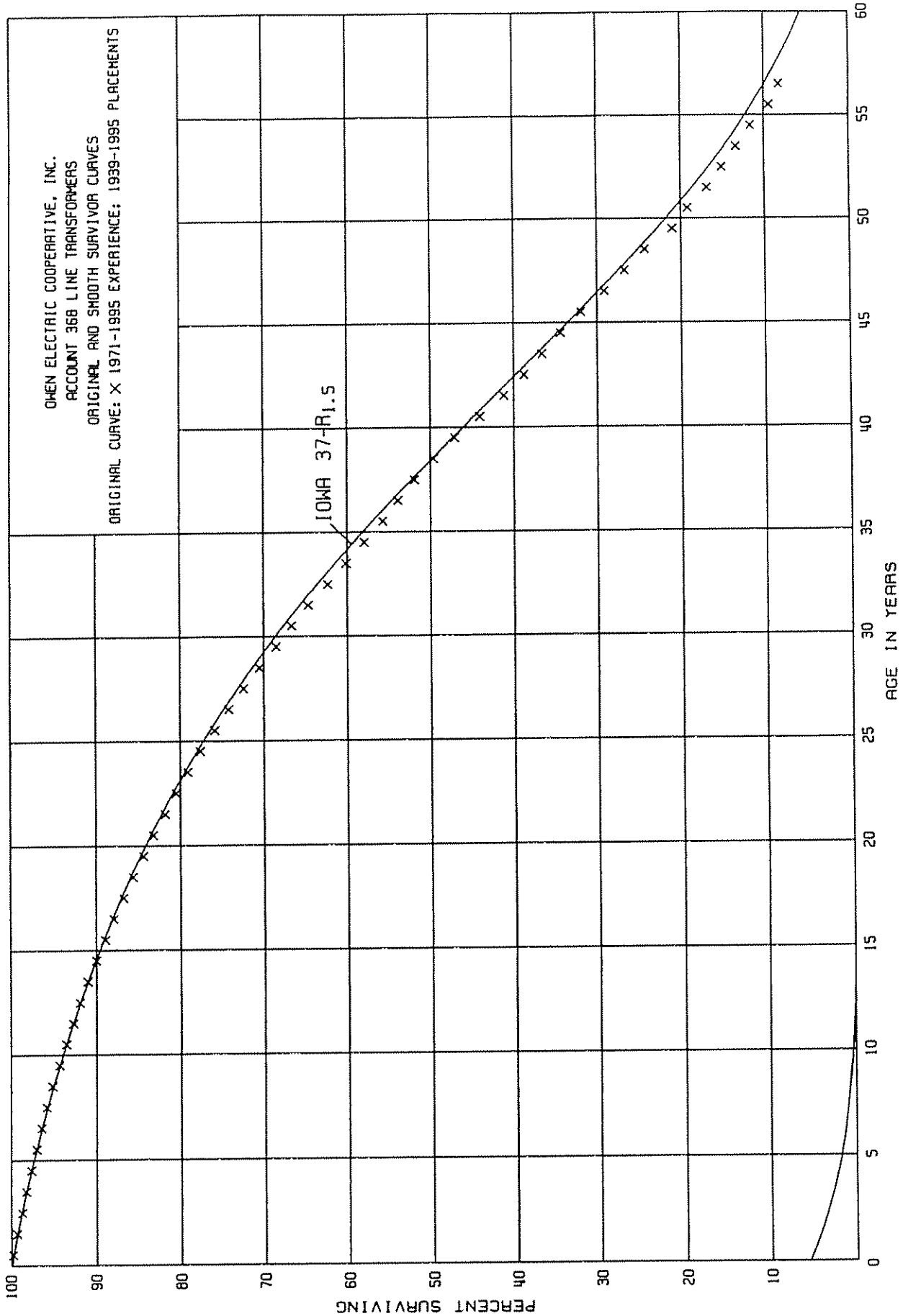
OWEN ELECTRIC COOPERATIVE, INC.

ACCOUNT 365 OVERHEAD CONDUCTORS AND DEVICES

ORIGINAL LIFE TABLE, CONT.

PLACEMENT BAND 1939-1995			EXPERIENCE BAND 1971-1995		
AGE AT BEGIN OF INTERVAL	EXPOSURES AT BEGINNING OF AGE INTERVAL	RETIREMENTS DURING AGE INTERVAL	RETMT RATIO	SURV RATIO	PCT SURV BEGIN OF INTERVAL
39.5	417,460	20,998	0.0503	0.9497	38.13
40.5	383,717	22,594	0.0589	0.9411	36.21
41.5	351,246	23,299	0.0663	0.9337	34.08
42.5	296,362	18,572	0.0627	0.9373	31.82
43.5	241,205	13,045	0.0541	0.9459	29.82
44.5	214,630	13,110	0.0611	0.9389	28.21
45.5	112,250	6,372	0.0568	0.9432	26.49
46.5	76,612	4,166	0.0544	0.9456	24.99
47.5	59,573	3,346	0.0562	0.9438	23.63
48.5	40,841	2,537	0.0621	0.9379	22.30
49.5	38,304	2,205	0.0576	0.9424	20.92
50.5	36,099	1,778	0.0493	0.9507	19.72
51.5	34,101	2,190	0.0642	0.9358	18.75
52.5	31,524	2,661	0.0844	0.9156	17.55
53.5	18,082	1,141	0.0631	0.9369	16.07
54.5	16,610	1,166	0.0702	0.9298	15.06
55.5	15,444	1,515	0.0981	0.9019	14.00
56.5					12.63





OWEN ELECTRIC COOPERATIVE, INC.

ACCOUNT 368 LINE TRANSFORMERS

ORIGINAL LIFE TABLE

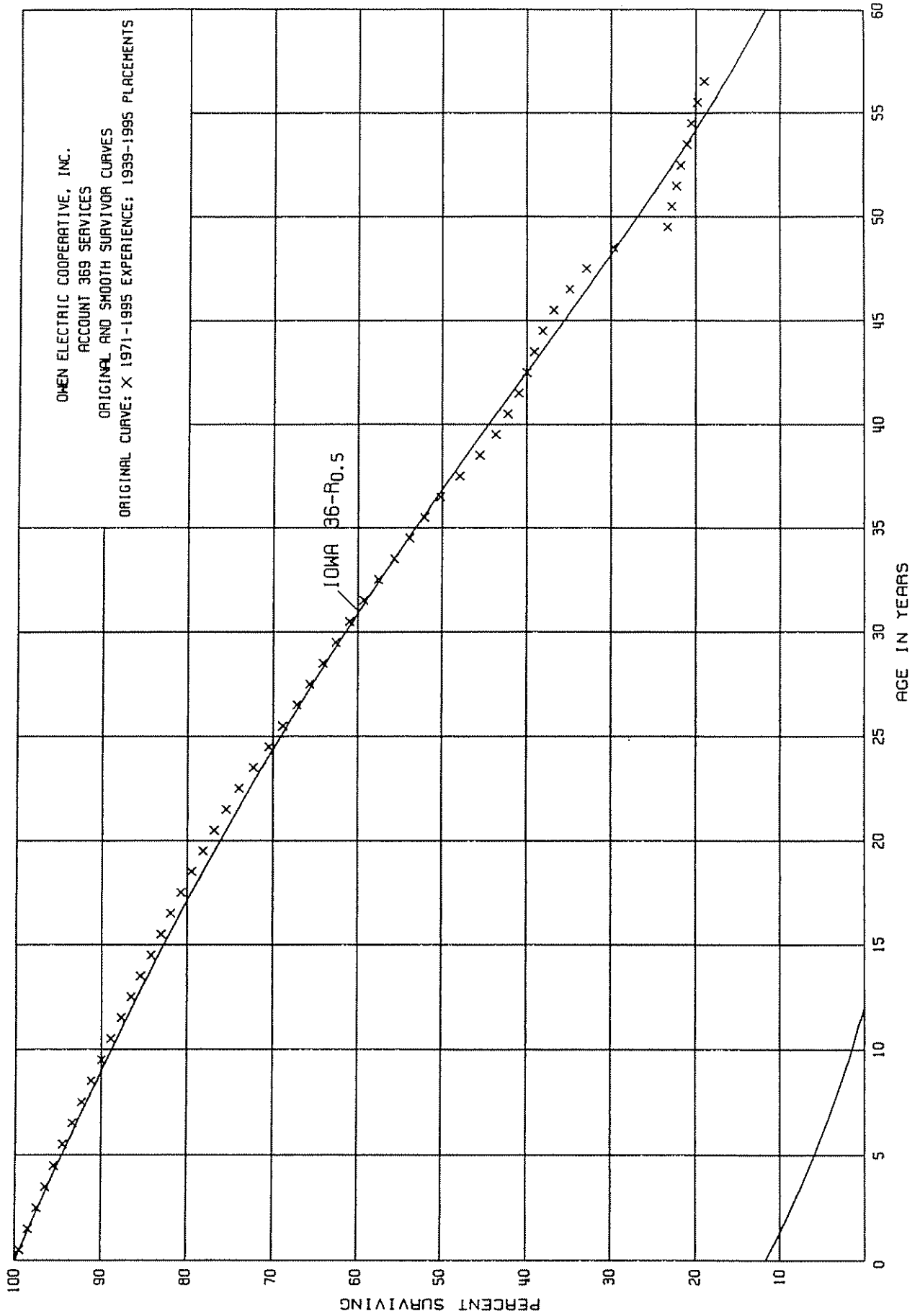
PLACEMENT BAND 1939-1995			EXPERIENCE BAND 1971-1995		
AGE AT BEGIN OF INTERVAL	EXPOSURES AT BEGINNING OF AGE INTERVAL	RETIREMENTS DURING AGE INTERVAL	RETMT RATIO	SURV RATIO	PCT SURV BEGIN OF INTERVAL
0.0	11,280,821	26,557	0.0024	0.9976	100.00
0.5	10,396,230	51,576	0.0050	0.9950	99.76
1.5	9,508,779	49,679	0.0052	0.9948	99.26
2.5	8,641,877	48,161	0.0056	0.9944	98.74
3.5	7,956,210	45,933	0.0058	0.9942	98.19
4.5	7,054,973	41,728	0.0059	0.9941	97.62
5.5	6,313,502	39,472	0.0063	0.9937	97.04
6.5	5,596,380	37,844	0.0068	0.9932	96.43
7.5	5,250,653	38,656	0.0074	0.9926	95.77
8.5	4,819,621	38,001	0.0079	0.9921	95.06
9.5	4,419,269	36,994	0.0084	0.9916	94.31
10.5	4,231,744	37,354	0.0088	0.9912	93.52
11.5	4,059,061	37,062	0.0091	0.9909	92.70
12.5	3,866,919	38,018	0.0098	0.9902	91.86
13.5	3,721,760	40,786	0.0110	0.9890	90.96
14.5	3,554,635	40,974	0.0115	0.9885	89.96
15.5	3,156,160	37,992	0.0120	0.9880	88.93
16.5	2,744,007	35,730	0.0130	0.9870	87.86
17.5	2,472,468	32,258	0.0130	0.9870	86.72
18.5	2,230,011	30,135	0.0135	0.9865	85.59
19.5	2,088,608	31,161	0.0149	0.9851	84.43
20.5	2,051,482	32,796	0.0160	0.9840	83.17
21.5	1,906,024	30,446	0.0160	0.9840	81.84
22.5	1,788,870	32,171	0.0180	0.9820	80.53
23.5	1,753,500	33,841	0.0193	0.9807	79.08
24.5	1,647,701	34,283	0.0208	0.9792	77.55
25.5	1,543,952	35,127	0.0228	0.9772	75.94
26.5	1,457,835	35,133	0.0241	0.9759	74.21
27.5	1,359,417	36,206	0.0266	0.9734	72.42
28.5	1,278,113	35,603	0.0279	0.9721	70.49
29.5	1,182,956	32,767	0.0277	0.9723	68.52
30.5	1,083,042	32,882	0.0304	0.9696	66.62
31.5	1,007,615	35,401	0.0351	0.9649	64.59
32.5	869,709	30,911	0.0355	0.9645	62.32
33.5	759,345	27,815	0.0366	0.9634	60.11
34.5	670,997	25,146	0.0375	0.9625	57.91
35.5	540,911	17,711	0.0327	0.9673	55.74
36.5	438,848	16,852	0.0384	0.9616	53.92
37.5	383,815	16,797	0.0438	0.9562	51.85
38.5	324,452	16,320	0.0503	0.9497	49.58

OWEN ELECTRIC COOPERATIVE, INC.

ACCOUNT 368 LINE TRANSFORMERS

ORIGINAL LIFE TABLE, CONT.

PLACEMENT BAND 1939-1995			EXPERIENCE BAND 1971-1995			
AGE AT BEGIN OF INTERVAL	EXPOSURES AT BEGINNING OF AGE INTERVAL	RETIREMENTS DURING AGE INTERVAL	RETMT RATIO	SURV RATIO	PCT SURV BEGIN OF INTERVAL	
39.5	274,319	17,711	0.0646	0.9354	47.09	
40.5	236,591	15,555	0.0657	0.9343	44.05	
41.5	209,123	12,127	0.0580	0.9420	41.16	
42.5	180,561	10,242	0.0567	0.9433	38.77	
43.5	165,143	9,907	0.0600	0.9400	36.57	
44.5	144,983	10,354	0.0714	0.9286	34.38	
45.5	115,574	10,426	0.0902	0.9098	31.93	
46.5	84,023	6,820	0.0812	0.9188	29.05	
47.5	42,682	3,768	0.0883	0.9117	26.69	
48.5	21,032	2,900	0.1379	0.8621	24.33	
49.5	16,351	1,370	0.0838	0.9162	20.97	
50.5	13,134	1,576	0.1200	0.8800	19.21	
51.5	10,832	1,174	0.1084	0.8916	16.90	
52.5	9,505	1,058	0.1113	0.8887	15.07	
53.5	4,447	598	0.1345	0.8655	13.39	
54.5	3,491	649	0.1859	0.8141	11.59	
55.5	2,670	344	0.1288	0.8712	9.44	
56.5					8.22	





OWEN ELECTRIC COOPERATIVE, INC.

ACCOUNT 369 SERVICES

ORIGINAL LIFE TABLE

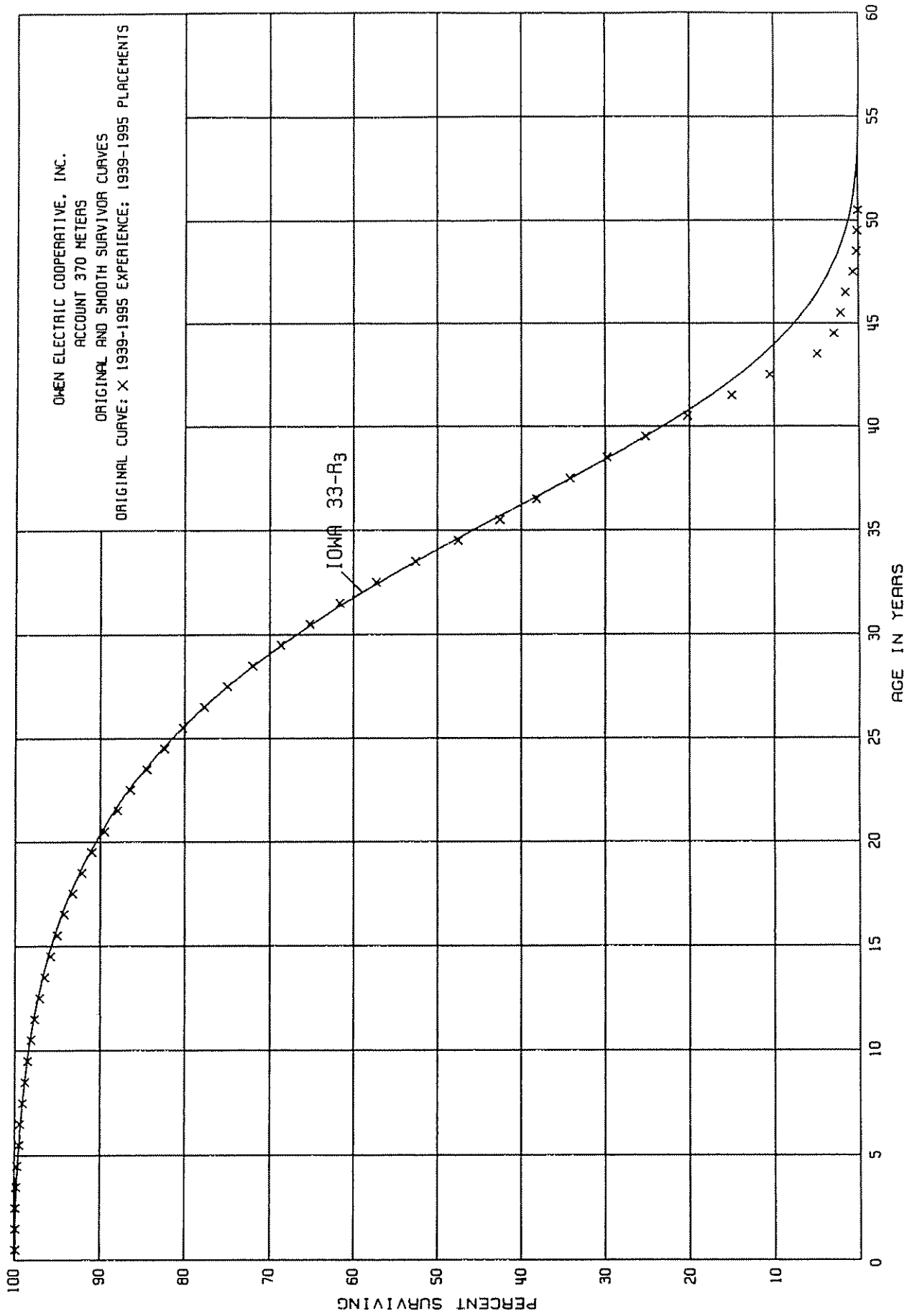
PLACEMENT BAND 1939-1995			EXPERIENCE BAND 1971-1995		
AGE AT BEGIN OF INTERVAL	EXPOSURES AT BEGINNING OF AGE INTERVAL	RETIREMENTS DURING AGE INTERVAL	RETMT RATIO	SURV RATIO	PCT SURV BEGIN OF INTERVAL
0.0	5,189,772	25,894	0.0050	0.9950	100.00
0.5	4,704,581	47,458	0.0101	0.9899	99.50
1.5	4,261,647	43,536	0.0102	0.9898	98.50
2.5	3,905,052	40,632	0.0104	0.9896	97.50
3.5	3,593,152	37,831	0.0105	0.9895	96.49
4.5	3,225,409	34,770	0.0108	0.9892	95.48
5.5	2,892,097	32,473	0.0112	0.9888	94.45
6.5	2,637,172	30,992	0.0118	0.9882	93.39
7.5	2,372,356	28,931	0.0122	0.9878	92.29
8.5	2,154,811	27,149	0.0126	0.9874	91.16
9.5	1,959,279	25,056	0.0128	0.9872	90.01
10.5	1,757,464	22,980	0.0131	0.9869	88.86
11.5	1,618,610	21,587	0.0133	0.9867	87.70
12.5	1,501,559	20,355	0.0136	0.9864	86.53
13.5	1,403,270	19,293	0.0137	0.9863	85.35
14.5	1,284,489	17,707	0.0138	0.9862	84.18
15.5	1,157,831	16,117	0.0139	0.9861	83.02
16.5	1,022,661	14,702	0.0144	0.9856	81.87
17.5	907,823	13,744	0.0151	0.9849	80.69
18.5	792,515	12,725	0.0161	0.9839	79.47
19.5	702,748	11,840	0.0168	0.9832	78.19
20.5	652,997	11,958	0.0183	0.9817	76.88
21.5	583,140	11,379	0.0195	0.9805	75.47
22.5	504,078	11,511	0.0228	0.9772	74.00
23.5	451,405	11,327	0.0251	0.9749	72.31
24.5	406,395	9,479	0.0233	0.9767	70.50
25.5	368,723	8,795	0.0239	0.9761	68.86
26.5	332,475	7,628	0.0229	0.9771	67.21
27.5	295,820	6,880	0.0233	0.9767	65.67
28.5	252,962	6,134	0.0242	0.9758	64.14
29.5	244,398	6,159	0.0252	0.9748	62.59
30.5	226,054	6,264	0.0277	0.9723	61.01
31.5	196,859	5,874	0.0298	0.9702	59.32
32.5	178,536	5,700	0.0319	0.9681	57.55
33.5	155,861	5,160	0.0331	0.9669	55.71
34.5	146,352	4,928	0.0337	0.9663	53.87
35.5	126,880	4,616	0.0364	0.9636	52.05
36.5	115,779	5,136	0.0444	0.9556	50.16
37.5	103,266	5,188	0.0502	0.9498	47.93
38.5	90,218	3,753	0.0416	0.9584	45.52

OWEN ELECTRIC COOPERATIVE, INC.

ACCOUNT 369 SERVICES

ORIGINAL LIFE TABLE, CONT.

PLACEMENT BAND 1939-1995			EXPERIENCE BAND 1971-1995			
AGE AT BEGIN OF INTERVAL	EXPOSURES AT BEGINNING OF AGE INTERVAL	RETIREMENTS DURING AGE INTERVAL	RETMT RATIO	SURV RATIO	PCT SURV BEGIN OF INTERVAL	
39.5	81,663	2,740	0.0336	0.9664	43.63	
40.5	69,482	2,122	0.0305	0.9695	42.16	
41.5	61,909	1,390	0.0225	0.9775	40.87	
42.5	52,885	1,128	0.0213	0.9787	39.95	
43.5	49,024	1,291	0.0263	0.9737	39.10	
44.5	42,525	1,416	0.0333	0.9667	38.07	
45.5	26,179	1,328	0.0507	0.9493	36.80	
46.5	15,397	900	0.0585	0.9415	34.93	
47.5	9,977	959	0.0961	0.9039	32.89	
48.5	4,976	1,078	0.2166	0.7834	29.73	
49.5	3,604	80	0.0222	0.9778	23.29	
50.5	3,524	82	0.0233	0.9767	22.77	
51.5	3,406	85	0.0250	0.9750	22.24	
52.5	3,153	98	0.0311	0.9689	21.68	
53.5	1,493	39	0.0261	0.9739	21.01	
54.5	1,325	40	0.0302	0.9698	20.46	
55.5	841	34	0.0404	0.9596	19.84	
56.5					19.04	



OWEN ELECTRIC COOPERATIVE, INC.

ACCOUNT 370 METERS

ORIGINAL LIFE TABLE

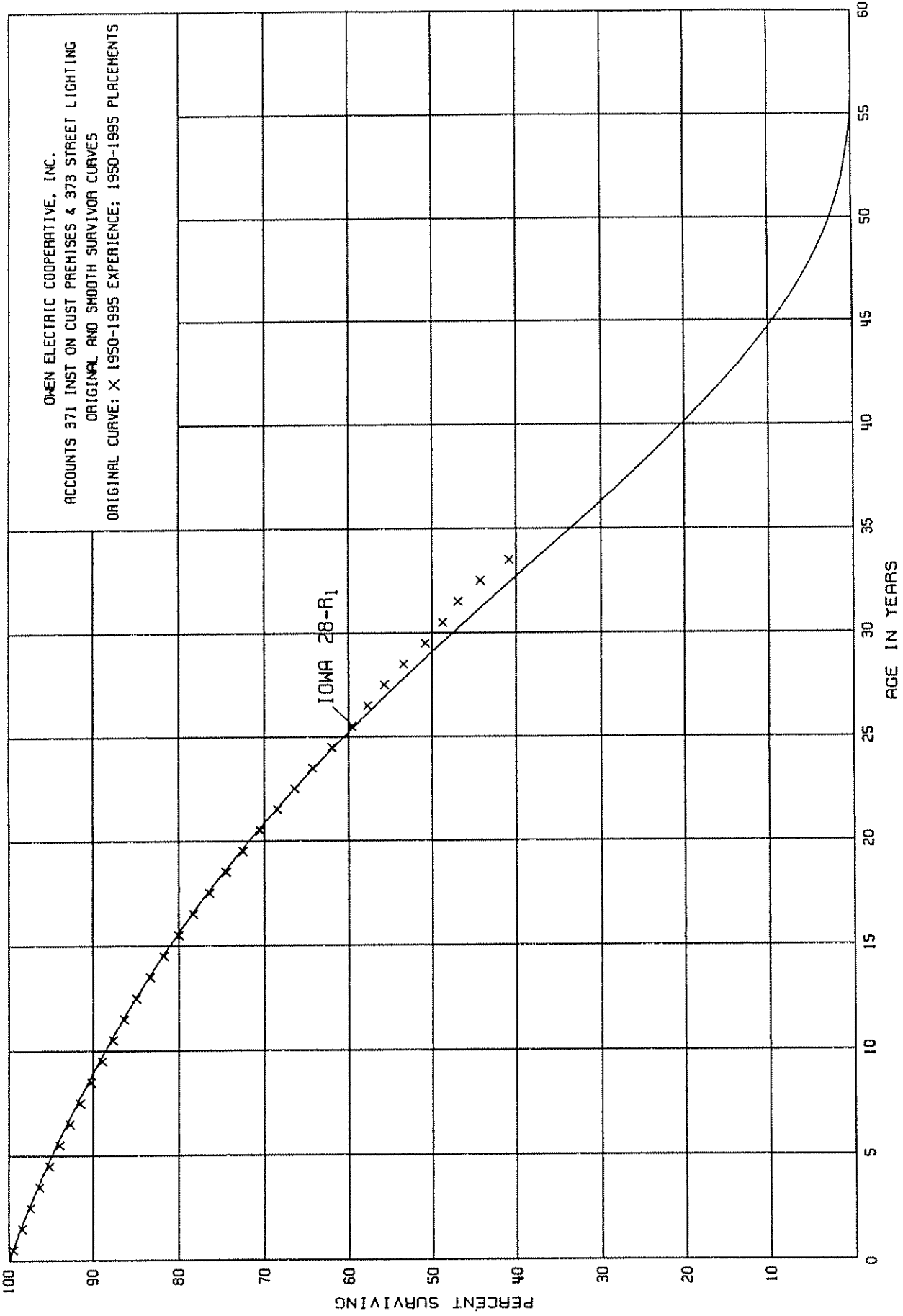
PLACEMENT BAND 1939-1995			EXPERIENCE BAND 1939-1995		
AGE AT BEGIN OF INTERVAL	EXPOSURES AT BEGINNING OF AGE INTERVAL	RETIREMENTS DURING AGE INTERVAL	RETMT RATIO	SURV RATIO	PCT SURV BEGIN OF INTERVAL
0.0	2,447,194	528	0.0002	0.9998	100.00
0.5	2,345,460	1,250	0.0005	0.9995	99.98
1.5	2,232,491	1,573	0.0007	0.9993	99.93
2.5	2,129,021	1,908	0.0009	0.9991	99.86
3.5	1,993,141	2,182	0.0011	0.9989	99.77
4.5	1,906,500	2,683	0.0014	0.9986	99.66
5.5	1,747,543	3,044	0.0017	0.9983	99.52
6.5	1,623,803	3,560	0.0022	0.9978	99.35
7.5	1,465,094	4,857	0.0033	0.9967	99.13
8.5	1,386,428	4,319	0.0031	0.9969	98.80
9.5	1,302,649	4,879	0.0037	0.9963	98.49
10.5	1,217,726	5,603	0.0046	0.9954	98.13
11.5	1,128,080	6,184	0.0055	0.9945	97.68
12.5	1,074,479	6,677	0.0062	0.9938	97.14
13.5	1,044,253	7,530	0.0072	0.9928	96.54
14.5	968,409	8,007	0.0083	0.9917	95.84
15.5	862,453	7,752	0.0090	0.9910	95.04
16.5	804,494	8,096	0.0101	0.9899	94.18
17.5	755,020	9,067	0.0120	0.9880	93.23
18.5	698,694	8,698	0.0124	0.9876	92.11
19.5	645,718	10,477	0.0162	0.9838	90.97
20.5	614,683	10,720	0.0174	0.9826	89.50
21.5	548,538	9,792	0.0179	0.9821	87.94
22.5	493,744	10,975	0.0222	0.9778	86.37
23.5	451,060	11,159	0.0247	0.9753	84.45
24.5	416,907	11,101	0.0266	0.9734	82.36
25.5	387,415	11,787	0.0304	0.9696	80.17
26.5	358,849	12,492	0.0348	0.9652	77.73
27.5	332,949	13,344	0.0401	0.9599	75.02
28.5	304,022	14,203	0.0467	0.9533	72.01
29.5	268,005	13,406	0.0500	0.9500	68.65
30.5	235,921	13,275	0.0563	0.9437	65.22
31.5	208,839	14,286	0.0684	0.9316	61.55
32.5	182,526	14,973	0.0820	0.9180	57.34
33.5	156,217	15,393	0.0985	0.9015	52.64
34.5	130,267	13,476	0.1034	0.8966	47.45
35.5	108,330	11,110	0.1026	0.8974	42.54
36.5	89,600	9,242	0.1031	0.8969	38.18
37.5	74,473	9,668	0.1298	0.8702	34.24
38.5	61,345	9,550	0.1557	0.8443	29.80

OWEN ELECTRIC COOPERATIVE, INC.

ACCOUNT 370 METERS

ORIGINAL LIFE TABLE, CONT.

PLACEMENT BAND 1939-1995			EXPERIENCE BAND 1939-1995			
AGE AT BEGIN OF INTERVAL	EXPOSURES AT BEGINNING OF AGE INTERVAL	RETIREMENTS DURING AGE INTERVAL	RETMT RATIO	SURV RATIO	PCT SURV BEGIN OF INTERVAL	
39.5	48,772	9,709	0.1991	0.8009	25.16	
40.5	35,681	9,113	0.2554	0.7446	20.15	
41.5	24,785	7,373	0.2975	0.7025	15.00	
42.5	15,753	8,394	0.5329	0.4671	10.54	
43.5	6,439	2,697	0.4189	0.5811	4.92	
44.5	3,083	843	0.2734	0.7266	2.86	
45.5	1,729	492	0.2846	0.7154	2.08	
46.5	1,013	580	0.5726	0.4274	1.49	
47.5	433	283	0.6536	0.3464	0.64	
48.5	150	87	0.5800	0.4200	0.22	
49.5	63	63	1.0000	0.0000	0.09	
50.5					0.00	



OWEN ELECTRIC COOPERATIVE, INC.

ACCOUNTS 371 INST ON CUST PREMISES & 373 STREET LIGHTING

ORIGINAL LIFE TABLE

PLACEMENT BAND 1950-1995			EXPERIENCE BAND 1950-1995		
AGE AT BEGIN OF INTERVAL	EXPOSURES AT BEGINNING OF AGE INTERVAL	RETIREMENTS DURING AGE INTERVAL	RETMT RATIO	SURV RATIO	PCT SURV BEGIN OF INTERVAL
0.0	2,117,276	11,478	0.0054	0.9946	100.00
0.5	1,925,102	20,701	0.0108	0.9892	99.46
1.5	1,753,292	18,504	0.0106	0.9894	98.39
2.5	1,611,337	17,698	0.0110	0.9890	97.35
3.5	1,475,374	17,526	0.0119	0.9881	96.28
4.5	1,331,265	16,644	0.0125	0.9875	95.13
5.5	1,227,083	15,819	0.0129	0.9871	93.94
6.5	1,125,358	15,114	0.0134	0.9866	92.73
7.5	1,036,701	14,537	0.0140	0.9860	91.49
8.5	944,553	13,814	0.0146	0.9854	90.21
9.5	865,654	12,898	0.0149	0.9851	88.89
10.5	794,072	11,947	0.0150	0.9850	87.57
11.5	731,699	11,912	0.0163	0.9837	86.26
12.5	662,476	11,786	0.0178	0.9822	84.85
13.5	591,920	11,622	0.0196	0.9804	83.34
14.5	523,957	11,074	0.0211	0.9789	81.71
15.5	467,436	10,156	0.0217	0.9783	79.99
16.5	417,777	9,809	0.0235	0.9765	78.25
17.5	380,286	9,443	0.0248	0.9752	76.41
18.5	340,295	9,046	0.0266	0.9734	74.52
19.5	302,177	8,334	0.0276	0.9724	72.54
20.5	270,285	7,736	0.0286	0.9714	70.54
21.5	210,506	6,547	0.0311	0.9689	68.52
22.5	158,856	4,993	0.0314	0.9686	66.39
23.5	129,455	4,690	0.0362	0.9638	64.31
24.5	107,817	4,163	0.0386	0.9614	61.98
25.5	90,292	2,917	0.0323	0.9677	59.59
26.5	73,383	2,452	0.0334	0.9666	57.67
27.5	56,790	2,360	0.0416	0.9584	55.74
28.5	28,283	1,384	0.0489	0.9511	53.42
29.5	5,224	213	0.0408	0.9592	50.81
30.5	5,011	191	0.0381	0.9619	48.74
31.5	4,820	272	0.0564	0.9436	46.88
32.5	857	66	0.0770	0.9230	44.24
33.5					40.83





OWEN ELECTRIC COOPERATIVE, INC.

DISTRIBUTION PLANT

SUMMARY OF BOOK SALVAGE

YEAR	REGULAR RETIREMENTS	COST OF REMOVAL		GROSS SALVAGE		NET SALVAGE	
		AMOUNT	PCT	AMOUNT	PCT	AMOUNT	PCT
1980	388,974	414,741	107	117,384	30	297,357-	76-
1981	402,702	487,273	121	133,728	33	353,545-	88-
1982	425,277	525,485	124	127,402	30	398,083-	94-
1983	216,663	307,845	142	72,593	34	235,252-	109-
1984	277,155	392,586	142	63,075	23	329,511-	119-
1985	218,470	311,869	143	71,653	33	240,216-	110-
1986	331,665	403,684	122	71,917	22	331,767-	100-
1987	369,281	441,241	119	69,829	19	371,412-	101-
1988	502,623	455,563	91	95,592	19	359,971-	72-
1989	344,913	341,561	99	92,393	27	249,168-	72-
1990	388,704	368,910	95	63,334	16	305,576-	79-
1991	572,569	445,940	78	80,310	14	365,630-	64-
1992	547,281	490,813	90	78,940	14	411,873-	75-
1993	563,969	403,529	72	59,268	11	344,261-	61-
1994	586,145	596,611	102	107,465	18	489,146-	83-
1995	860,055	692,867	81	128,382	15	564,485-	66-
TOTAL	6,996,446	7,080,518	101	1,433,265	20	5,647,253-	81-

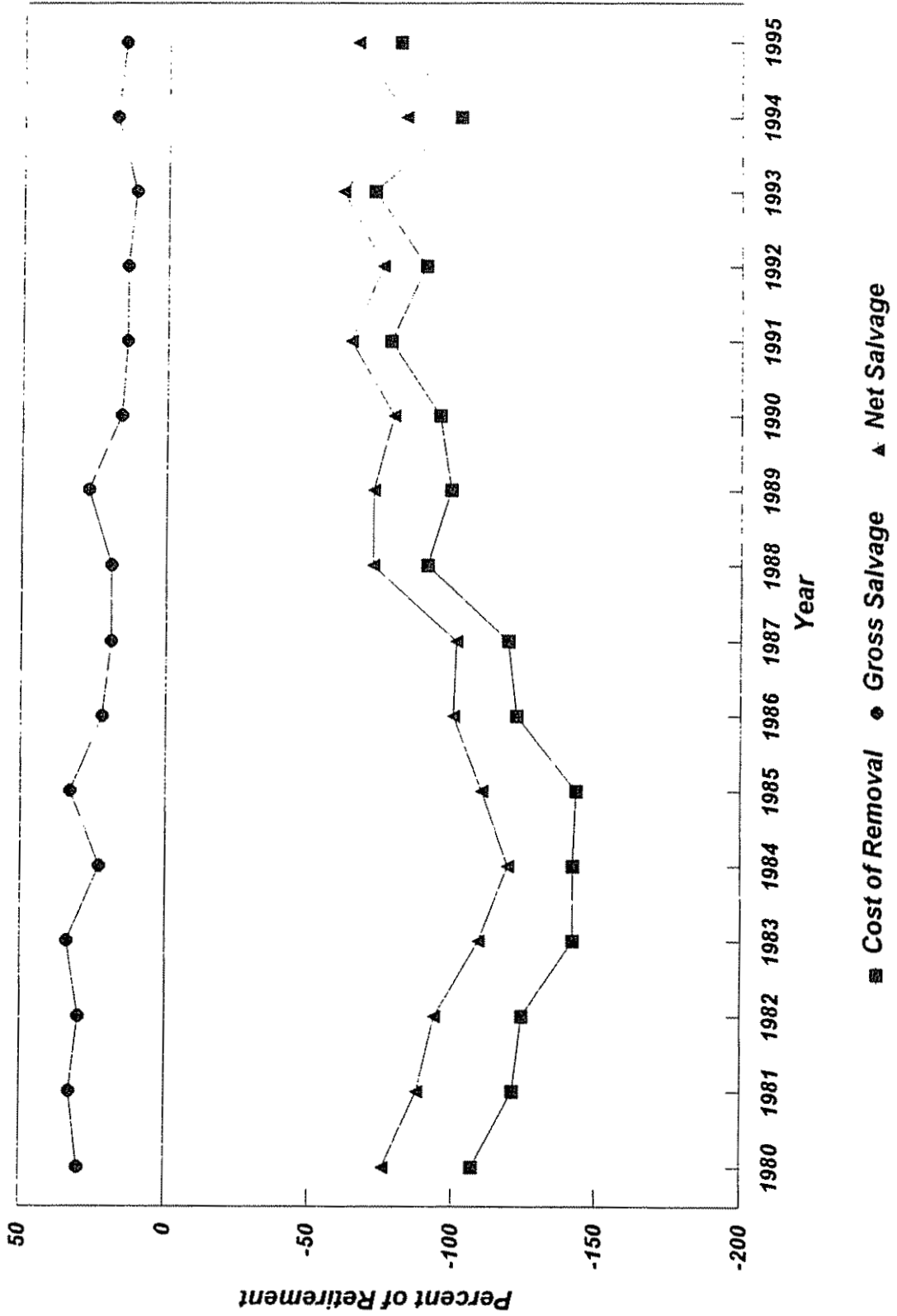
THREE-YEAR MOVING AVERAGES

80-82	405,651	475,833	117	126,171	31	349,662-	86-
81-83	348,214	440,201	126	111,241	32	328,960-	94-
82-84	306,365	408,639	133	87,690	29	320,949-	105-
83-85	237,429	337,433	142	69,107	29	268,326-	113-
84-86	275,763	369,380	134	68,882	25	300,498-	109-
85-87	306,472	385,598	126	71,133	23	314,465-	103-
86-88	401,190	433,496	108	79,113	20	354,383-	88-
87-89	405,606	412,788	102	85,938	21	326,850-	81-
88-90	412,080	388,678	94	83,773	20	304,905-	74-
89-91	435,395	385,470	89	78,679	18	306,791-	70-
90-92	502,851	435,221	87	74,195	15	361,026-	72-
91-93	561,273	446,761	80	72,839	13	373,922-	67-
92-94	565,798	496,984	88	81,891	14	415,093-	73-
93-95	670,056	564,336	84	98,372	15	465,964-	70-

FIVE-YEAR AVERAGE

91-95	626,004	525,952	84	90,873	15	435,079-	70-
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**OWEN ELECTRIC COOPERATIVE, INC.**  
**Analysis of Distribution Plant Salvage**





III-30

CALCULATED ACCRUED DEPRECIATION

OWEN ELECTRIC COOPERATIVE, INC.

ACCOUNT 364 POLES, TOWERS AND FIXTURES

CALCULATED ACCRUED DEPRECIATION  
RELATED TO ORIGINAL COST AT DECEMBER 31, 1995

YEAR (1)	ORIGINAL COST (2)	AVG. LIFE (3)	EXP. (4)	-ACCRUED FACTOR (5)	DEPRECIATION AMOUNT (6)
SURVIVOR CURVE.. IOWA 44-R0.5					
NET SALVAGE PERCENT.. -95					
1940	20,699.07	44.00	13.81	.6861	14,202
1941	1,649.10	44.00	14.24	.6764	1,115
1942	34,280.00	44.00	14.67	.6666	22,851
1943	1,750.66	44.00	15.10	.6568	1,150
1944	788.85	44.00	15.54	.6468	510
1947	52,080.38	44.00	16.89	.6161	32,087
1948	37,288.57	44.00	17.35	.6057	22,586
1949	64,809.79	44.00	17.81	.5952	38,575
1950	161,734.73	44.00	18.28	.5845	94,534
1951	26,632.54	44.00	18.76	.5736	15,276
1952	53,469.31	44.00	19.24	.5627	30,087
1953	52,291.15	44.00	19.72	.5518	28,854
1954	17,038.42	44.00	20.21	.5407	9,213
1955	34,670.07	44.00	20.71	.5293	18,351
1956	60,523.73	44.00	21.21	.5180	31,351
1957	36,503.85	44.00	21.71	.5066	18,493
1958	36,804.46	44.00	22.23	.4948	18,211
1959	123,808.84	44.00	22.74	.4832	59,824
1960	90,138.94	44.00	23.26	.4714	42,491
1961	16,256.31	44.00	23.79	.4593	7,467
1962	81,727.00	44.00	24.32	.4473	36,556
1963	114,188.95	44.00	24.86	.4350	49,672
1964	130,914.42	44.00	25.40	.4227	55,338
1965	102,229.90	44.00	25.95	.4102	41,935
1966	31,802.33	44.00	26.50	.3977	12,648
1967	244,114.67	44.00	27.05	.3852	94,033
1968	117,225.85	44.00	27.61	.3725	43,667
1969	183,600.07	44.00	28.17	.3598	66,059
1970	148,393.87	44.00	28.74	.3468	51,463
1971	159,002.98	44.00	29.31	.3339	53,091
1972	224,420.32	44.00	29.89	.3207	71,972
1973	206,000.25	44.00	30.46	.3077	63,386
1974	183,356.14	44.00	31.05	.2943	53,962
1975	261,892.26	44.00	31.63	.2811	73,618
1976	401,052.95	44.00	32.22	.2677	107,362
1977	556,881.61	44.00	32.80	.2545	141,726
1978	615,936.12	44.00	33.39	.2411	148,502
1979	762,350.95	44.00	33.99	.2275	173,435

OWEN ELECTRIC COOPERATIVE, INC.

ACCOUNT 364 POLES, TOWERS AND FIXTURES

CALCULATED ACCRUED DEPRECIATION  
RELATED TO ORIGINAL COST AT DECEMBER 31, 1995

YEAR (1)	ORIGINAL COST (2)	AVG. LIFE (3)	EXP. (4)	-ACCRUED FACTOR (5)	DEPREC. AMOUNT (6)
SURVIVOR CURVE.. IOWA 44-R0.5					
NET SALVAGE PERCENT.. -95					
1980	1,226,678.80	44.00	34.58	.2141	262,632
1981	1,204,319.24	44.00	35.18	.2005	241,466
1982	1,083,504.26	44.00	35.77	.1870	202,615
1983	804,118.47	44.00	36.37	.1734	139,434
1984	939,082.75	44.00	36.97	.1598	150,065
1985	803,446.50	44.00	37.58	.1459	117,223
1986	902,575.26	44.00	38.18	.1323	119,411
1987	1,089,302.57	44.00	38.78	.1186	129,191
1988	1,192,828.65	44.00	39.39	.1048	125,008
1989	1,277,250.29	44.00	40.00	.0909	116,102
1990	1,254,937.14	44.00	40.61	.0770	96,630
1991	1,494,847.30	44.00	41.22	.0632	94,474
1992	1,783,066.27	44.00	41.84	.0491	87,549
1993	1,393,718.71	44.00	42.45	.0352	49,059
1994	1,701,691.86	44.00	43.07	.0211	35,906
1995	2,247,880.52	44.00	43.69	.0070	15,735
					3,828,153
					NET SALVAGE ADJUSTMENT
					3,636,745
TOTAL	25,847,558.00				7,464,898

OWEN ELECTRIC COOPERATIVE, INC.

ACCOUNT 365 OVERHEAD CONDUCTORS AND DEVICES

CALCULATED ACCRUED DEPRECIATION  
RELATED TO ORIGINAL COST AT DECEMBER 31, 1995

YEAR (1)	ORIGINAL COST (2)	AVG. LIFE (3)	EXP. (4)	-ACCRUED FACTOR (5)	DEPREC. AMOUNT (6)
SURVIVOR CURVE.. IOWA 37-L2					
NET SALVAGE PERCENT.. -75					
1939	43,081.55	37.00	9.59	.7408	31,915
1941	866.76	37.00	10.08	.7276	631
1942	25,781.92	37.00	10.32	.7211	18,591
1943	853.30	37.00	10.57	.7143	610
1944	446.66	37.00	10.82	.7076	316
1947	26,396.40	37.00	11.58	.6870	18,134
1948	21,078.63	37.00	11.83	.6803	14,340
1949	45,877.45	37.00	12.08	.6735	30,898
1950	134,234.99	37.00	12.33	.6668	89,508
1951	19,525.60	37.00	12.58	.6600	12,887
1952	50,638.17	37.00	12.83	.6532	33,077
1953	41,879.58	37.00	13.07	.6468	27,088
1954	12,553.40	37.00	13.32	.6400	8,034
1955	15,586.11	37.00	13.56	.6335	9,874
1956	64,075.20	37.00	13.80	.6270	40,175
1957	13,003.72	37.00	14.04	.6205	8,069
1958	31,125.26	37.00	14.28	.6141	19,114
1959	81,496.41	37.00	14.52	.6076	49,517
1960	138,997.45	37.00	14.76	.6011	83,551
1961	6,340.70	37.00	15.01	.5943	3,768
1962	38,942.75	37.00	15.25	.5878	22,891
1963	77,443.36	37.00	15.51	.5808	44,979
1964	59,114.05	37.00	15.77	.5738	33,920
1965	67,996.42	37.00	16.05	.5662	38,500
1966	38,089.65	37.00	16.33	.5586	21,277
1967	113,208.77	37.00	16.64	.5503	62,299
1968	47,312.85	37.00	16.96	.5416	25,625
1969	95,592.61	37.00	17.29	.5327	50,922
1970	78,216.90	37.00	17.66	.5227	40,884
1971	82,737.54	37.00	18.05	.5122	42,378
1972	76,803.94	37.00	18.46	.5011	38,486
1973	130,730.64	37.00	18.91	.4889	63,914
1974	178,526.34	37.00	19.39	.4759	84,961
1975	238,873.90	37.00	19.91	.4619	110,336
1976	215,799.34	37.00	20.47	.4468	96,419
1977	403,630.86	37.00	21.07	.4305	173,763
1978	476,967.73	37.00	21.71	.4132	197,083
1979	450,165.46	37.00	22.38	.3951	177,860

OWEN ELECTRIC COOPERATIVE, INC.

ACCOUNT 365 OVERHEAD CONDUCTORS AND DEVICES

CALCULATED ACCRUED DEPRECIATION  
RELATED TO ORIGINAL COST AT DECEMBER 31, 1995

YEAR (1)	ORIGINAL COST (2)	AVG. LIFE (3)	EXP. (4)	-ACCRUED FACTOR (5)	DEPREC. - AMOUNT (6)
SURVIVOR CURVE.. IOWA 37-L2					
NET SALVAGE PERCENT.. -75					
1980	1,117,537.78	37.00	23.10	.3757	419,859
1981	1,045,034.00	37.00	23.85	.3554	371,405
1982	893,390.94	37.00	24.63	.3343	298,661
1983	383,992.75	37.00	25.44	.3124	119,959
1984	555,342.27	37.00	26.27	.2900	161,049
1985	373,810.60	37.00	27.12	.2670	99,807
1986	464,006.06	37.00	27.98	.2438	113,125
1987	652,538.22	37.00	28.86	.2200	143,558
1988	696,300.87	37.00	29.76	.1957	136,266
1989	720,573.71	37.00	30.68	.1708	123,074
1990	675,517.48	37.00	31.61	.1457	98,423
1991	1,123,517.83	37.00	32.57	.1197	134,485
1992	1,602,014.86	37.00	33.53	.0938	150,269
1993	835,823.94	37.00	34.51	.0673	56,251
1994	1,136,742.61	37.00	35.50	.0405	46,038
1995	1,278,773.71	37.00	36.50	.0135	17,263
					4,316,086
					NET SALVAGE ADJUSTMENT
					3,237,065
TOTAL	17,198,910.00				7,553,151



OWEN ELECTRIC COOPERATIVE, INC.

ACCOUNT 367 UNDERGROUND CONDUCTORS AND DEVICES

CALCULATED ACCRUED DEPRECIATION  
RELATED TO ORIGINAL COST AT DECEMBER 31, 1995

YEAR (1)	ORIGINAL COST (2)	AVG. LIFE (3)	EXP. (4)	-ACCRUED DEPREC. FACTOR (5)	- AMOUNT (6)
SURVIVOR CURVE.. IOWA 25-R3					
NET SALVAGE PERCENT.. -20					
1971	178.99	25.00	5.28	.7888	141
1972	709.30	25.00	5.79	.7684	545
1973	5,688.84	25.00	6.34	.7464	4,246
1974	23,228.09	25.00	6.92	.7232	16,799
1975	42,006.10	25.00	7.53	.6988	29,354
1976	39,282.55	25.00	8.18	.6728	26,429
1977	26,627.57	25.00	8.86	.6456	17,191
1978	65,389.52	25.00	9.57	.6172	40,358
1979	50,568.17	25.00	10.30	.5880	29,734
1980	45,464.61	25.00	11.05	.5580	25,369
1981	16,633.67	25.00	11.83	.5268	8,763
1982	31,798.45	25.00	12.63	.4948	15,734
1983	60,508.06	25.00	13.45	.4620	27,955
1984	110,287.96	25.00	14.29	.4284	47,247
1985	177,454.28	25.00	15.15	.3940	69,917
1986	83,006.06	25.00	16.02	.3592	29,816
1987	198,090.60	25.00	16.91	.3236	64,102
1988	355,765.81	25.00	17.82	.2872	102,176
1989	295,616.21	25.00	18.75	.2500	73,904
1990	856,371.34	25.00	19.68	.2128	182,236
1991	1,060,174.00	25.00	20.63	.1748	185,318
1992	539,346.57	25.00	21.59	.1364	73,567
1993	880,798.73	25.00	22.55	.0980	86,318
1994	686,337.55	25.00	23.53	.0588	40,357
1995	1,681,963.97	25.00	24.51	.0196	32,966
					1,230,542
					NET SALVAGE ADJUSTMENT
					246,108
TOTAL	7,333,297.00				1,476,650

OWEN ELECTRIC COOPERATIVE, INC.

ACCOUNT 368 LINE TRANSFORMERS

CALCULATED ACCRUED DEPRECIATION  
RELATED TO ORIGINAL COST AT DECEMBER 31, 1995

YEAR (1)	ORIGINAL COST (2)	AVG. LIFE (3)	EXP. (4)	-ACCRUED DEPREC. FACTOR (5)	- AMOUNT (6)
SURVIVOR CURVE.. IOWA 37-R1.5					
NET SALVAGE PERCENT.. 0					
1939	14,687.02	37.00	4.97	.8657	12,715
1940	1,018.79	37.00	5.25	.8581	874
1941	1,667.18	37.00	5.54	.8503	1,418
1942	15,375.50	37.00	5.83	.8424	12,952
1943	498.25	37.00	6.12	.8346	416
1944	2,033.89	37.00	6.42	.8265	1,681
1945	4,545.96	37.00	6.73	.8181	3,719
1946	3,887.07	37.00	7.05	.8095	3,147
1947	34,865.24	37.00	7.37	.8008	27,920
1948	60,826.87	37.00	7.70	.7919	48,169
1949	34,166.82	37.00	8.04	.7827	26,742
1950	28,585.28	37.00	8.40	.7730	22,096
1951	14,426.20	37.00	8.76	.7632	11,010
1952	6,904.00	37.00	9.14	.7530	5,199
1953	20,922.23	37.00	9.52	.7427	15,539
1954	14,564.94	37.00	9.92	.7319	10,660
1955	23,653.81	37.00	10.34	.7205	17,043
1956	38,615.38	37.00	10.76	.7092	27,386
1957	47,198.87	37.00	11.21	.6970	32,898
1958	41,425.06	37.00	11.66	.6849	28,372
1959	89,208.06	37.00	12.13	.6722	59,966
1960	108,781.10	37.00	12.61	.6592	71,709
1961	62,065.82	37.00	13.11	.6457	40,076
1962	80,680.39	37.00	13.62	.6319	50,982
1963	102,995.63	37.00	14.15	.6176	63,610
1964	63,702.78	37.00	14.69	.6030	38,413
1965	67,738.80	37.00	15.24	.5881	39,837
1966	61,006.71	37.00	15.81	.5727	34,939
1967	66,447.38	37.00	16.39	.5570	37,011
1968	62,133.55	37.00	16.98	.5411	33,620
1969	52,368.85	37.00	17.59	.5246	27,473
1970	74,283.45	37.00	18.21	.5078	37,721
1971	75,733.33	37.00	18.84	.4908	37,170
1972	62,453.18	37.00	19.48	.4735	29,572
1973	188,588.89	37.00	20.13	.4559	85,978
1974	167,538.68	37.00	20.79	.4381	73,399
1975	55,851.18	37.00	21.47	.4197	23,441
1976	131,658.36	37.00	22.15	.4014	52,848

OWEN ELECTRIC COOPERATIVE, INC.

ACCOUNT 368 LINE TRANSFORMERS

CALCULATED ACCRUED DEPRECIATION  
RELATED TO ORIGINAL COST AT DECEMBER 31, 1995

YEAR (1)	ORIGINAL COST (2)	AVG. LIFE (3)	EXP. (4)	-ACCRUED FACTOR (5)	DEPREC. - AMOUNT (6)
SURVIVOR CURVE.. IOWA 37-R1.5					
NET SALVAGE PERCENT.. 0					
1977	213,099.35	37.00	22.84	.3827	81,553
1978	261,975.51	37.00	23.54	.3638	95,307
1979	384,440.59	37.00	24.25	.3446	132,478
1980	383,948.99	37.00	24.97	.3251	124,822
1981	185,701.50	37.00	25.70	.3054	56,713
1982	180,685.74	37.00	26.43	.2857	51,622
1983	217,182.98	37.00	27.18	.2654	57,640
1984	273,896.25	37.00	27.93	.2451	67,132
1985	318,695.65	37.00	28.68	.2249	71,675
1986	453,017.40	37.00	29.44	.2043	92,551
1987	510,828.61	37.00	30.21	.1835	93,737
1988	459,634.27	37.00	30.99	.1624	74,645
1989	768,651.84	37.00	31.77	.1414	108,687
1990	797,717.84	37.00	32.56	.1200	95,726
1991	943,261.59	37.00	33.35	.0986	93,006
1992	731,567.29	37.00	34.15	.0770	56,331
1993	904,191.01	37.00	34.96	.0551	49,821
1994	908,112.24	37.00	35.77	.0332	30,149
1995	958,614.85	37.00	36.59	.0111	10,641
TOTAL	11,838,328.00				2,591,957

OWEN ELECTRIC COOPERATIVE, INC.

ACCOUNT 369 SERVICES

CALCULATED ACCRUED DEPRECIATION  
RELATED TO ORIGINAL COST AT DECEMBER 31, 1995

YEAR (1)	ORIGINAL COST (2)	AVG. LIFE (3)	EXP. (4)	-ACCRUED DEPRECIATION FACTOR (5)	- AMOUNT (6)
SURVIVOR CURVE.. IOWA 36-R0.5					
NET SALVAGE PERCENT.. -85					
1939	1,635.27	36.00	6.80	.8111	1,326
1940	1,178.04	36.00	7.20	.8000	942
1941	282.04	36.00	7.59	.7892	223
1942	2,969.57	36.00	7.99	.7781	2,311
1943	285.11	36.00	8.39	.7669	219
1944	58.83	36.00	8.79	.7558	44
1946	414.69	36.00	9.60	.7333	304
1947	5,374.34	36.00	10.01	.7219	3,880
1948	5,706.56	36.00	10.42	.7106	4,055
1949	11,394.21	36.00	10.84	.6989	7,963
1950	17,258.77	36.00	11.26	.6872	11,860
1951	5,835.96	36.00	11.69	.6753	3,941
1952	2,941.41	36.00	12.12	.6633	1,951
1953	7,953.05	36.00	12.56	.6511	5,178
1954	5,618.14	36.00	13.00	.6389	3,589
1955	9,656.78	36.00	13.45	.6264	6,049
1956	4,866.82	36.00	13.90	.6139	2,988
1957	7,903.78	36.00	14.36	.6011	4,751
1958	7,384.04	36.00	14.83	.5881	4,343
1959	6,437.03	36.00	15.30	.5750	3,701
1960	14,289.72	36.00	15.78	.5617	8,027
1961	4,255.11	36.00	16.27	.5481	2,332
1962	16,580.38	36.00	16.76	.5344	8,861
1963	12,105.94	36.00	17.26	.5206	6,302
1964	29,428.66	36.00	17.77	.5064	14,903
1965	14,343.46	36.00	18.28	.4922	7,060
1966	2,980.03	36.00	18.80	.4778	1,424
1967	41,576.98	36.00	19.32	.4633	19,263
1968	28,817.79	36.00	19.85	.4486	12,928
1969	26,816.63	36.00	20.39	.4336	11,628
1970	27,458.70	36.00	20.93	.4186	11,494
1971	33,707.69	36.00	21.48	.4033	13,594
1972	51,340.81	36.00	22.03	.3881	19,925
1973	77,713.09	36.00	22.59	.3725	28,948
1974	79,795.26	36.00	23.15	.3569	28,479
1975	72,307.07	36.00	23.72	.3411	24,664
1976	87,090.34	36.00	24.30	.3250	28,304
1977	105,507.87	36.00	24.87	.3092	32,623

OWEN ELECTRIC COOPERATIVE, INC.

ACCOUNT 369 SERVICES

CALCULATED ACCRUED DEPRECIATION  
RELATED TO ORIGINAL COST AT DECEMBER 31, 1995

YEAR (1)	ORIGINAL COST (2)	AVG. LIFE (3)	EXP. (4)	-ACCRUED FACTOR (5)	DEPREC. - AMOUNT (6)
SURVIVOR CURVE.. IOWA 36-R0.5					
NET SALVAGE PERCENT.. -85					
1978	114,704.31	36.00	25.45	.2931	33,620
1979	128,960.31	36.00	26.04	.2767	35,683
1980	126,969.34	36.00	26.62	.2606	33,088
1981	108,479.50	36.00	27.22	.2439	26,458
1982	92,843.77	36.00	27.81	.2275	21,122
1983	109,654.27	36.00	28.40	.2111	23,148
1984	128,736.61	36.00	29.00	.1944	25,026
1985	204,493.77	36.00	29.60	.1778	36,359
1986	177,866.66	36.00	30.20	.1611	28,654
1987	218,763.45	36.00	30.80	.1444	31,589
1988	255,266.91	36.00	31.40	.1278	32,623
1989	271,589.88	36.00	32.01	.1108	30,092
1990	322,306.98	36.00	32.62	.0939	30,265
1991	334,666.94	36.00	33.23	.0769	25,736
1992	336,235.54	36.00	33.84	.0600	20,174
1993	357,614.54	36.00	34.45	.0431	15,413
1994	436,359.90	36.00	35.07	.0258	11,258
1995	500,554.35	36.00	35.69	.0086	4,305
					814,990
NET SALVAGE ADJUSTMENT					692,742
TOTAL	5,057,337.00				1,507,732

OWEN ELECTRIC COOPERATIVE, INC.

ACCOUNT 370 METERS

CALCULATED ACCRUED DEPRECIATION  
RELATED TO ORIGINAL COST AT DECEMBER 31, 1995

YEAR (1)	ORIGINAL COST (2)	AVG. LIFE (3)	EXP. (4)	-ACCRUED FACTOR (5)	DEPREC.- AMOUNT (6)
SURVIVOR CURVE.. IOWA 33-R3					
NET SALVAGE PERCENT.. 0					
1949	194.83	33.00	2.28	.9309	181
1950	522.17	33.00	2.54	.9230	482
1951	674.69	33.00	2.80	.9152	617
1952	945.36	33.00	3.06	.9073	858
1953	1,702.84	33.00	3.32	.8994	1,532
1954	1,824.88	33.00	3.59	.8912	1,626
1955	3,451.73	33.00	3.88	.8824	3,046
1956	3,072.00	33.00	4.17	.8736	2,684
1957	3,499.63	33.00	4.49	.8639	3,023
1958	5,930.15	33.00	4.83	.8536	5,062
1959	7,647.92	33.00	5.19	.8427	6,445
1960	8,465.37	33.00	5.57	.8312	7,036
1961	10,532.97	33.00	5.99	.8185	8,621
1962	11,290.22	33.00	6.43	.8052	9,091
1963	11,961.36	33.00	6.90	.7909	9,460
1964	13,728.71	33.00	7.40	.7758	10,651
1965	18,573.31	33.00	7.92	.7600	14,116
1966	21,708.41	33.00	8.48	.7430	16,129
1967	15,516.98	33.00	9.06	.7255	11,258
1968	13,359.32	33.00	9.67	.7070	9,445
1969	16,730.33	33.00	10.30	.6879	11,509
1970	18,352.07	33.00	10.96	.6679	12,257
1971	22,960.96	33.00	11.64	.6473	14,863
1972	31,682.97	33.00	12.34	.6261	19,837
1973	44,988.67	33.00	13.06	.6042	27,182
1974	55,434.69	33.00	13.80	.5818	32,252
1975	20,562.20	33.00	14.56	.5588	11,490
1976	44,294.99	33.00	15.33	.5355	23,720
1977	47,281.73	33.00	16.12	.5115	24,185
1978	41,397.05	33.00	16.93	.4870	20,160
1979	50,233.40	33.00	17.75	.4621	23,213
1980	97,997.34	33.00	18.59	.4367	42,795
1981	68,344.04	33.00	19.44	.4109	28,083
1982	23,556.25	33.00	20.31	.3845	9,057
1983	47,425.96	33.00	21.18	.3582	16,988
1984	84,061.41	33.00	22.08	.3309	27,816
1985	80,072.46	33.00	22.98	.3036	24,310
1986	79,492.77	33.00	23.89	.2761	21,948

OWEN ELECTRIC COOPERATIVE, INC.

ACCOUNT 370 METERS

CALCULATED ACCRUED DEPRECIATION  
RELATED TO ORIGINAL COST AT DECEMBER 31, 1995

YEAR (1)	ORIGINAL COST (2)	AVG. LIFE (3)	EXP. (4)	-ACCRUED FACTOR (5)	DEPREC.- AMOUNT (6)
SURVIVOR CURVE.. IOWA 33-R3					
NET SALVAGE PERCENT.. 0					
1987	73,831.27	33.00	24.82	.2479	18,303
1988	155,181.53	33.00	25.76	.2194	34,047
1989	120,710.21	33.00	26.70	.1909	23,044
1990	156,283.41	33.00	27.65	.1621	25,334
1991	84,459.12	33.00	28.61	.1330	11,233
1992	133,972.48	33.00	29.58	.1036	13,880
1993	101,898.01	33.00	30.55	.0742	7,561
1994	111,719.65	33.00	31.53	.0445	4,972
1995	101,206.18	33.00	32.51	.0148	1,498
TOTAL	2,068,734.00				652,900

OWEN ELECTRIC COOPERATIVE, INC.

ACCOUNT 371 INSTALLATIONS ON CUSTOMERS PREMISES

CALCULATED ACCRUED DEPRECIATION  
RELATED TO ORIGINAL COST AT DECEMBER 31, 1995

YEAR (1)	ORIGINAL COST (2)	AVG. LIFE (3)	EXP. (4)	-ACCRUED DEPREC. FACTOR (5)	- AMOUNT (6)
SURVIVOR CURVE.. IOWA 28-R1					
NET SALVAGE PERCENT.. -35					
1962	655.01	28.00	7.79	.7218	473
1963	4,124.02	28.00	8.21	.7068	2,915
1966	22,609.90	28.00	9.57	.6582	14,882
1967	23,902.96	28.00	10.04	.6414	15,331
1968	13,938.62	28.00	10.53	.6239	8,696
1969	13,856.39	28.00	11.03	.6061	8,398
1970	13,218.67	28.00	11.54	.5879	7,771
1971	15,837.55	28.00	12.06	.5693	9,016
1972	24,023.91	28.00	12.59	.5504	13,223
1973	44,207.24	28.00	13.14	.5307	23,461
1974	50,922.67	28.00	13.70	.5107	26,006
1975	23,066.73	28.00	14.28	.4900	11,303
1976	28,508.18	28.00	14.86	.4693	13,379
1977	30,065.85	28.00	15.46	.4479	13,466
1978	27,402.03	28.00	16.07	.4261	11,676
1979	39,308.79	28.00	16.68	.4043	15,893
1980	45,361.06	28.00	17.31	.3818	17,319
1981	56,251.84	28.00	17.95	.3589	20,189
1982	58,633.10	28.00	18.60	.3357	19,683
1983	57,154.58	28.00	19.26	.3121	17,838
1984	50,300.13	28.00	19.92	.2886	14,517
1985	57,982.37	28.00	20.59	.2646	15,342
1986	64,926.11	28.00	21.27	.2404	15,608
1987	72,535.32	28.00	21.95	.2161	15,675
1988	73,340.59	28.00	22.64	.1914	14,037
1989	80,426.74	28.00	23.33	.1668	13,415
1990	85,684.81	28.00	24.03	.1418	12,150
1991	121,579.43	28.00	24.73	.1168	14,200
1992	115,952.30	28.00	25.45	.0911	10,563
1993	120,268.60	28.00	26.17	.0654	7,866
1994	149,722.69	28.00	26.89	.0396	5,929
1995	176,867.81	28.00	27.63	.0132	2,335
					412,555
					NET SALVAGE ADJUSTMENT
					144,394
TOTAL	1,762,636.00				556,949



OWEN ELECTRIC COOPERATIVE, INC.

ACCOUNT 373 STREET LIGHTING

CALCULATED ACCRUED DEPRECIATION  
RELATED TO ORIGINAL COST AT DECEMBER 31, 1995

YEAR (1)	ORIGINAL COST (2)	AVG. LIFE (3)	EXP. (4)	-ACCRUED DEPREC.- FACTOR (5)	AMOUNT (6)
SURVIVOR CURVE.. IOWA 28-R1					
NET SALVAGE PERCENT.. -35					
1967	5,552.00	28.00	10.04	.6414	3,561
1968	283.00	28.00	10.53	.6239	177
1971	1,537.00	28.00	12.06	.5693	875
1985	653.00	28.00	20.59	.2646	173
1987	5,328.00	28.00	21.95	.2161	1,151
1989	5,637.00	28.00	23.33	.1668	940
1990	1,857.00	28.00	24.03	.1418	263
1991	5,160.00	28.00	24.73	.1168	603
1992	2,343.00	28.00	25.45	.0911	213
1993	3,223.00	28.00	26.17	.0654	211
1994	1,383.00	28.00	26.89	.0396	55
1995	3,838.00	28.00	27.63	.0132	51
					8,273
					2,896
					NET SALVAGE ADJUSTMENT
TOTAL	36,794.00				11,169

III-44

## COMPOSITE REMAINING LIVES

OWEN ELECTRIC COOPERATIVE, INC.

ACCOUNT 364 POLES, TOWERS AND FIXTURES

CALCULATION OF COMPOSITE REMAINING LIFE  
RELATED TO ORIGINAL COST AT DECEMBER 31, 1995

YEAR (1)	ORIGINAL COST (2)	AVG. LIFE (3)	--ANNUAL RATE (4)	ACCRUAL-- AMOUNT (5)	REM. LIFE (6)	-FUTURE FACTOR (7)	ACCRUALS- AMOUNT (8)
SURVIVOR CURVE.. IOWA 44-R0.5							
NET SALVAGE PERCENT.. -95							
1940	20,699.07	44.00	2.27	469.87	13.81	.3139	6,497
1941	1,649.10	44.00	2.27	37.43	14.24	.3236	534
1942	34,280.00	44.00	2.27	778.16	14.67	.3334	11,429
1943	1,750.66	44.00	2.27	39.74	15.10	.3432	601
1944	788.85	44.00	2.27	17.91	15.54	.3532	279
1947	52,080.38	44.00	2.27	1,182.22	16.89	.3839	19,994
1948	37,288.57	44.00	2.27	846.45	17.35	.3943	14,703
1949	64,809.79	44.00	2.27	1,471.18	17.81	.4048	26,235
1950	161,734.73	44.00	2.27	3,671.38	18.28	.4155	67,201
1951	26,632.54	44.00	2.27	604.56	18.76	.4264	11,356
1952	53,469.31	44.00	2.27	1,213.75	19.24	.4373	23,382
1953	52,291.15	44.00	2.27	1,187.01	19.72	.4482	23,437
1954	17,038.42	44.00	2.27	386.77	20.21	.4593	7,826
1955	34,670.07	44.00	2.27	787.01	20.71	.4707	16,319
1956	60,523.73	44.00	2.27	1,373.89	21.21	.4820	29,172
1957	36,503.85	44.00	2.27	828.64	21.71	.4934	18,011
1958	36,804.46	44.00	2.27	835.46	22.23	.5052	18,594
1959	123,808.84	44.00	2.27	2,810.46	22.74	.5168	63,984
1960	90,138.94	44.00	2.27	2,046.15	23.26	.5286	47,647
1961	16,256.31	44.00	2.27	369.02	23.79	.5407	8,790
1962	81,727.00	44.00	2.27	1,855.20	24.32	.5527	45,171
1963	114,188.95	44.00	2.27	2,592.09	24.86	.5650	64,517
1964	130,914.42	44.00	2.27	2,971.76	25.40	.5773	75,577
1965	102,229.90	44.00	2.27	2,320.62	25.95	.5898	60,295
1966	31,802.33	44.00	2.27	721.91	26.50	.6023	19,155
1967	244,114.67	44.00	2.27	5,541.40	27.05	.6148	150,082
1968	117,225.85	44.00	2.27	2,661.03	27.61	.6275	73,559
1969	183,600.07	44.00	2.27	4,167.72	28.17	.6402	117,541
1970	148,393.87	44.00	2.27	3,368.54	28.74	.6532	96,931
1971	159,002.98	44.00	2.27	3,609.37	29.31	.6661	105,912
1972	224,420.32	44.00	2.27	5,094.34	29.89	.6793	152,449
1973	206,000.25	44.00	2.27	4,676.21	30.46	.6923	142,614
1974	183,356.14	44.00	2.27	4,162.18	31.05	.7057	129,394
1975	261,892.26	44.00	2.27	5,944.95	31.63	.7189	188,274
1976	401,052.95	44.00	2.27	9,103.90	32.22	.7323	293,691
1977	556,881.61	44.00	2.27	12,641.21	32.80	.7455	415,155
1978	615,936.12	44.00	2.27	13,981.75	33.39	.7589	467,434
1979	762,350.95	44.00	2.27	17,305.37	33.99	.7725	588,916

OWEN ELECTRIC COOPERATIVE, INC.

ACCOUNT 364 POLES, TOWERS AND FIXTURES

CALCULATION OF COMPOSITE REMAINING LIFE  
RELATED TO ORIGINAL COST AT DECEMBER 31, 1995

YEAR (1)	ORIGINAL COST (2)	AVG. LIFE (3)	--ANNUAL RATE (4)	ACCRUAL-- AMOUNT (5)	REM. LIFE (6)	-FUTURE FACTOR (7)	ACCRUALS- AMOUNT (8)
SURVIVOR CURVE.. IOWA 44-R0.5							
NET SALVAGE PERCENT.. -95							
1980	1,226,678.80	44.00	2.27	27,845.61	34.58	.7859	964,047
1981	1,204,319.24	44.00	2.27	27,338.05	35.18	.7995	962,853
1982	1,083,504.26	44.00	2.27	24,595.55	35.77	.8130	880,889
1983	804,118.47	44.00	2.27	18,253.49	36.37	.8266	664,684
1984	939,082.75	44.00	2.27	21,317.18	36.97	.8402	789,017
1985	803,446.50	44.00	2.27	18,238.24	37.58	.8541	686,224
1986	902,575.26	44.00	2.27	20,488.46	38.18	.8677	783,165
1987	1,089,302.57	44.00	2.27	24,727.17	38.78	.8814	960,111
1988	1,192,828.65	44.00	2.27	27,077.21	39.39	.8952	1,067,820
1989	1,277,250.29	44.00	2.27	28,993.58	40.00	.9091	1,161,148
1990	1,254,937.14	44.00	2.27	28,487.07	40.61	.9230	1,158,307
1991	1,494,847.30	44.00	2.27	33,933.03	41.22	.9368	1,400,373
1992	1,783,066.27	44.00	2.27	40,475.60	41.84	.9509	1,695,518
1993	1,393,718.71	44.00	2.27	31,637.41	42.45	.9648	1,344,660
1994	1,701,691.86	44.00	2.27	38,628.41	43.07	.9789	1,665,786
1995	2,247,880.52	44.00	2.27	51,026.89	43.69	.9930	2,232,145
TOTAL	25,847,558.00			586,739.56			22,019,405
	NET SALVAGE ADJUSTMENT			557,402.58			20,918,435
TOTAL	25,847,558.00			1,144,142.14			42,937,840

COMPOSITE REMAINING LIFE, YEARS... 37.53

OWEN ELECTRIC COOPERATIVE, INC.

ACCOUNT 365 OVERHEAD CONDUCTORS AND DEVICES

CALCULATION OF COMPOSITE REMAINING LIFE  
RELATED TO ORIGINAL COST AT DECEMBER 31, 1995

YEAR (1)	ORIGINAL COST (2)	AVG. LIFE (3)	--ANNUAL ACCRUAL-- RATE (4)	AMOUNT (5)	REM. LIFE (6)	-FUTURE ACCRUALS- FACTOR (7)	AMOUNT (8)
SURVIVOR CURVE.. IOWA 37-L2							
NET SALVAGE PERCENT.. -75							
1939	43,081.55	37.00	2.70	1,163.20	9.59	.2592	11,167
1941	866.76	37.00	2.70	23.40	10.08	.2724	236
1942	25,781.92	37.00	2.70	696.11	10.32	.2789	7,191
1943	853.30	37.00	2.70	23.04	10.57	.2857	244
1944	446.66	37.00	2.70	12.06	10.82	.2924	131
1947	26,396.40	37.00	2.70	712.70	11.58	.3130	8,262
1948	21,078.63	37.00	2.70	569.12	11.83	.3197	6,739
1949	45,877.45	37.00	2.70	1,238.69	12.08	.3265	14,979
1950	134,234.99	37.00	2.70	3,624.34	12.33	.3332	44,727
1951	19,525.60	37.00	2.70	527.19	12.58	.3400	6,639
1952	50,638.17	37.00	2.70	1,367.23	12.83	.3468	17,561
1953	41,879.58	37.00	2.70	1,130.75	13.07	.3532	14,792
1954	12,553.40	37.00	2.70	338.94	13.32	.3600	4,519
1955	15,586.11	37.00	2.70	420.82	13.56	.3665	5,712
1956	64,075.20	37.00	2.70	1,730.03	13.80	.3730	23,900
1957	13,003.72	37.00	2.70	351.10	14.04	.3795	4,935
1958	31,125.26	37.00	2.70	840.38	14.28	.3859	12,011
1959	81,496.41	37.00	2.70	2,200.40	14.52	.3924	31,979
1960	138,997.45	37.00	2.70	3,752.93	14.76	.3989	55,446
1961	6,340.70	37.00	2.70	171.20	15.01	.4057	2,572
1962	38,942.75	37.00	2.70	1,051.45	15.25	.4122	16,052
1963	77,443.36	37.00	2.70	2,090.97	15.51	.4192	32,464
1964	59,114.05	37.00	2.70	1,596.08	15.77	.4262	25,194
1965	67,996.42	37.00	2.70	1,835.90	16.05	.4338	29,497
1966	38,089.65	37.00	2.70	1,028.42	16.33	.4414	16,813
1967	113,208.77	37.00	2.70	3,056.64	16.64	.4497	50,910
1968	47,312.85	37.00	2.70	1,277.45	16.96	.4584	21,688
1969	95,592.61	37.00	2.70	2,581.00	17.29	.4673	44,670
1970	78,216.90	37.00	2.70	2,111.86	17.66	.4773	37,333
1971	82,737.54	37.00	2.70	2,233.91	18.05	.4878	40,359
1972	76,803.94	37.00	2.70	2,073.71	18.46	.4989	38,317
1973	130,730.64	37.00	2.70	3,529.73	18.91	.5111	66,816
1974	178,526.34	37.00	2.70	4,820.21	19.39	.5241	93,566
1975	238,873.90	37.00	2.70	6,449.60	19.91	.5381	128,538
1976	215,799.34	37.00	2.70	5,826.58	20.47	.5532	119,380
1977	403,630.86	37.00	2.70	10,898.03	21.07	.5695	229,868
1978	476,967.73	37.00	2.70	12,878.13	21.71	.5868	279,885
1979	450,165.46	37.00	2.70	12,154.47	22.38	.6049	272,305

OWEN ELECTRIC COOPERATIVE, INC.

ACCOUNT 365 OVERHEAD CONDUCTORS AND DEVICES

CALCULATION OF COMPOSITE REMAINING LIFE  
RELATED TO ORIGINAL COST AT DECEMBER 31, 1995

YEAR (1)	ORIGINAL COST (2)	AVG. LIFE (3)	--ANNUAL ACCRUAL-- RATE (4)	AMOUNT (5)	REM. LIFE (6)	-FUTURE ACCRUALS- FACTOR (7)	AMOUNT (8)
SURVIVOR CURVE... IOWA 37-L2							
NET SALVAGE PERCENT... -75							
1980	1,117,537.78	37.00	2.70	30,173.52	23.10	.6243	697,679
1981	1,045,034.00	37.00	2.70	28,215.92	23.85	.6446	673,629
1982	893,390.94	37.00	2.70	24,121.56	24.63	.6657	594,730
1983	383,992.75	37.00	2.70	10,367.80	25.44	.6876	264,033
1984	555,342.27	37.00	2.70	14,994.24	26.27	.7100	394,293
1985	373,810.60	37.00	2.70	10,092.89	27.12	.7330	274,003
1986	464,006.06	37.00	2.70	12,528.16	27.98	.7562	350,881
1987	652,538.22	37.00	2.70	17,618.53	28.86	.7800	508,980
1988	696,300.87	37.00	2.70	18,800.12	29.76	.8043	560,035
1989	720,573.71	37.00	2.70	19,455.49	30.68	.8292	597,500
1990	675,517.48	37.00	2.70	18,238.97	31.61	.8543	577,095
1991	1,123,517.83	37.00	2.70	30,334.98	32.57	.8803	989,033
1992	1,602,014.86	37.00	2.70	43,254.40	33.53	.9062	1,451,746
1993	835,823.94	37.00	2.70	22,567.25	34.51	.9327	779,573
1994	1,136,742.61	37.00	2.70	30,692.05	35.50	.9595	1,090,705
1995	1,278,773.71	37.00	2.70	34,526.89	36.50	.9865	1,261,510
TOTAL	17,198,910.00			464,370.54			12,882,822
	NET SALVAGE ADJUSTMENT			348,277.91			9,662,117
TOTAL	17,198,910.00			812,648.45			22,544,939

COMPOSITE REMAINING LIFE, YEARS... 27.74

OWEN ELECTRIC COOPERATIVE, INC.

ACCOUNT 367 UNDERGROUND CONDUCTORS AND DEVICES

CALCULATION OF COMPOSITE REMAINING LIFE  
RELATED TO ORIGINAL COST AT DECEMBER 31, 1995

YEAR (1)	ORIGINAL COST (2)	AVG. LIFE (3)	--ANNUAL ACCRUAL-- RATE (4)	REM. LIFE (6)	-FUTURE ACCRUALS- FACTOR (7)	AMOUNT (5)	AMOUNT (8)
SURVIVOR CURVE.. IOWA 25-R3							
NET SALVAGE PERCENT... -20							
1971	178.99	25.00	4.00	7.16	5.28	.2112	38
1972	709.30	25.00	4.00	28.37	5.79	.2316	164
1973	5,688.84	25.00	4.00	227.55	6.34	.2536	1,443
1974	23,228.09	25.00	4.00	929.12	6.92	.2768	6,430
1975	42,006.10	25.00	4.00	1,680.24	7.53	.3012	12,652
1976	39,282.55	25.00	4.00	1,571.30	8.18	.3272	12,853
1977	26,627.57	25.00	4.00	1,065.10	8.86	.3544	9,437
1978	65,389.52	25.00	4.00	2,615.58	9.57	.3828	25,031
1979	50,568.17	25.00	4.00	2,022.73	10.30	.4120	20,834
1980	45,464.61	25.00	4.00	1,818.58	11.05	.4420	20,095
1981	16,633.67	25.00	4.00	665.35	11.83	.4732	7,871
1982	31,798.45	25.00	4.00	1,271.94	12.63	.5052	16,065
1983	60,508.06	25.00	4.00	2,420.32	13.45	.5380	32,553
1984	110,287.96	25.00	4.00	4,411.52	14.29	.5716	63,041
1985	177,454.28	25.00	4.00	7,098.17	15.15	.6060	107,537
1986	83,006.06	25.00	4.00	3,320.24	16.02	.6408	53,190
1987	198,090.60	25.00	4.00	7,923.62	16.91	.6764	133,988
1988	355,765.81	25.00	4.00	14,230.63	17.82	.7128	253,590
1989	295,616.21	25.00	4.00	11,824.65	18.75	.7500	221,712
1990	856,371.34	25.00	4.00	34,254.85	19.68	.7872	674,136
1991	1,060,174.00	25.00	4.00	42,406.96	20.63	.8252	874,856
1992	539,346.57	25.00	4.00	21,573.86	21.59	.8636	465,780
1993	880,798.73	25.00	4.00	35,231.95	22.55	.9020	794,480
1994	686,337.55	25.00	4.00	27,453.50	23.53	.9412	645,981
1995	1,681,963.97	25.00	4.00	67,278.56	24.51	.9804	1,648,997
TOTAL	7,333,297.00			293,331.85			6,102,754
	NET SALVAGE ADJUSTMENT			58,666.37			1,220,551
TOTAL	7,333,297.00			351,998.22			7,323,305

COMPOSITE REMAINING LIFE, YEARS... 20.80

OWEN ELECTRIC COOPERATIVE, INC.

ACCOUNT 368 LINE TRANSFORMERS

CALCULATION OF COMPOSITE REMAINING LIFE  
RELATED TO ORIGINAL COST AT DECEMBER 31, 1995

YEAR (1)	ORIGINAL COST (2)	AVG. LIFE (3)	--ANNUAL RATE (4)	ACCRUAL-- AMOUNT (5)	REM. LIFE (6)	-FUTURE FACTOR (7)	ACCRUALS- AMOUNT (8)
SURVIVOR CURVE.. IOWA 37-R1.5							
NET SALVAGE PERCENT.. 0							
1939	14,687.02	37.00	2.70	396.55	4.97	.1343	1,972
1940	1,018.79	37.00	2.70	27.51	5.25	.1419	145
1941	1,667.18	37.00	2.70	45.01	5.54	.1497	250
1942	15,375.50	37.00	2.70	415.14	5.83	.1576	2,423
1943	498.25	37.00	2.70	13.45	6.12	.1654	82
1944	2,033.89	37.00	2.70	54.92	6.42	.1735	353
1945	4,545.96	37.00	2.70	122.74	6.73	.1819	827
1946	3,887.07	37.00	2.70	104.95	7.05	.1905	740
1947	34,865.24	37.00	2.70	941.36	7.37	.1992	6,945
1948	60,826.87	37.00	2.70	1,642.33	7.70	.2081	12,658
1949	34,166.82	37.00	2.70	922.50	8.04	.2173	7,424
1950	28,585.28	37.00	2.70	771.80	8.40	.2270	6,489
1951	14,426.20	37.00	2.70	389.51	8.76	.2368	3,416
1952	6,904.00	37.00	2.70	186.41	9.14	.2470	1,705
1953	20,922.23	37.00	2.70	564.90	9.52	.2573	5,383
1954	14,564.94	37.00	2.70	393.25	9.92	.2681	3,905
1955	23,653.81	37.00	2.70	638.65	10.34	.2795	6,611
1956	38,615.38	37.00	2.70	1,042.62	10.76	.2908	11,229
1957	47,198.87	37.00	2.70	1,274.37	11.21	.3030	14,301
1958	41,425.06	37.00	2.70	1,118.48	11.66	.3151	13,053
1959	89,208.06	37.00	2.70	2,408.62	12.13	.3278	29,242
1960	108,781.10	37.00	2.70	2,937.09	12.61	.3408	37,073
1961	62,065.82	37.00	2.70	1,675.78	13.11	.3543	21,990
1962	80,680.39	37.00	2.70	2,178.37	13.62	.3681	29,698
1963	102,995.63	37.00	2.70	2,780.88	14.15	.3824	39,386
1964	63,702.78	37.00	2.70	1,719.98	14.69	.3970	25,290
1965	67,738.80	37.00	2.70	1,828.95	15.24	.4119	27,902
1966	61,006.71	37.00	2.70	1,647.18	15.81	.4273	26,068
1967	66,447.38	37.00	2.70	1,794.08	16.39	.4430	29,436
1968	62,133.55	37.00	2.70	1,677.61	16.98	.4589	28,513
1969	52,368.85	37.00	2.70	1,413.96	17.59	.4754	24,896
1970	74,283.45	37.00	2.70	2,005.65	18.21	.4922	36,562
1971	75,733.33	37.00	2.70	2,044.80	18.84	.5092	38,563
1972	62,453.18	37.00	2.70	1,686.24	19.48	.5265	32,882
1973	188,588.89	37.00	2.70	5,091.90	20.13	.5441	102,611
1974	167,538.68	37.00	2.70	4,523.54	20.79	.5619	94,140
1975	55,851.18	37.00	2.70	1,507.98	21.47	.5803	32,410
1976	131,658.36	37.00	2.70	3,554.78	22.15	.5986	78,811



OWEN ELECTRIC COOPERATIVE, INC.

ACCOUNT 368 LINE TRANSFORMERS

CALCULATION OF COMPOSITE REMAINING LIFE  
RELATED TO ORIGINAL COST AT DECEMBER 31, 1995

YEAR (1)	ORIGINAL COST (2)	AVG. LIFE (3)	--ANNUAL ACCRUAL-- RATE (4)	AMOUNT (5)	REM. LIFE (6)	-FUTURE ACCRUALS- FACTOR (7)	AMOUNT (8)
SURVIVOR CURVE.. IOWA 37-R1.5							
NET SALVAGE PERCENT.. 0							
1977	213,099.35	37.00	2.70	5,753.68	22.84	.6173	131,546
1978	261,975.51	37.00	2.70	7,073.34	23.54	.6362	166,669
1979	384,440.59	37.00	2.70	10,379.90	24.25	.6554	251,962
1980	383,948.99	37.00	2.70	10,366.62	24.97	.6749	259,127
1981	185,701.50	37.00	2.70	5,013.94	25.70	.6946	128,988
1982	180,685.74	37.00	2.70	4,878.51	26.43	.7143	129,064
1983	217,182.98	37.00	2.70	5,863.94	27.18	.7346	159,543
1984	273,896.25	37.00	2.70	7,395.20	27.93	.7549	206,764
1985	318,695.65	37.00	2.70	8,604.78	28.68	.7751	247,021
1986	453,017.40	37.00	2.70	12,231.47	29.44	.7957	360,466
1987	510,828.61	37.00	2.70	13,792.37	30.21	.8165	417,092
1988	459,634.27	37.00	2.70	12,410.13	30.99	.8376	384,990
1989	768,651.84	37.00	2.70	20,753.60	31.77	.8586	659,964
1990	797,717.84	37.00	2.70	21,538.38	32.56	.8800	701,992
1991	943,261.59	37.00	2.70	25,468.06	33.35	.9014	850,256
1992	731,567.29	37.00	2.70	19,752.32	34.15	.9230	675,237
1993	904,191.01	37.00	2.70	24,413.16	34.96	.9449	854,370
1994	908,112.24	37.00	2.70	24,519.03	35.77	.9668	877,963
1995	958,614.85	37.00	2.70	25,882.60	36.59	.9889	947,974
TOTAL	11,838,328.00			319,634.87			9,246,372

COMPOSITE REMAINING LIFE, YEARS... 28.93

OWEN ELECTRIC COOPERATIVE, INC.

ACCOUNT 369 SERVICES

CALCULATION OF COMPOSITE REMAINING LIFE  
RELATED TO ORIGINAL COST AT DECEMBER 31, 1995

YEAR (1)	ORIGINAL COST (2)	AVG. LIFE (3)	--ANNUAL ACCRUAL-- RATE (4)	AMOUNT (5)	REM. LIFE (6)	-FUTURE ACCRUALS- FACTOR (7)	AMOUNT (8)
SURVIVOR CURVE.. IOWA 36-R0.5							
NET SALVAGE PERCENT.. -85							
1939	1,635.27	36.00	2.78	45.46	6.80	.1889	309
1940	1,178.04	36.00	2.78	32.75	7.20	.2000	236
1941	282.04	36.00	2.78	7.84	7.59	.2108	59
1942	2,969.57	36.00	2.78	82.55	7.99	.2219	659
1943	285.11	36.00	2.78	7.93	8.39	.2331	66
1944	58.83	36.00	2.78	1.64	8.79	.2442	14
1946	414.69	36.00	2.78	11.53	9.60	.2667	111
1947	5,374.34	36.00	2.78	149.41	10.01	.2781	1,495
1948	5,706.56	36.00	2.78	158.64	10.42	.2894	1,651
1949	11,394.21	36.00	2.78	316.76	10.84	.3011	3,431
1950	17,258.77	36.00	2.78	479.79	11.26	.3128	5,399
1951	5,835.96	36.00	2.78	162.24	11.69	.3247	1,895
1952	2,941.41	36.00	2.78	81.77	12.12	.3367	990
1953	7,953.05	36.00	2.78	221.09	12.56	.3489	2,775
1954	5,618.14	36.00	2.78	156.18	13.00	.3611	2,029
1955	9,656.78	36.00	2.78	268.46	13.45	.3736	3,608
1956	4,866.82	36.00	2.78	135.30	13.90	.3861	1,879
1957	7,903.78	36.00	2.78	219.73	14.36	.3989	3,153
1958	7,384.04	36.00	2.78	205.28	14.83	.4119	3,041
1959	6,437.03	36.00	2.78	178.95	15.30	.4250	2,736
1960	14,289.72	36.00	2.78	397.25	15.78	.4383	6,263
1961	4,255.11	36.00	2.78	118.29	16.27	.4519	1,923
1962	16,580.38	36.00	2.78	460.93	16.76	.4656	7,720
1963	12,105.94	36.00	2.78	336.55	17.26	.4794	5,804
1964	29,428.66	36.00	2.78	818.12	17.77	.4936	14,526
1965	14,343.46	36.00	2.78	398.75	18.28	.5078	7,284
1966	2,980.03	36.00	2.78	82.84	18.80	.5222	1,556
1967	41,576.98	36.00	2.78	1,155.84	19.32	.5367	22,314
1968	28,817.79	36.00	2.78	801.13	19.85	.5514	15,890
1969	26,816.63	36.00	2.78	745.50	20.39	.5664	15,189
1970	27,458.70	36.00	2.78	763.35	20.93	.5814	15,964
1971	33,707.69	36.00	2.78	937.07	21.48	.5967	20,113
1972	51,340.81	36.00	2.78	1,427.27	22.03	.6119	31,415
1973	77,713.09	36.00	2.78	2,160.42	22.59	.6275	48,765
1974	79,795.26	36.00	2.78	2,218.31	23.15	.6431	51,316
1975	72,307.07	36.00	2.78	2,010.14	23.72	.6589	47,643
1976	87,090.34	36.00	2.78	2,421.11	24.30	.6750	58,786
1977	105,507.87	36.00	2.78	2,933.12	24.87	.6908	72,885

OWEN ELECTRIC COOPERATIVE, INC.

ACCOUNT 369 SERVICES

CALCULATION OF COMPOSITE REMAINING LIFE  
RELATED TO ORIGINAL COST AT DECEMBER 31, 1995

YEAR (1)	ORIGINAL COST (2)	AVG. LIFE (3)	--ANNUAL ACCRUAL-- RATE (4)	AMOUNT (5)	REM. LIFE (6)	-FUTURE ACCRUALS- FACTOR (7)	AMOUNT (8)
SURVIVOR CURVE.. IOWA 36-R0.5							
NET SALVAGE PERCENT.. -85							
1978	114,704.31	36.00	2.78	3,188.78	25.45	.7069	81,084
1979	128,960.31	36.00	2.78	3,585.10	26.04	.7233	93,277
1980	126,969.34	36.00	2.78	3,529.75	26.62	.7394	93,881
1981	108,479.50	36.00	2.78	3,015.73	27.22	.7561	82,021
1982	92,843.77	36.00	2.78	2,581.06	27.81	.7725	71,722
1983	109,654.27	36.00	2.78	3,048.39	28.40	.7889	86,506
1984	128,736.61	36.00	2.78	3,578.88	29.00	.8056	103,710
1985	204,493.77	36.00	2.78	5,684.93	29.60	.8222	168,135
1986	177,866.66	36.00	2.78	4,944.69	30.20	.8389	149,212
1987	218,763.45	36.00	2.78	6,081.62	30.80	.8556	187,174
1988	255,266.91	36.00	2.78	7,096.42	31.40	.8722	222,644
1989	271,589.88	36.00	2.78	7,550.20	32.01	.8892	241,498
1990	322,306.98	36.00	2.78	8,960.13	32.62	.9061	292,042
1991	334,666.94	36.00	2.78	9,303.74	33.23	.9231	308,931
1992	336,235.54	36.00	2.78	9,347.35	33.84	.9400	316,061
1993	357,614.54	36.00	2.78	9,941.68	34.45	.9569	342,201
1994	436,359.90	36.00	2.78	12,130.81	35.07	.9742	425,102
1995	500,554.35	36.00	2.78	13,915.41	35.69	.9914	496,250
TOTAL	5,057,337.00			140,593.96			4,242,343
	NET SALVAGE ADJUSTMENT			119,504.87			3,605,992
TOTAL	5,057,337.00			260,098.83			7,848,335

COMPOSITE REMAINING LIFE, YEARS... 30.17

OWEN ELECTRIC COOPERATIVE, INC.

ACCOUNT 370 METERS

CALCULATION OF COMPOSITE REMAINING LIFE  
RELATED TO ORIGINAL COST AT DECEMBER 31, 1995

YEAR (1)	ORIGINAL COST (2)	AVG. LIFE (3)	--ANNUAL ACCRUAL-- RATE (4)	AMOUNT (5)	REM. LIFE (6)	-FUTURE ACCRUALS- FACTOR (7)	AMOUNT (8)
SURVIVOR CURVE.. IOWA 33-R3							
NET SALVAGE PERCENT.. 0							
1949	194.83	33.00	3.03	5.90	2.28	.0691	13
1950	522.17	33.00	3.03	15.82	2.54	.0770	40
1951	674.69	33.00	3.03	20.44	2.80	.0848	57
1952	945.36	33.00	3.03	28.64	3.06	.0927	88
1953	1,702.84	33.00	3.03	51.60	3.32	.1006	171
1954	1,824.88	33.00	3.03	55.29	3.59	.1088	199
1955	3,451.73	33.00	3.03	104.59	3.88	.1176	406
1956	3,072.00	33.00	3.03	93.08	4.17	.1264	388
1957	3,499.63	33.00	3.03	106.04	4.49	.1361	476
1958	5,930.15	33.00	3.03	179.68	4.83	.1464	868
1959	7,647.92	33.00	3.03	231.73	5.19	.1573	1,203
1960	8,465.37	33.00	3.03	256.50	5.57	.1688	1,429
1961	10,532.97	33.00	3.03	319.15	5.99	.1815	1,912
1962	11,290.22	33.00	3.03	342.09	6.43	.1948	2,199
1963	11,961.36	33.00	3.03	362.43	6.90	.2091	2,501
1964	13,728.71	33.00	3.03	415.98	7.40	.2242	3,078
1965	18,573.31	33.00	3.03	562.77	7.92	.2400	4,458
1966	21,708.41	33.00	3.03	657.76	8.48	.2570	5,579
1967	15,516.98	33.00	3.03	470.16	9.06	.2745	4,259
1968	13,359.32	33.00	3.03	404.79	9.67	.2930	3,914
1969	16,730.33	33.00	3.03	506.93	10.30	.3121	5,222
1970	18,352.07	33.00	3.03	556.07	10.96	.3321	6,095
1971	22,960.96	33.00	3.03	695.72	11.64	.3527	8,098
1972	31,682.97	33.00	3.03	959.99	12.34	.3739	11,846
1973	44,988.67	33.00	3.03	1,363.16	13.06	.3958	17,807
1974	55,434.69	33.00	3.03	1,679.67	13.80	.4182	23,183
1975	20,562.20	33.00	3.03	623.03	14.56	.4412	9,072
1976	44,294.99	33.00	3.03	1,342.14	15.33	.4645	20,575
1977	47,281.73	33.00	3.03	1,432.64	16.12	.4885	23,097
1978	41,397.05	33.00	3.03	1,254.33	16.93	.5130	21,237
1979	50,233.40	33.00	3.03	1,522.07	17.75	.5379	27,021
1980	97,997.34	33.00	3.03	2,969.32	18.59	.5633	55,202
1981	68,344.04	33.00	3.03	2,070.82	19.44	.5891	40,261
1982	23,556.25	33.00	3.03	713.75	20.31	.6155	14,499
1983	47,425.96	33.00	3.03	1,437.01	21.18	.6418	30,438
1984	84,061.41	33.00	3.03	2,547.06	22.08	.6691	56,245
1985	80,072.46	33.00	3.03	2,426.20	22.98	.6964	55,762
1986	79,492.77	33.00	3.03	2,408.63	23.89	.7239	57,545

OWEN ELECTRIC COOPERATIVE, INC.

ACCOUNT 370 METERS

CALCULATION OF COMPOSITE REMAINING LIFE  
RELATED TO ORIGINAL COST AT DECEMBER 31, 1995

YEAR (1)	ORIGINAL COST (2)	AVG. LIFE (3)	--ANNUAL ACCRUAL-- RATE (4)	AMOUNT (5)	REM. LIFE (6)	-FUTURE ACCRUALS- FACTOR (7)	AMOUNT (8)
SURVIVOR CURVE.. IOWA 33-R3							
NET SALVAGE PERCENT.. 0							
1987	73,831.27	33.00	3.03	2,237.09	24.82	.7521	55,528
1988	155,181.53	33.00	3.03	4,702.00	25.76	.7806	121,135
1989	120,710.21	33.00	3.03	3,657.52	26.70	.8091	97,667
1990	156,283.41	33.00	3.03	4,735.39	27.65	.8379	130,950
1991	84,459.12	33.00	3.03	2,559.11	28.61	.8670	73,226
1992	133,972.48	33.00	3.03	4,059.37	29.58	.8964	120,093
1993	101,898.01	33.00	3.03	3,087.51	30.55	.9258	94,337
1994	111,719.65	33.00	3.03	3,385.11	31.53	.9555	106,748
1995	101,206.18	33.00	3.03	3,066.55	32.51	.9852	99,708
TOTAL	2,068,734.00			62,682.63			1,415,835

COMPOSITE REMAINING LIFE, YEARS... 22.59

OWEN ELECTRIC COOPERATIVE, INC.

ACCOUNT 371 INSTALLATIONS ON CUSTOMERS PREMISES

CALCULATION OF COMPOSITE REMAINING LIFE  
RELATED TO ORIGINAL COST AT DECEMBER 31, 1995

YEAR (1)	ORIGINAL COST (2)	AVG. LIFE (3)	--ANNUAL ACCRUAL-- RATE (4)	AMOUNT (5)	REM. LIFE (6)	-FUTURE ACCRUALS- FACTOR (7)	AMOUNT (8)
SURVIVOR CURVE.. IOWA 28-R1							
NET SALVAGE PERCENT.. -35							
1962	655.01	28.00	3.57	23.38	7.79	.2782	182
1963	4,124.02	28.00	3.57	147.23	8.21	.2932	1,209
1966	22,609.90	28.00	3.57	807.17	9.57	.3418	7,728
1967	23,902.96	28.00	3.57	853.34	10.04	.3586	8,572
1968	13,938.62	28.00	3.57	497.61	10.53	.3761	5,242
1969	13,856.39	28.00	3.57	494.67	11.03	.3939	5,458
1970	13,218.67	28.00	3.57	471.91	11.54	.4121	5,447
1971	15,837.55	28.00	3.57	565.40	12.06	.4307	6,821
1972	24,023.91	28.00	3.57	857.65	12.59	.4496	10,801
1973	44,207.24	28.00	3.57	1,578.20	13.14	.4693	20,746
1974	50,922.67	28.00	3.57	1,817.94	13.70	.4893	24,916
1975	23,066.73	28.00	3.57	823.48	14.28	.5100	11,764
1976	28,508.18	28.00	3.57	1,017.74	14.86	.5307	15,129
1977	30,065.85	28.00	3.57	1,073.35	15.46	.5521	16,599
1978	27,402.03	28.00	3.57	978.25	16.07	.5739	15,726
1979	39,308.79	28.00	3.57	1,403.32	16.68	.5957	23,416
1980	45,361.06	28.00	3.57	1,619.39	17.31	.6182	28,042
1981	56,251.84	28.00	3.57	2,008.19	17.95	.6411	36,063
1982	58,633.10	28.00	3.57	2,093.20	18.60	.6643	38,950
1983	57,154.58	28.00	3.57	2,040.42	19.26	.6879	39,317
1984	50,300.13	28.00	3.57	1,795.71	19.92	.7114	35,784
1985	57,982.37	28.00	3.57	2,069.97	20.59	.7354	42,640
1986	64,926.11	28.00	3.57	2,317.86	21.27	.7596	49,318
1987	72,535.32	28.00	3.57	2,589.51	21.95	.7839	56,860
1988	73,340.59	28.00	3.57	2,618.26	22.64	.8086	59,303
1989	80,426.74	28.00	3.57	2,871.23	23.33	.8332	67,012
1990	85,684.81	28.00	3.57	3,058.95	24.03	.8582	73,535
1991	121,579.43	28.00	3.57	4,340.39	24.73	.8832	107,379
1992	115,952.30	28.00	3.57	4,139.50	25.45	.9089	105,389
1993	120,268.60	28.00	3.57	4,293.59	26.17	.9346	112,403
1994	149,722.69	28.00	3.57	5,345.10	26.89	.9604	143,794
1995	176,867.81	28.00	3.57	6,314.18	27.63	.9868	174,533
TOTAL	1,762,636.00			62,926.09			1,350,078
	NET SALVAGE ADJUSTMENT			22,024.13			472,527
TOTAL	1,762,636.00			84,950.22			1,822,605

COMPOSITE REMAINING LIFE, YEARS... 21.46

OWEN ELECTRIC COOPERATIVE, INC.

ACCOUNT 373 STREET LIGHTING

CALCULATION OF COMPOSITE REMAINING LIFE  
RELATED TO ORIGINAL COST AT DECEMBER 31, 1995

YEAR (1)	ORIGINAL COST (2)	AVG. LIFE (3)	--ANNUAL ACCRUAL-- RATE (4)	AMOUNT (5)	REM. LIFE (6)	-FUTURE ACCRUALS- FACTOR (7)	AMOUNT (8)
SURVIVOR CURVE.. IOWA 28-R1							
NET SALVAGE PERCENT.. -35							
1967	5,552.00	28.00	3.57	198.21	10.04	.3586	1,991
1968	283.00	28.00	3.57	10.10	10.53	.3761	106
1971	1,537.00	28.00	3.57	54.87	12.06	.4307	662
1985	653.00	28.00	3.57	23.31	20.59	.7354	480
1987	5,328.00	28.00	3.57	190.21	21.95	.7839	4,177
1989	5,637.00	28.00	3.57	201.24	23.33	.8332	4,697
1990	1,857.00	28.00	3.57	66.29	24.03	.8582	1,594
1991	5,160.00	28.00	3.57	184.21	24.73	.8832	4,557
1992	2,343.00	28.00	3.57	83.65	25.45	.9089	2,130
1993	3,223.00	28.00	3.57	115.06	26.17	.9346	3,012
1994	1,383.00	28.00	3.57	49.37	26.89	.9604	1,328
1995	3,838.00	28.00	3.57	137.02	27.63	.9868	3,787
TOTAL	36,794.00			1,313.54			28,521
	NET SALVAGE ADJUSTMENT			459.74			9,982
TOTAL	36,794.00			1,773.28			38,503

COMPOSITE REMAINING LIFE, YEARS... 21.72

Owen Electric Cooperative  
Case No. 2008-00145  
Analysis of Other Operating Taxes  
12 Months Ended  
December 31, 2007

Line No.	Item (a)	Charged Expense (b)	Charged to Construction (c)	Charged to Other Accounts (d)	Amounts Accrued (e)	Amount Paid (f)
1.	Kentucky Retail:					
	(a) State Income					
	(b) Franchise Fees					
	(c) Ad Valorem	1,384,388			1,384,388	1,414,367
	(d) Payroll (Employer's Portion)	387,461	205,349	35,167	627,977	627,977
	(e) Other Taxes	128,898			128,898	128,898
2.	Total Retail (L1(a) through L1(e))	1,900,747	205,349	35,167	2,141,263	2,171,242
3.	Other Jurisdictions					
	Total Per Books (L2 and L3)	1,900,747	205,349	35,167	2,141,263	2,171,242

Allocation of adjustment:

583	Overhead line exp	61%	65,890
584	Underground line exp	25%	26,531
586	Meter exp	3%	3,093
587	Customer installation exp	3%	2,931
588	Miscellaneous distribution exp	4%	3,894
903	Consumer records	3%	2,920
910	Misc customer service	1%	973
921	Office supply and exp	2%	1,925
		100%	108,158



Owen Electric Cooperative  
Case No. 2008-00145  
December 31, 2007

Exhibit 4  
page 2 of 6

Taxing District	Assessment for 2007 Taxes			Assessment for 2006 Taxes			Increase Decrease in Taxes
	Assessed Value	Tax Rate	Tax Due	Assessed Value	Tax Rate	Tax Due	
<b>Owen County</b>							
Real Estate - County	7,151,175	0.3300	23,598.88	7,298,332	0.3200	23,354.66	244
Real Estate - School	7,151,175	0.5510	39,402.97	7,298,332	0.5400	39,410.99	(8)
Tangible - County	13,889,123	0.4876	67,723.36	14,488,691	0.4797	69,502.25	(1,779)
Tangible - School	13,889,123	0.6000	83,334.74	14,488,691	0.6000	86,932.15	(3,597)
<b>Boone County</b>							
Real Estate - County	3,074,712	0.0990	3,043.96	2,114,133	0.0990	2,092.99	951
Real Estate - Common Schoc	1,096,109	0.5120	5,612.08	92,254	0.5240	483.41	5,129
Real Estate - Graded School	1,978,603	1.0060	19,904.75	2,021,879	1.0060	20,340.10	(435)
Real Estate - Library	3,074,712	0.0680	2,090.80	2,114,133	0.0720	1,522.18	569
Real Estate - Health	3,074,712	0.0200	614.94	2,114,133	0.0200	422.83	192
Real Estate - Extension	3,074,712	0.0190	584.20	2,114,133	0.0190	401.69	183
Real Estate - Walton Fire	1,978,603	0.1750	3,462.56	2,114,133	0.1750	3,699.73	(237)
Tangible - County	21,679,011	0.1510	32,735.31	18,430,753	0.1540	28,383.36	4,352
Tangible - Common School	19,105,719	0.5150	98,394.45	15,878,837	0.5250	83,363.89	15,031
Tangible - Graded School	2,573,292	1.0060	25,887.32	2,551,916	1.0060	25,672.27	215
Tangible - Library	21,679,011	0.1629	35,315.11	18,430,753	0.1812	33,396.52	1,919
Tangible - Health	21,679,011	0.0200	4,335.80	18,430,753	0.0200	3,686.15	650
Tangible - Extension	21,679,011	0.0356	7,717.73	18,430,753	0.0356	6,561.35	1,156
Tangible - Walton Fire	896,523	0.1750	1,568.92	958,139	0.1750	1,676.74	(108)
Tangible - Belleview Fire	1,651,996	0.1750	2,890.99	1,645,346	0.1380	2,270.58	620
Tangible - Hebron Fire	2,834,684	0.1220	3,458.31	2,168,677	0.1050	2,277.11	1,181
Tangible - Burlington Fire	9,012,668	0.1500	13,519.00	4,917,374	0.1500	7,376.06	6,143
Tangible - Pt. Pleasant Fire	320,856	0.1750	561.50	346,582	0.1650	571.86	(10)
Tangible - Petersburg Fire	765,849	0.2000	1,531.70	766,215	0.2000	1,532.43	(1)
Tangible - Verona Fire	2,093,150	0.1850	3,872.33	2,002,529	0.1000	2,002.53	1,870
Tangible - Florence Fire	1,500,069	0.1000	1,500.07	1,055,879	0.1000	1,055.88	444
page totals			482,661.77			447,989.72	34,672.05

Owen Electric Cooperative  
Case No. 2008-00145  
December 31, 2007

Exhibit 4  
page 3 of 6

Taxing District	Assessment for 2007 Taxes			Assessment for 2006 Taxes			Increase Decrease in Taxes
	Assessed Value	Tax Rate	Tax Due	Assessed Value	Tax Rate	Tax Due	
<b>Grant County</b>							
Real Estate - County	8,040	0.1440	11.58	8,234	0.1440	11.86	(0)
Real Estate - School	8,040	0.5130	41.25	8,234	0.5130	42.24	(1)
Real Estate - Library	8,040	0.0520	4.18	8,234	0.0480	3.95	0
Real Estate - Health	8,040	0.0280	2.25	8,234	0.0280	2.31	(0)
Real Estate - Extension	8,040	0.0220	1.77	8,234	0.0207	1.70	0
Real Estate - Conservation	8,040	0.0100	0.80	8,234	0.0100	0.82	(0)
Real Estate - Mental health	8,040	0.0130	1.05	8,234	0.0130	1.07	(0)
Tangible - County	12,677,537	0.1440	18,255.65	12,362,592	0.1440	17,802.13	454
Tangible - School	11,957,942	0.5130	61,344.24	11,625,182	0.5130	59,637.18	1,707
Tangible - Williamstown Sch	719,595	0.7800	5,612.84	737,410	0.7840	5,781.29	(168)
Tangible - Library	12,677,537	0.0927	11,752.08	12,362,592	0.0835	10,322.76	1,429
Tangible - Health	12,677,537	0.0280	3,549.71	12,362,592	0.0280	3,461.53	88
Tangible - Extension	12,677,537	0.0425	5,387.95	12,362,592	0.0390	4,821.41	567
Tangible - Conservation	12,677,537	0.0000	0.00	12,362,592	0.0000	0.00	0
Tangible - Mental health	12,677,537	0.0130	1,648.08	12,362,592	0.0130	1,607.14	41
<b>Kenton County</b>							
Real Estate - County	5,917	0.1410	8.34	5,917	0.1380	8.17	0
Real Estate - School	5,917	0.5640	33.37	5,917	0.5560	32.90	0
Real Estate - Library	5,917	0.0880	5.21	5,917	0.0820	4.85	0
Real Estate - Health	5,917	0.0200	1.18	5,917	0.0200	1.18	0
Real Estate - Extension	5,917	0.0090	0.53	5,917	0.0090	0.53	0
Real Estate - Fire	5,917	0.0310	1.83	5,917	0.0300	1.78	0
Tangible - County	9,220,903	0.1800	16,597.63	7,212,333	0.1800	12,982.20	3,615
Tangible - School	7,687,377	0.5590	42,972.44	6,286,654	0.5580	35,079.53	7,893
Tangible - Covgtn School	502,582	0.9480	4,764.48	317,547	0.9460	3,003.99	1,760
Tangible - Fire	9,220,903	0.0365	3,364.71	7,212,333	0.0365	2,631.78	733
Tangible - Health	9,220,903	0.0200	1,844.18	7,212,333	0.0200	1,442.47	402
Tangible - Extension	9,220,903	0.0100	922.09	7,212,333	0.0100	721.23	201
Tangible - Library	9,220,903	0.1745	16,090.48	7,212,333	0.1616	11,655.13	4,435
Tangible - Elsmere FD	201,289	0.1880	378.42	99,089	0.1810	179.35	199
Tangible - Independence FD	4,754,152	0.2000	9,508.30	3,512,147	0.2000	7,024.29	2,484
Tangible - Kenton FD	1,632,982	0.2000	3,265.96	1,546,948	0.2000	3,093.90	172
Tangible - Piner FD	767,494	0.2000	1,534.99	742,480	0.1000	742.48	793
Tangible - Ryland Hts FD	127,794	0.2000	255.59	117,525	0.1840	216.25	39
page totals			209,163.16			182,319.41	26,843.75

Owen Electric Cooperative  
Case No. 2008-00145  
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Exhibit 4  
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Taxing District	Assessment for 2007 Taxes			Assessment for 2006 Taxes			Increase Decrease in Taxes
	Assessed Value	Tax Rate	Tax Due	Assessed Value	Tax Rate	Tax Due	
<b>Pendleton county</b>							
Real Estate - County	121,091	0.3230	391.12	123,571	0.3100	383.07	8
Real Estate - School	121,091	0.5170	626.04	123,571	0.5060	625.27	1
Tangible - County	7,362,346	0.3909	28,779.41	7,464,971	0.3594	26,829.11	1,950
Tangible - School	7,362,346	0.5170	38,063.33	7,464,971	0.5060	37,772.75	291
Tangible - Kenton FD	163,444	0.2000	326.89	149,325	0.2000	298.65	28
<b>Gallatin County</b>							
Tangible - County	6,009,603	0.1630	9,795.65	5,953,666	0.1630	9,704.48	91
Tangible - School	6,009,603	0.6000	36,057.62	5,953,666	0.5860	34,888.48	1,169
Tangible - Library	6,009,603	0.1558	9,362.96	5,953,666	0.1195	7,114.63	2,248
Tangible - Health	6,009,603	0.0550	3,305.28	5,953,666	0.0550	3,274.52	31
Tangible - Extension	6,009,603	0.0612	3,677.88	5,953,666	0.0476	2,833.95	844
<b>Campbell County</b>							
Tangible - County	6,468,491	0.1936	12,523.00	6,233,651	0.1834	11,432.52	1,090
Tangible - School	6,468,491	0.5280	34,153.63	6,233,651	0.5270	32,851.34	1,302
Tangible - Health	6,468,491	0.0230	1,487.75	6,233,651	0.0230	1,433.74	54
Tangible - Library	6,468,491	0.0981	6,345.59	6,233,651	0.0947	5,903.27	442
Tangible - Extension	6,468,491	0.0390	2,522.71	6,233,651	0.0376	2,343.85	179
Tangible - South Camp FD	2,998,677	0.1500	4,498.02	2,974,990	0.1000	2,974.99	1,523
Tangible - Alexandria FD	1,249,268	0.1500	1,873.90	1,159,578	0.1500	1,739.37	135
<b>Scott County</b>							
Tangible - County	3,422,828	0.0993	3,398.87	3,376,877	0.1100	3,714.56	(316)
Tangible - School	3,422,828	0.3970	13,588.63	3,376,877	0.4190	14,149.11	(560)
Tangible - Health	3,422,828	0.0290	992.62	3,376,877	0.0320	1,080.60	(88)
Tangible - Library	3,422,828	0.1034	3,539.20	3,376,877	0.1108	3,741.58	(202)
Tangible - Extension	3,422,828	0.0237	811.21	3,376,877	0.0249	840.84	(30)
page totals			216,121.32			205,930.67	10,190.64

Owen Electric Cooperative  
Case No. 2008-00145  
December 31, 2007

Taxing District	Assessment for 2007 Taxes			Assessment for 2006 Taxes			Increase Decrease in Taxes
	Assessed Value	Tax Rate	Tax Due	Assessed Value	Tax Rate	Tax Due	
<b>Carroll County</b>							
Tangible - County	2,649,118	0.1530	4,053.15	2,796,628	0.1530	4,278.84	(226)
Tangible - School	2,649,118	0.4840	12,821.73	2,796,628	0.4620	12,920.42	(99)
Tangible - Health	2,649,118	0.0540	1,430.52	2,796,628	0.0893	2,497.39	(1,067)
Tangible - Library	2,649,118	0.1099	2,911.38	2,796,628	0.0560	1,566.11	1,345
Tangible - Fire	2,127,338	0.0820	1,744.42	2,214,765	0.0800	1,771.81	(27)
<b>City of Owenton</b>							
Tangible	1,492	0.2720	4.06	1,492	0.2720	4.06	0
<b>City of Florence</b>							
Tangible	927,361	0.4160	3,857.82	539,330	0.4750	2,561.82	1,296
<b>City of Walton</b>							
Real Estate	1,978,603	0.1047	2,070.94	2,021,879	0.1130	2,284.72	(214)
Tangible	896,523	0.2310	2,070.97	958,139	0.2310	2,213.30	(142)
<b>City of Dry Ridge</b>							
Tangible	3,409	0.2130	7.26	3,491	0.2140	7.47	(0)
<b>City of Williamstown</b>							
Tangible	719,595	0.5770	4,152.06	737,410	0.5640	4,158.99	(7)
<b>City of Covington</b>							
Tangible	502,582	0.2924	1,469.55	317,547	0.2842	902.47	567
<b>City of Independence</b>							
Tangible	3,166,875	0.5635	17,845.34	2,147,707	0.5780	12,413.75	5,432
<b>City of Erlanger</b>							
Tangible	1,030,944	0.5220	5,381.53	608,132	0.5580	3,393.38	1,988
Franchise tax	1,030,944	0.6510	6,711.45	608,132	0.6700	4,074.48	2,637
page totals			66,532.18			55,049.01	11,483.17

Owen Electric Cooperative  
Case No. 2008-00145  
December 31, 2007

Taxing District	Assessment for 2007 Taxes			Assessment for 2006 Taxes			Increase Decrease in Taxes
	Assessed Value	Tax Rate	Tax Due	Assessed Value	Tax Rate	Tax Due	
<b>City of Elsmere</b>							
Tangible - City	201,289	0.2840	571.66	101,183	0.2840	287.36	284
<b>City of Georgetown</b>							
Tangible - City	336,031	0.1170	393.16	179,974	0.1170	210.57	183
<b>Public Service Company Assessment:</b>							
Real Estate	10,360,935	0.1240	12,847.56	9,550,187	0.1280	12,224.24	623
Tangible Property	83,378,960	0.4500	375,205.32	78,321,241	0.4500	352,445.58	22,760
Manufacturing Machinery	13,927,762	0.1500	20,891.64	13,182,111	0.1500	19,773.17	1,118
this page			<u>409,909.34</u>			<u>384,940.92</u>	<u>24,968.42</u>
<b>Total</b>			<u><u>1,384,387.77</u></u>			<u><u>1,276,229.74</u></u>	<u><u>108,158.03</u></u>
<b>Amount of Adjustment</b>						<u><u>108,158</u></u>	

Owen Electric Cooperative  
Case No. 2008-00154  
December 31, 2007

**Adjustment for Interest on Long Term Debt**

The adjustment for interest on long-term debt results in an increase of \$478,648.

It is estimated that the rate increase requested will be sufficient to repay approximately one-half of the short term note payable. Therefore, one-half of the interest on short term notes will be removed from the Application in the amount of \$344,869.

This adjustment has been calculated by multiplying the test year end debt amounts by the interest rates in effect at the end of the test year for each loan.

RUS loans	841,139
FFB loans	1,908,121
CFC loans	<u>1,553,149</u>
Total annualized interest	4,302,409
Test year interest expense	<u>3,823,761</u>
Adjustment	<u><u>478,648</u></u>

Owen Electric Cooperative  
Case No. 2008-00154  
Schedule of Outstanding Long-Term Debt  
December 31, 2007

Exhibit 5  
page 2 of 3  
Format 8a

Type of Debt Issued (a)	Date of Issue (b)	Date of Maturity (c)	Outstanding Amount (d)	Cost Rate to Maturity (g)	Annualized Cost Col (d)x(g) (j)	Test Year Interest Cost
<b>RUS loans</b>						
B320	Dec-95	Nov-2030	1,547,468	3.620%	56,018	56,899
B321	Apr-96	Apr-2031	1,467,067	5.370%	78,781	79,728
B325	Nov-97	Nov-2032	1,557,195	3.620%	56,370	57,245
B326	May-98	May-2033	1,367,696	4.370%	59,768	60,595
A330	Nov-2007	Nov-2042	13,000,000	4.540%	590,200	151,922
			<u>18,939,426</u>		<u>841,139</u>	<u>406,389</u>
<b>FFB loans</b>						
FFB0010	Jan-99	Dec-2033	2,474,833	5.913%	146,337	147,788
FFB0015	Jan-99	Dec-2033	2,727,444	5.417%	147,746	149,333
FFB0020	Jan-99	Dec-2033	10,829,888	5.298%	573,767	580,093
FFB0050	Sep-2003	Aug-2038	11,518,913	5.277%	607,853	612,952
FFB0060	Sep-2003	Aug-2038	3,437,548	3.786%	130,146	129,193
FFB0065	May-2006	May-2041	4,902,463	5.192%	254,536	216,507
FFB0070	Sep-2006	Aug-2041	970,847	4.917%	47,737	48,084
			<u>36,861,936</u>		<u>1,908,121</u>	<u>1,883,951</u>
<b>CFC loans</b>						
9004	Apr-73	Apr-2008	14,935	7.00%	1,045	1,317
9008	Feb-74	Feb-2009	24,533	7.00%	1,717	2,372
9011	Mar-75	Mar-2010	95,263	5.80%	5,525	6,283
9014	Jul-76	Jun-2011	142,089	6.00%	8,525	9,094
9016	Nov-77	Nov-2012	374,990	6.05%	22,687	23,570
9019	Mar-80	Mar-2015	665,845	6.10%	40,617	41,397
9021	Nov-81	Oct-2016	916,744	6.20%	56,838	57,123
9024	May-85	May-2020	619,851	6.50%	40,290	40,041
9025	Nov-87	Nov-2022	1,337,950	6.50%	86,967	85,731
9026	Oct-91	Oct-2026	1,649,019	5.55%	91,521	89,513
9027	Jan-94	Jan-2029	2,150,257	5.70%	122,565	119,504
902801	Aug-96	Aug-2031	1,300,017	5.95%	77,351	75,272
902802	May-97	May-2032	1,477,970	6.15%	90,895	88,427
9031004	Aug-2003	Aug-2004	0	3.50%	0	20,553
9031005	Aug-2003	Aug-2005	1,219,376	3.50%	42,678	41,107
9031006	Aug-2003	Aug-2006	1,219,376	3.95%	48,165	46,392
9031007	Aug-2003	Aug-2007	1,219,376	4.45%	54,262	52,264
9031008	Aug-2003	Aug-2008	1,219,376	4.70%	57,311	55,200
9031009	Aug-2003	Aug-2009	1,219,376	5.00%	60,969	58,724
9031010	Aug-2003	Aug-2010	1,219,376	5.20%	63,408	61,073
9031011	Aug-2003	Aug-2011	1,219,376	5.40%	65,846	63,422
9031012	Aug-2003	Aug-2012	1,219,376	6.65%	81,089	78,103
9031013	Aug-2003	Aug-2013	1,219,376	5.65%	68,895	66,358
9031014	Aug-2003	Aug-2014	1,219,376	5.70%	69,504	66,945
9031015	Aug-2003	Aug-2015	1,219,376	5.80%	70,724	68,120
9031016	Aug-2003	Aug-2016	1,219,376	5.85%	71,333	68,707
9031017	Aug-2003	Aug-2017	1,219,376	5.90%	71,943	69,294
9031018	Aug-2003	Aug-2018	1,219,376	6.60%	80,479	77,515
			<u>27,840,727</u>		<u>1,553,149</u>	<u>1,533,420</u>
Total long term debt and annualized cost			<u>83,642,089</u>		<u>4,302,409</u>	<u>3,823,761</u>
Annualized cost rate [Total Col. (j) / Total Col. (d)]					5.14%	
Actual test year cost rate [Total Col. (k) / Total Reported in Col. (d)]					4.57%	

Owen Electric Cooperative  
Case No. 2008-00154  
Schedule of Short Term Debt  
December 31, 2007

Exhibit 5  
page 3 of 3  
Format 8b

**Adjustment for Short Term Interest**

This adjustment is to recognize the interest on short term borrowings. It is presumed that additional revenues will be generated from this application and will be used to repay short term advances. It is estimated that the increase will be over a year time period, and that approximately one-half of the short term borrowings will be repaid in that time.

Type of Debt Instrument (a)	Date of Issue (b)	Date of Maturity (c)	Amount Outstanding (d)	Interest Rate (e)	Annualized Cost (f)
CFC	28-Dec-2007	n/a	5,720,933	6.40%	366,140
Annualized cost rate [Total col. (f) / Total col. (d)]					6.40%
Actual interest paid, or accrued on Short Term Debt during the Test Year					689,738



Witness: Alan Zumstein

Owen Electric Cooperative  
Case No. 2008-00154  
December 31, 2007

**Financial Accounting Standard No. 106**  
**Employer's Accounting for Postretirement Benefits**

Owen Electric updated its study of SFAS No. 106. As a result, the annual accrual increased. The amount for Directors and the attorneys have been separated in the study. The results are as follows:

	<u>Employees</u>	<u>Directors</u>	<u>Total</u>
Proposed annual cost	971,560	18,854	990,414
Test year accrual	<u>905,781</u>	<u>13,344</u>	<u>919,125</u>
Proposed adjustment	<u>65,779</u>	<u>5,510</u>	<u>71,289</u>

The adjustment is allocated as follows:

		<u>Percent</u>	<u>Amount</u>
107	Capitalized	32.7%	21,486
163 - 416	Clearing and others	5.6%	3,703
580	Operations	19.2%	12,619
590	Maintenance	10.9%	7,164
901	Consumer accounts	14.7%	9,674
908	Customer service	2.1%	1,369
912	Sales	0.0%	0
920	Administrative and general	14.8%	9,764
		<u>100.0%</u>	<u>\$65,779</u>

Owen Electric Cooperative  
Case No. 2008-00154  
December 31, 2007

**Financial Accounting Standard No. 106  
Employer's Accounting for Postretirement Benefits**

Owen Electric adopted Statement of Financial Accounting Standard No. 106 ("SFAS No. 106") as of January 1, 1995. The transition obligation is being amortized over a twenty year period. There was no initial entry to adopt SFAS No. 106. However, the monthly entries are to the following accounts.

	<u>Account</u>	<u>Debit</u>	<u>Credit</u>
Employee Benefits	435.10	82,535	
Accumulated provision for pensions and benefits	228.30		82,535

The updated study has been included with this response.

**ALAN M. ZUMSTEIN**  
**CERTIFIED PUBLIC ACCOUNTANT**

Exhibit 6  
Page 3 of 10

1032 CHETFORD DRIVE  
LEXINGTON, KENTUCKY 40509  
(859) 264-7147

**MEMBER:**

- AMERICAN INSTITUTE OF CPA'S
- INDIANA SOCIETY OF CPA'S
- KENTUCKY SOCIETY OF CPA'S
- AICPA DIVISION FOR FIRMS
- TENNESSEE STATE BOARD OF ACCOUNTANCY

April 2, 2008

Rebecca Witt, CFO  
Owen Electric Cooperative  
8205 Highway 127N  
Owenton, Kentucky 40359

Dear Ms. Witt:

Please find enclosed the actuarial valuation results as of January 1, 2007 for Financial Accounting Standard No. 106 - Employers' Accounting for Postretirement Benefits Other than Pensions.

The annual accrual for 2008 should be \$990,414 starting when you receive this.

The accrual for 2008 includes current service and interest costs, amortization of the transition obligation and amortization of actuarial gains and losses.

If you have any questions or would like to discuss these results, please give me a call.

Sincerely,



Alan M. Zumstein

Owen Electric Cooperative  
Medical Insurance Premiums

SFAS 106 Obligation as of January 1, 2008

FAS 106 Expense Components

1. Service cost	\$212,640
2. Interest cost	567,184
3. Expected return on assets	-
4. Amortization of transition obligation	158,935
5. Amortization of actuarial (gain) / loss	<u>51,655</u>
6. Total FAS 106 expense	<u>\$990,414</u>
7. Expected pay-as-you-go expense	<u>\$268,195</u>

Amortization of Transition Obligation

1. Transition Obligation as of January 1, 1995	\$3,178,700
2. Number of years in amortization	<u>20</u>
3. Annual amortization	<u>\$158,935</u>

Owen Electric Cooperative  
Medical Insurance Premiums

SFAS 106 Obligation as of January 1, 2007

	<u>Employees</u>	<u>Directors</u>	<u>Total</u>
A. Accumulated Postretirement Benefit Obligations (APBO) as of January 1, 2007			
1. Actives not yet eligible	\$3,157,540	\$42,298	\$3,199,838
2. Actives fully eligible	567,525	93,867	661,392
3. Retirees and dependents	<u>4,544,812</u>	<u>119,513</u>	<u>4,664,325</u>
4. Total APBO	8,269,877	255,678	8,525,555
B. Future accruals	<u>5,968,105</u>	<u>16,221</u>	<u>5,984,326</u>
C. Total Expected Postretirement Benefit Obligations (EPBO) (A4 + B)	<u>\$14,237,982</u>	<u>\$271,899</u>	<u>\$14,509,881</u>
D. Reconciliation of Funded Status			January 1, <u>2007</u>
1. Accrued Postretirement Benefit Cost			\$5,611,971
2. Assets			<u>0</u>
3. Funded Status = (D1 + D2)			5,611,971
4. Unrecognized Transition Obligation			1,271,480
5. Unrecognized (Gain) / Loss			1,642,104
6. Unrecognized Prior Service Cost			0
7. APBO			<u>0</u>
(D3 + D4 + D5 + D6)			<u>\$8,525,555</u>

Owen Electric Cooperative  
Medical Insurance Premiums

SFAS 106 Obligation as of January 1, 2008

	<u>Employees</u>	<u>Directors</u>	<u>Total</u>
A. Accumulated Postretirement Benefit Obligations (APBO) as of January 1, 2008			
1. Actives not yet eligible	\$3,680,825	\$52,233	\$3,733,058
2. Actives fully eligible	602,096	87,766	689,862
3. Retirees and dependents	<u>4,388,537</u>	<u>114,797</u>	<u>4,503,334</u>
4. Total APBO	8,671,458	254,796	8,926,254
B. Future accruals	<u>5,547,589</u>	<u>21,139</u>	<u>5,568,728</u>
C. Total Expected Postretirement Benefit Obligations (EPBO) (A4 + B)	<u>\$14,219,047</u>	<u>\$275,935</u>	<u>\$14,494,982</u>
D. Reconciliation of Funded Status			January 1, <u>2008</u>
1. Accrued Postretirement Benefit Cost			\$6,151,971
2. Assets			<u>0</u>
3. Funded Status = (D1 + D2)			6,151,971
4. Unrecognized Transition Obligation			1,112,545
5. Unrecognized Gain/(Loss)			1,661,738
6. Unrecognized Prior Service Cost			0
7. APBO (D3 + D4 + D5 + D6)			<u>\$8,926,254</u>

**Owen Electric Cooperative  
Medical Insurance Premiums**

**SFAS 106 Expense as of January 1, 2007**

A. Accrued Postretirement Benefit Cost

1. Balance January 1, 2007	5,611,971
2. Accrual	919,125
3. Payout	<u>(379,125)</u>
4. Balance December 31, 2007	6,151,971 ✓
5. Accrual for 2008	990,414
6. Estimated payout for 2008	<u>(268,195)</u>
7. Estimated balance December 31, 2008	<u><u>6,874,190</u></u>

Owen Electric Cooperative  
Medical Insurance Premiums

SFAS 106 Obligation as of January 1, 2007

**Alternate assumptions:**

Impact on obligations and expense of a  
health care cost trend increase of 1%

	Current <u>Plan</u>	Alternate <u>Assumptions</u>	<u>% Change</u>
APBO	8,525,555	9,500,000	11.4%
EPBO	14,509,881	16,100,000	11.0%
SFAS 106 Expense	990,414	1,100,000	11.1%

Estimated payments for the next five (5) years is as follows:

2008	268,195
2009	286,969
2010	301,272
2011	298,326
2012	297,420
2013	284,636



# OWEN ELECTRIC COOPERATIVE

EXhibit 6  
Page 9 of 10

## FAS 106 Assumptions

### Covered Groups

Directors and employees.

### Eligibility

Employees hired prior to January 1, 1998 and retire with at least five (5) years of service and be age 55 or older.

Employees hired after January 1, 1998 and retire at age 62 or who who have completed fifteen (15) years of service.

Directors who retire and their eligible dependents.

### Spouse

Owen Electric pays family medical coverage for retirees and their dependents.

### Medicare

At age 65 retirees will commence with Medicare coverage.

### Contributions

For employees hired prior to January 1, 1998 and for all Directors, Owen Electric will pay 50% of the insurance premium for 5 - 14 years of service and 100% of the insurance premium for employees with more than 15 years of service.

For employees hired after January 1, 1998, Owen Electric will pay a pro rata portion of the insurance premium, based upon the ratio that the employee's number of years of employment has to 30 years; (e.g. if an employee has completed 15 years of service, Owen Electric will pay one-half of the premium).

For those employees hired on or after November 20, 2003, active employees are required to pay a portion of the monthly premiums.

### Life Expectancies

Per annuity tables female employees can expect to live until age 78.2 and male employees can expect to live until age 73.8.

### Retirement, withdrawals and mortality

Estimate that employees will retire at age 60 and will be replaced in the normal course of business and Directors at age 70.

**OWEN ELECTRIC COOPERATIVE**

**FAS 106 Assumptions**

**Terminations**

Rates vary by attained age for employees. Sample rates are as follows:

<u>Age</u>	<u>Rate</u>	<u>Number of Employees</u>
20	15%	26
30	7%	44
40	3%	36
50	1%	23
60	0%	<u>4</u>
		<u>133</u>

**Dependents and future retirees**

Presently 62% of retirees have dependent coverage.

**Discount rate**

6.50% per year.

**Medical inflation rate**

8% per year in 2007 decreasing by 0.5% per year until 5.5% per year.

**Eligibility classes**

Based on the Directors, employees and retirees as of December 31, 2007 are as follows:

	<u>Employees</u>	<u>Directors</u>
Actives not fully eligible	124	3
Actives fully eligible	9	3
Retirees and dependents	<u>53</u>	<u>2</u>
Total	<u>186</u>	<u>8</u>

Owen Electric Cooperative  
Case No. 2008-00154

**Retirement and Security**

Owen Electric provides pension benefits for substantially all employees through participation in the National Rural Electric Cooperative Association (NRECA) Retirement and Security (R & S) Program. It is the policy of Owen Electric to fund pension costs accrued. R & S contributions are based on base salary at a rate determined by NRECA.

The adjustment is to normalize the R & S contributions using the rate for 2008 as normalized base wages for full-time salary and hourly employees. The rates for non-union and union employees are as follows:

	<u>Non-Union</u>	<u>Union</u>
2008	18.64%	17.23%
2007	18.10%	16.40%

Normalized base wages	
Salary employees	1,160,661
Hourly employees	6,012,219
	<u>7,172,880</u>
Contribution rate for 2008	<u>18.08%</u>
Proposed contribution cost	1,296,857
Test year R & S contributions	<u>1,145,323</u>
Proposed adjustment	<u><u>151,534</u></u>

The adjustment is allocated as follows:

<b>Adjustment:</b>	<u>Percent</u>	<u>Amount</u>
107 Capitalized	32.7%	49,497
163 - 416 Clearing and others	5.6%	8,530
580 Operations	19.2%	29,070
590 Maintenance	10.9%	16,504
901 Consumer accounts	14.7%	22,285
908 Customer service	2.1%	3,154
912 Sales	0.0%	0
920 Administrative and general	14.8%	22,492
	<u>100.0%</u>	<u>\$151,534</u>

**Owen Electric Cooperative**  
**Case No. 2008-00154**  
**Account 426.10 - Other Income Deductions**  
**December 31, 2007**

<u>Line No.</u>	<u>Item (a)</u>	<u>Amount (b)</u>
1.	Donations	45,331.07
2.	Civic activities	13,079.88
3.	Political activities	
4.	Other	<u>9,856.42</u>
5.	Total	<u><u>68,267.37</u></u>

Owen Electric Cooperative  
Case No. 2008-00154  
Donations Account 426.10  
December 31, 2007

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<u>Date</u>	<u>Check Number</u>	<u>Payee</u>	<u>Amount</u>		<u>Description</u>
1/26/2007	74165	NEW HOIZONS MED FOUNDATION	15,000.00	X	PLEDGE #28
2/2/2007	74253	NEW LIBERTY FIRE DEPT.	100.00	X	DONATION
2/2/2007	74242	KET	75.00	X	DONATION
2/2/2007	74262	PENDLETON CO INDUSTRIAL AUTH	1,000.00	X	ANNUAL ECONOMIC DEVELOPMENT
2/2/2007	74272	SCOTT CO PROJECT GRAD	100.00	X	PROJECT GRAD
2/2/2007	74194	CARROLL CO YOUTH SERVICES	100.00	X	CARROLL CO PROM LOCK IN
2/2/2007	74283	WALTON VERONA BASEBALL TEAM	100.00	X	BANNER DONATION
2/2/2007	74277	ST JOSEPH ACADEMY	100.00	X	DONATION
2/2/2007	74224	GOD'S SPECIAL LITTLE HEARTS	50.00	X	CONGENITAL HEART DEFECTS
2/16/2007	74360	FAIRWAY GOLF COURSE	390.00	X	TRUST FOR LIFE ORGAN DONATION
2/16/2007	77405	NAT'L WILD TURKEY FED	250.00	X	DONATION SPONS FOR 10
2/16/2007	74374	GRANT CO LITTLE LEAGUE	300.00	X	GOLD LEVEL SPONSOR
2/23/2007	74560	WINTERCARE ENERGY FUND	777.02	X	WINTERCARE MATCH
2/23/2007	74536	OWEN CO BOARD OF ED	300.00	X	OWEN CO ARTS SCAPP PROGRAM
2/23/2007	74501	GALLATIN CO HIGH SCHOOL	100.00	X	AFTER PROM DONATION
2/23/2007	74464	AMERICAN HEART ASSOC	100.00	X	JUMP FOR THE HEART
2/23/2007	74479	CAMPBELL CO HIGH SCHOOL	300.00	X	CARNES TRACK SCHOLARSHIP DONATION
3/2/2007	74608	OWEN CO PROJECT GRADUATION	100.00	X	PROJECT GRADUATION
3/2/2007	74634	YMCA OF GTR CINCINNATI	10,000.00	X	PLEDGE
3/2/2007	74626	SPECIAL OLYMPICS OF KY	1,070.00	X	DONATION-8 ATHLETES AT STATE
3/9/2007	74647	CAMPBELL CO HIGH SCHOOL	250.00	X	PROJECT GRAD
3/15/2007	74803	WINTERCARE ENERGY FUND	759.45	X	WINTERCARE MATCH
3/15/2007	74767	MONTEREY FIRE DEPT.	100.00	X	DONATION
3/23/2007	74844	GRANT CO HIGH SCHOOL	100.00	X	PROJECT GRAD DONATION
3/23/2007	74841	GLENCOE FIRE RESCUE	500.00	X	FIRE TRUCK DONATION
3/30/2007	74957	SCOTT CO EXTENSION CENTER	150.00	X	ANNUAL BANQUET
3/30/2007	74906	CARROLL CO SENIOR EVENT	100.00	X	HONOR SENIOR CITIZENS
3/30/2007	74920	EASTER SEAL CAMP KYSOC	1,000.00	X	CAMP KYSOC
3/30/2007	74922	FALMOUTH LIONS CLUB	100.00	X	LIONS CLUB GOLF SCRAMBLE
3/30/2007	74924	FIDELITY ASSOCIATES	485.76	X	OWEN CO PRIMARY SCHOOL

42	1/6/2007	75069	WINTERCARE ENERGY FUND	539.98	X	WINTERCARE MATCH
43	4/6/2007	75061	WALTON VERONA PROJECT PROM	100.00	X	WALTON VERONA HIGH SCHOOL PROM
44	4/6/2007	74981	BEECHGROVE ELEMENTARY	100.00	X	WALK A THON
45	4/12/2007	75107	KAEC	500.00	X	LEADERSHIP KY CONT
46	4/20/2007	75171	NORTHER KY CHAMBER OF COMM	1,600.00	X	CORPORATE CAMPAIGN SPONS
47	4/20/2007	75147	BUTLER LIONS CLUB	50.00	X	ANNUAL CRUISE
48	5/3/2007	75297	NORTHER KY CHAMBER OF COMM	1,000.00	X	CHAMPIONS FOR EDUCATION
49	5/4/2007	75311	CARROLL CO CHAMBER OF COMM	150.00	X	HOLE SPONSORSHIP
50	5/11/2007	75441	GRANT CO BAND BOOSTERS	25.00	X	SPONSORING TROPHY
51	5/11/2007	75447	JACKIE BROWING MEMORIAL CON	100.00	X	BARREN CO LITTLE LEAGUE PARK
52	5/11/2007	75450	LAW ENFORCEMENT SERVICES	97.50	X	SHERIFF'S CAMP
53	5/18/2007	75527	KENTON CO FAIR 4-H/FFA	100.00	X	EDUCATION SPONSORSHIP
54	5/25/2007	75616	WINTERCARE ENERGY FUND	367.95	X	WINTERCARE MATCH
55	5/25/2007	75574	GRANT CO EXTENSION OFFICE	100.00	X	AD TO SUPPORT HOMEMAKERS
56	6/8/2007	75760	OWEN CO CHAMBER OF COMMERCE	50.00	X	SPONSORSHIP
57	6/8/2007	75688	AMERICAN CANCER SOCIETY	550.00	X	MATCHING EMPLOYEE'S DONATIONS
58	6/8/2007	75761	OWEN CO H/S FOOTBALL	25.00	X	FOOTBALL PROGRAM
59	6/8/2007	75698	AMERICAN CANCER SOCIETY	500.00	X	BRONZE SPONSOR
60	6/15/2007	75800	ANTHONY BACH	225.00	X	TENT RENTAL FOR RELAY FOR LIFE
61	6/15/2007	75877	WINTERCARE ENERGY FUND	262.41	X	WINTERCARE MATCH
62	6/29/2007	76057	PENDLETON CO ED FOUNDATION	150.00	X	HOLE SPONSORSHIP IN SCRAMBLE
63	6/29/2007	76053	KY SHERIFFS ASSOC	50.00	X	DONATION FOR CAMPERSHIP
64	7/6/2007	76161	WINTERCARE ENERGY FUND	322.97	X	WINTERCARE MATCH
65	7/6/2007	76145	RURAL COOP CREDIT UNION/VISA	600.00	X	NKY CHAMBER SPONSORSHIP
66	7/20/2007	76287	GRANT CO HIGH SCHOOL	350.00	X	BANNER SPONSOR
67	7/20/2007	76286	GRANT CO HIGH SCHOOL	75.00	X	ANNUAL GOLF SCRAMBLE
68	7/20/2007	76253	BOONE CO SENIOR CITIZENS	200.00	X	SENIOR CITIZENS PICNIC
69	7/20/2007	76313	OWEN CO SENIOR CITIZENS	200.00	X	DONATION
70	8/6/2007	76428	GALLATIN STEEL GOLF OUTING	200.00	X	GALLATIN STEEL GOLF OUTING
71	8/10/2007	76537	NORTHERN ELEMENTARY PTO	100.00	X	FALL CARNIVAL CLASSROOM/EDUC
72	8/17/2007	76645	WINTERCARE ENERGY FUND	214.35	X	WINTERCARE MATCH
73	8/17/2007	76579	CARROLL CO 4-H YOUTH	100.00	X	DONATION TO 4-H LIVESTOCK SHOW
74	8/17/2007	76623	OWEN CO MIDDLE SCHOOL	25.00	X	FOOTBALL PROGRAM AD
75	8/17/2007	76644	WILLIAMSTOWN BAND BOOSTERS	150.00	X	BAND BOOSTERS
76	8/17/2007	76618	NKU COMMUNITY PARTNERS FUND	1,000.00	X	PARTNERS ANNUAL FUND
77	8/24/2007	76702	TEAM ZACHARY-JUVENILE DIABET	100.00	X	SWING FOR A CURE EVENT
78	8/31/2007	76749	NEWS HERALD PUBLISHING	270.00	X	NEWSPAPERS IN CLASSROOMS
79	8/31/2007	76728	FALMOUTH ROTARY CLUB	100.00	X	HOLE SPONSORSHIP

Exhibit 8  
 1 je 3 of 5

80	1/31/2007	76711	AMERICAN CANCER SOCIETY	50.00	X	MEMORIAL ON BEHALF GUYND LYONS
81	8/31/2007	76751	OHIO VALLEY UNITED CHARITIES	100.00	X	HOLE SPONSORSHIP
82	9/7/2007	76836	PENDLETON COUNTY CHAMBER	70.00	X	TROPHY SPONSOR
83	9/14/2007	76905	GRANT CO FISCAL CT	50.00	X	GRANT CO SENIOR BASH
84	9/20/2007	76981	OWEN CO FIRE DEPT.	300.00	X	FALL TRUCK & TRACTOR PULL
85	9/21/2007	76996	TATONKA BIOLOGICAL	400.00	X	SCHOOL PROGRAM
86	10/5/2007	77143	RURAL COOP CREDIT UNION/VISA	60.57	X	OWEN CO GIRLS SOCCER
87	10/5/2007	77143	RURAL COOP CREDIT UNION/VISA	50.00	X	GRANT CO PARK GIVE AWAY
88	10/5/2007	77135	PHILLIP A SHARP MIDDLE	100.00	X	NEED CHANGE A LIGHT PROGRAM
89	10/11/2007	77216	WINTERCARE ENERGY FUND	879.01	X	WINTERCARE MATCH
90	10/19/2007	77271	NEW HORIZONS MEDICAL CENTER	100.00	X	DONATION FOR CHRISTMAS PARTY
91	10/26/2007	77327	JAMES E BIGGS EARLY	300.00	X	FAMILY RESOURCE/ED PROGRAM
92	10/26/2007	77369	LAW PUBLICATIONS	469.00	X	DONATION FOR DRUG PREVENTION
93	11/2/2007	77438	OWEN CO HIGH SCHOOL	25.00	X	BOYS BASKETBALL PROGRAM
94	11/2/2007	77457	SPECIAL OLYMPICS	100.00	X	DONATION TO WINNERS CIRCLE
95	11/9/2007	77574	WINTERCARE ENERGY FUND	550.32	X	WINTERCARE MATCH
96	11/9/2007	77562	TATONKA BIOLOGICAL	425.00	X	ENVIROMENTAL PROGRAM
97	11/16/2007	77616	MEMORIAL HEALTH FOUNDATION	100.00	X	IN MEMORY ETHAN ROBERT TUCKER
98	11/16/2007	77593	CAMPBELLSBURG BAPTIST CHRUCH	50.00	X	IN MEMORY WILLIAM T PRATHER
99	11/23/2007	77644	AMERICAN LEGION DEPT.	150.00	X	AMERICAN LEGION SUPPORT
100	11/30/2007	77734	TATONKA BIOLOGICAL	325.00	X	ENVIROMENTAL PROGRAM
101	11/30/2007	77701	BRIGHTON CENTER INC	100.00	X	COMMUNITY CENTER SUPPORT
102	12/7/2007	77828	HOSPICE OF THE BLUEGRASS	200.00	X	DONATION TO NKY HOSPICE UNIT
103	12/14/2007	77923	OWENTON ROTARY CLUB	100.00	X	HUMANITARIAN PROJECT
104	12/14/2007	77935	WINTERCARE ENERGY FUND	326.54	X	WINTERCARE MATCH
105	12/20/2007	77940	CREATIVE SAFETY PRODUCTS	399.00	X	SHERIFF'S OFFICE EDUATIONAL PUB
106	12/21/2007	77994	NKY UNIVERSITY FOUNDATION	25.00	X	UNIVERSITY MATCHING
107	12/21/2007	77958	CHILDREN'S HOME OF NKY	250.00	X	CHILDREN'S HOME FOR BOYS NKY
108	12/21/2007	78015	TATONKA BIOLOGICAL	350.00	X	ENVIROMENTAL PROGRAM
109	12/31/2007	78145	UNITED WAY OF GTR CINCINNATI	3,856.89	X	DONATION
110	12/31/2007	78114	OHIO VALLEY UNITED CHARITIES	3,642.23	X	DONATION
111	12/31/2007			8,433.25	X	CFC INTEGRITY FUND CONTRIBUTION
112						
113	7/07 - 11/07		LABOR EXPENSE	1,158.52	x	DONATE TIME TO HANG BARN QUILTS
114	7/07 - 11/07		TRANSPORTATION EXPENSE	264.65	x	DONATE VEHICLE TO HANG BARN QUILTS
115						
116				<u>68,267.37</u>		
117						
118			Remove for rate making	<u>68,267.37</u>	x	

**Owen Electric Cooperative**  
**Case No. 2008-00154**  
**Adjustment for Donations**  
**December 31, 2007**

Donations are removed for rate making purposes. The adjustment to remove the donations is as below.

Total removed for rate making purposes	<u>68,267.37</u>
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Owen Electric Cooperative  
Case No. 2008-000154  
Professional Services  
December 31, 2007

Line Number	Item	Rate Case	Annual Audit	Other	Total
1	Legal			29,720	29,720
2	Engineering				0
3	Accounting		14,250	7,500	21,750
4	Other			43,547	43,547
5		0	14,250	80,767	95,017

Owen Electric Cooperative  
Case No. 2008-000154  
Professional Services  
December 31, 2007

Exhibit 9  
page 2 of 12  
Witness: Rebecca Witt

**Legal**

**Crawford & Baxter**

<u>Date</u>	<u>Check Number</u>	<u>Amount</u>	<u>Hours &amp; Bill Rate</u>	<u>Description</u>	
2/16/2007	74350	1,125.00	\$150/hr	Monthly Board meeting & minutes	
2/16/2007	74350	390.00	\$150/hr	Consultation on employee issues	
3/15/2007	74738	1,125.00	\$150/hr	Monthly Board meeting & minutes	
3/15/2007	74738	330.00	\$150/hr	Preparation for PSC filing	
3/15/2007	74738	435.00	\$150/hr	Trial preparation	
3/15/2007	74738	165.00	\$150/hr	Consultation on employee issues	
4/6/2007	74995	1,125.00	\$150/hr	Monthly Board meeting & minutes	
4/6/2007	74995	345.00	\$150/hr	Preparation for PSC filing	
4/6/2007	74995	675.00	\$150/hr	Trial preparation	
4/6/2007	74995	75.00	\$150/hr	Letter to auditor	
4/6/2007	74995	45.00	\$150/hr	Consultation on employee issues	
5/11/2007	75427	1,125.00	\$150/hr	Monthly Board meeting & minutes	
5/11/2007	75427	135.00	\$150/hr	Preparation for PSC filing	
5/11/2007	75427	90.00	\$150/hr	Consultation on employee issues	
6/8/2007	75715	1,125.00	\$150/hr	Monthly Board meeting & minutes	
6/8/2007	75715	135.00	\$150/hr	Consultation on employee issues	
6/8/2007	75715	145.00		Dues for Electric Coop Bar Association	x
7/6/2007	76089	1,156.04	\$150/hr	Monthly Board meeting & minutes	
7/6/2007	76089	655.29		Annual meeting attendance	x
7/6/2007	76089	240.00	\$150/hr	Consultation on EPA issue	
7/6/2007	76089	225.00	\$150/hr	Preparation of loan documents	
8/10/2007	76503	1,156.04	\$150/hr	Monthly Board meeting & minutes	
8/10/2007	76503	726.41	\$150/hr	KAEC meeting attendance & mileage	
8/10/2007	76503	261.00	\$150/hr	Preparation for PSC filing	
8/10/2007	76503	315.00	\$150/hr	Collection activities	
8/10/2007	76503	270.00	\$150/hr	Consultation on EPA issue	
9/14/2007	76896	1,275.00	\$150/hr	Monthly Board meeting & minutes	
9/14/2007	76896	300.00	\$150/hr	Special Board meeting preparation	
9/14/2007	76896	180.00	\$150/hr	Preparation of loan documents	
9/14/2007	76896	240.00	\$150/hr	Collection activities	
9/14/2007	76896	120.00	\$150/hr	PSC case discussion	
9/14/2007	76896	585.00	\$150/hr	Special Contract issues	
10/19/2007	77239	1,186.44	\$150/hr	Monthly Board meeting & minutes	
10/19/2007	77239	1,186.44	\$150/hr	Special Board meeting preparation	
10/19/2007	77239	960.72	\$150/hr	Consultation on employee issues	
10/19/2007	77239	135.00	\$150/hr	PSC case discussion	
10/19/2007	77239	90.00	\$150/hr	Collection activities	
10/19/2007	77239	150.00	\$150/hr	Special Contract issues	
11/9/2007	77505	1,155.72	\$150/hr	Monthly Board meeting	
11/9/2007	77505	2,200.25	\$150/hr	Preparation of loan documents	
11/9/2007	77505	915.00	\$150/hr	Consultation on employee issues	
12/7/2007	77801	1,305.72	\$150/hr	Monthly Board meeting & minutes	
12/7/2007	77801	1,155.72	\$150/hr	Special Board meeting & minutes	
12/7/2007	77801	557.50	\$150/hr	Preparation of loan documents	
12/7/2007	77801	180.00	\$150/hr	Collection activities	
12/10/2007		(1,306.25)		Reimbursement of legal fees by customer	

Owen Electric Cooperative  
Case No. 2008-000154  
Professional Services  
December 31, 2007

Exhibit 9  
page 3 of 12  
Witness: Rebecca Witt

**Legal**

<u>Date</u>	<u>Check Number</u>	<u>Amount</u>	<u>Hours &amp; Bill Rate</u>	<u>Description</u>	
<b><u>NRECA</u></b>					
Various	Various	9.46		Attorney Insurance	x
		43.00		Subscriptions - Attorney	x
<b><u>Brown, Frost, Todd, LLC</u></b>					
6/15/2007	75831	80.90		Legal Services	
<b><u>Greenbaum &amp; Doll</u></b>					
3/16/2007	76735	388.48		Legal Services - Environmental issue	
10/5/2007	77111	1,951.58		Legal Services - Environmental issue	
11/2/2007	77415	19.48		Legal Services - Environmental issue	
12/21/2007	77975	148.17		Legal Services - Environmental issue	
<b><u>KAEC</u></b>					
6/22/2007	75946	803.97		Pro Rata share - Greenbaum fee	
		108.00			
Total Legal		<u>29,720.08</u>			

**Accounting Services**

**Alan Zumstein**

2/16/2007	74455	1,500.00		SFAS No. 106 study	
10/11/2007	77219	1,250.00		Property tax return	

**Mountjoy & Bressler**

6/15/2007	75855	14,250.00	bid	Annual financial statement audit	
11/9/2007	77536	4,750.00		Annual 401K audit	

**Other Professional Services**

**Execuquest**

2/2/2007	74215	6,250.00		Professional Recruiter	
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**CDS Associates**

6/29/2007	76041	4,779.25		Architectural design	
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**Coop Consulting Group**

2/2/2007	74204	2,905.47		Emergency tabletop exercise	
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**KCTCS**

2/23/2007	74517	865.00		Ky Wins Job Evaluation	
6/15/2007	75843	890.00		Ky Wins Job Evaluation	
8/31/2007	76740	865.00		Ky Wins Job Evaluation	
1/4/2008	78095	2,595.00		Ky Wins Job Evaluation	

Owen Electric Cooperative  
Case No. 2008-000154  
Professional Services  
December 31, 2007

Exhibit 9  
page 4 of 12  
Witness: Rebecca Witt

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**Legal**

<u>Date</u>	<u>Check Number</u>	<u>Amount</u>	<u>Hours &amp; Bill Rate</u>	<u>Description</u>
<b><u>NRECA</u></b>				
4/12/2007	75114	6,946.20		AMR Consulting fees
7/12/2007	76216	14,550.31		AMR Consulting fees & Salary Survey
7/20/2007	76310	1,250.00		AMR Consulting fees
8/17/2007	76621	1,250.00		AMR Consulting fees
<b><u>Gary Gibson</u></b>				
		209.32		Consulting fee
4/20/2007	75161	191.09		Mileage & Expenses
<b>Total Professional Services</b>		<u>95,016.72</u>		
		<u>852.75</u>	Remove for rate making purposes	

x

**Owen Electric Cooperative**  
**Case No. 2008-000154**  
**Professional Services**  
**December 31, 2007**

**Legal**

The attorney is paid \$150.00 per hour to attend the monthly Board of Directors meetings. The attorney's firm is also paid the same hourly fee, plus expenses, for performing additional legal work on as as needed basis. Expenses are also paid for attending state association and other meetings for the Cooperative's business.

Other legal services are provided as needed.

**Accounting and Auditing**

There are audit agreements stating the amount for the annual financial statement as well as for the Defined Contribution Plan audit.

Other accounting services are provided as needed for an hourly rate.

**Other**

Fees are paid to NRECA for wage and salary consulting services, and to other consulting firms as needed.

SERVICES OF CONSULTANTSI. OBJECTIVE

- A. To establish the policy governing the employment, selection, and use of consultants.
- B. To define the relationship existing between employed consultants, the Board of Directors, and the President/CEO.

II. POLICY CONTENTA. Employment and Use of Consultants

- 1. It is recognized that effective management is the most important factor which contributes to the success of the Cooperative. Furthermore, in the formulation, adoption, execution, and audit of Bylaws, policies, plans and programs, there is a need for the services of consultants to supply the Board of Directors and the President/CEO with advice and assistance that will provide for well-informed decisions.
- 2. Therefore, the President/CEO will provide for consulting services in the annual work plan and budget which is submitted to the Board of Directors for their review, consideration, and appropriate action. The provisions will include the use of consultants in the following areas, but not to the exclusion of other areas which may be essential and desirable in the operation of Owen EC in order that its objectives may be attained.
  - a. Legal: Attorney or attorneys - the regular cooperative attorney on monthly retainer fee basis for stipulated functions, plus compensation on a fee-basis for additional services rendered.
  - b. Engineering: Engineer or engineers employed for specific projects on a fee-basis or on a continuing retainer service contract for engineering system studies, inspection of completed work orders, and performing other specialized duties.
  - c. Accounting: Certified Public Accountants employed for the independent financial audit of the accounting records and related practices to meet the requirements of the lending agencies and for effective internal financial control.
  - d. Management: Management consultants employed to study, analyze and recommend improvements in management practices in the areas of management audits, policy formulation, organization planning and development and administration of the compensation plan and personnel policies and who are employed on a planned/when-required basis upon acceptance of cost proposals.

- e. Rates: Rate consultants engaged if required to undertake cost of service studies and to develop retail rates and related conditions of service.
- f. Other: Specialized consultants engaged for their specialized technical knowledge on operating problems of a non-recurring nature, such as rate attorney, labor attorney or other special needs.

B. Selection of Consultants

- 1. Principal consultants will be appointed by the Board of Directors when their services are essential for independent audits of records and accounts, legal opinions on policy, conducting of surveys, and making independent analyses of management practices, or to make major engineering studies; however, the President/CEO will be responsible for recommending the best-qualified persons or firms.
- 2. Authority is delegated to the President/CEO for the selection of specialized consultants when their services are needed to supplement the regular permanent staff or to serve as an advisor to the manager or his staff on specific operating problems.

C. Relationships

1. Attorney

- a. The attorney will have a reporting relationship to the Board of Directors in all those areas relating to basic legal entity; in all those areas concerned specifically with operating management, the attorney will recognize a reporting relationship directly to the President/CEO.
- b. The attorney selected to represent the Cooperative will be available at all regular and special meetings of the Board of Directors and at the annual membership meetings to review and render opinions on current and potential legal difficulties which may be inherent in present or proposed Bylaws, policies and actions.
- c. The attorney will be responsible for providing legal services on specific problems when requested and for representing the Cooperative before courts and commissions when such representation is deemed necessary by the Board of Directors and/or President/CEO; a bill will be submitted for such services and approved by the President/CEO.

- d. Opinions relative to legal services furnished in connection with specific operating problems will be submitted to the President/CEO.
  - e. Compensation for legal counsel may be on an hourly or fee-for-service basis or on a combination thereof. Any form of percentage compensation based on a loan or other form of capital acquisition should not be used as a basis for payment of legal services.
2. Consulting Engineer or engineering firm will have a direct reporting relationship to the Board of Directors when the area of employment, such as study, analysis, and review, has been specifically determined by the Board or requires the approval of the Board with a corresponding responsibility to keep the President/CEO informed on such studies and analysis and through the President/CEO to request data and information needed. When used to supplement the regular permanent staff or to serve as advisor to the President/CEO on specific engineering operating problems, the direct reporting relationship will be to the President/CEO and through the President/CEO to his staff.
  3. Certified Public Accountant or firm of accountants will have a direct reporting relationship to the Board of Directors when employed by the Board to perform independent audits of records and accounts but the President/CEO shall be kept informed and provide all possible assistance and advice in making records and accounts available. The Board and/or President/CEO shall be responsible for requesting professional comments beyond minimum audit requirements. When rendering accounting advice and assistance in connection with day to day operations, his reporting relationship will be directly to the President/CEO and through the President/CEO to the staff.
  4. Management Consultant will render advice and assistance in areas such as the development and administration of policies, plans, controls, compensation administration, training, etc. In the carrying out of these responsibilities, his reporting relationship shall be directly to the President/CEO and through him to the staff. In reporting on the recommendations resulting from the independent management audit or appraisal or recommendations on revisions needed in board-approved policies or plans, his reporting relationship shall be directly to the Board but with the full knowledge and understanding of the President/CEO.
  5. Rate Consultants if engaged, will work with and through the President/CEO on their studies, but may be asked to present their recommendations to the Board of Directors or a committee of the Board. Services of rate consultants shall be based on agreed-upon proposals approved by the Board or a committee of the Board.



III. RESPONSIBILITY

The President/CEO shall be responsible to the Board for recommendations to provide in the agenda for the Board meetings, for consultants to appear and make reports to the Board. He shall have a further responsibility to furnish advice and counsel to the Board on the employment, selection and use of consultants; this responsibility includes recommending funding the annual operating budget for this and reporting to the Board on results achieved.

Last Review Date: 01/31/08

Amended:

04/22/99	04/27/95	05/23/91	09/24/87
04/23/98	04/28/94	07/26/90	02/27/86
04/24/97	05/27/93	07/27/89	
04/25/96	05/28/92	09/15/88	

STATEMENT OF FUNCTION OF  
COOPERATIVE ATTORNEY

I. OBJECTIVE

- A. To provide for the functions of the legal consultant employed as the regular Cooperative Attorney on a monthly retainer fee basis.
- B. To establish the functions of the Cooperative Attorney in a manner that is consistent with Cooperative Bylaws.
- C. To recognize the basis for continuing legal guidance and counsel in the ordinary and special activities of the Cooperative to insure maximum protection of the legal rights of the Cooperative and to maintain operations within the limits prescribed by law.

II. POLICY CONTENT

Reporting Relationships

Reports to: Board of Directors on basic legal entity and to the President/CEO on legal problems affecting operating management.

Functions, Retainer Fee and Requested Services

- A. On the basis of the retainer fee paid by Owen EC, the Cooperative Attorney shall have the function of advising the Board of Directors and employed management as to all legal matters of corporate procedure and matters pertaining to legal rights, duties, and obligations of the Cooperative to the public, its consumers and its members. Included under these functions is the responsibility for providing legal advice to the Board and employed management on applicable provisions of statutory law, and the law as interpreted and applied by the courts.

This statement of functions includes:

- 1. Procedural Matters: Assisting the Cooperative officers and employed management personnel, and particularly the Secretary with the interpretation of the Articles of Incorporation and the Bylaws; the calling and holding of special and regular meetings of directors and members; and the amendment of the Articles of Incorporation and of the Bylaws. Specifically, the following inclusions are listed:
  - a. Attends all regular and special meetings of the Board of Directors where he will review and render opinions on current and potential legal difficulties which may be inherent in present or proposed Bylaws, policies and actions.
  - b. Participate in the planning of annual membership meetings relative to notices or other legal technicalities and attend the meetings to represent the Board of Directors on all matters related to the legal entity of the Cooperative.

II. Policy Content (continued)A. Functions, Retainer Fee and Requested Services (continued)2. General Matters

- a. Review recurring contractual relationships to render advice on any change in the wording of the documents that could result in future legal problems; provide legal advice on reports and statements required by regulatory bodies.
- b. The Cooperative Attorney should avail himself of every opportunity to remain reasonably familiar with all matters pertaining to the Cooperative.

## B. When legal services are required, the Cooperative, through the President/CEO, will ask the Cooperative Attorney to furnish his services on a fee-basis for:

1. Special Matters

- a. Review of the title of all real estate purchased by the Cooperative and the documents involved in the granting of easements, when necessary.
- b. Review of the procedures necessary to the borrowing of money by the Cooperative to determine that all actions and documents are legally correct.

2. Actions Involving Public Service Commission & Courts

- a. Representation of the Cooperative before Commissions and Courts in the State of Kentucky for defense of the Cooperative or on such matters as establishment of rates, rules and regulations, etc.
- b. Representation and opinions in connection with specific operating problems where legal services are desired in connection with:
  - 1) Defense of the Cooperative against suits or claims filed by government agencies or by individuals or other activities.
  - 2) Prosecution of the Cooperative's claims against others.
  - 3) Matters of a legal nature involving functions performed on behalf of the Cooperative involving any actions arising between the Cooperative and any consumer, supplier, or agent of the Cooperative or any outside party.

III. RESPONSIBILITY

- A. President/CEO - To keep informed on all matters referred by the Board to the Attorney involving legal entity or having legal implications in order that appropriate items may be included on the written agenda for board meetings or annual meetings; to receive instructions from and provide advice relative to documents referred for review and opinion on wording and content or legal problems confronting the Cooperative.
  
- B. Board of Directors - To provide answers to questions directed during the regular and special meetings when issues and actions have possible legal technicalities which require opinions on current and potential legal difficulties. The corporate attorney should be available for all executive sessions.

Last Review Date: 01/31/08

Amended:

07/24/03	04/24/97	05/27/93	07/27/89
03/30/00	04/25/96	05/28/92	09/15/88
04/22/99	04/27/95	05/23/91	09/24/87
04/23/98	04/28/94	07/26/90	02/27/86

**Owen Electric Cooperative**  
**Case No. 2008-000154**  
**Adjustment for Director expenses**  
**December 31, 2007**

Certain expenses are generally disallowed for rate making purposes that are incurred for, and on behalf of, Directors of an electric cooperative. The Cooperative has made this adjustment to recognize those expenses. the list includes:

**KAEC annual meeting for non-representative:**

Ann Bond	701.41
Robert True	737.30
John Grant	690.74
Stanley Gosney	797.78
Bruce Gosney	761.55
Eddie McCord	739.61

**East Kentucky Power Cooperative annual meeting:**

Ann Bond	346.34
Robert True	341.49
Stanley Gosney	356.04
Eddie McCord	325.00

**Congressional meeting:**

Ann Bond	1,445.74
Robert True	1,338.80
John Grant	1,319.40
Bruce Gosney	1,443.22
Patricia Kinman	1,408.34

**Landfill Opening**

Ann Bond	344.40
Bruce Gosney	402.60
Patricia Kinman	361.38
Eddie McCord	339.55

**General expenses for all employees**

Health insurance premiums	94,253.00
Postretirement benefit allocation	45,581.00

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154,034.69

**Owen Electric Cooperative**

**Case No. 2008-000154**

**Name of Board Members**

**December 31, 2007**

**Chairperson**

Robert True                    1790 Owenton Road        Corinth, KY 41010

**Vice Chairperson**

Frank Jackson                2586 Moffett Road        Independence, KY 41051

**Secretary-Treasurer**

John Grant                    8244 Woodcreek Dr        Florence, KY 41042

Ann Bond                      2620 New Liberty Rd       Sparta, KY 41086

Stanley Gosney               3122 Highway 467        Demossville, KY 41033

Patricia Kinman               7224 Cascade Drive       Florence, KY 41042

Eddie McCord                3700 Hwy 16                Glencoe, KY 41046

Bruce Gosney                859 Fairlane Road        Butler, KY 41006

**East Kentucky Power Cooperative**

***Representative***

Patricia Kinman

***Alternate***

Robert Hood

**Kentucky Association of Electric Cooperatives (KAEC)**

***Representative***

Frank Jackson

***Alternate***

Robert Hood

**National Rural Electric Cooperative Association (NRECA)**

***Representative***

Stanley Gosney

***Alternate***

Bruce Gosney

MEETING/TRAVEL TIME ALLOWED FOR DIRECTORSI. OBJECTIVE

To establish a policy for directors regarding days to be paid per diem while attending meetings or training programs on behalf of the Cooperative as authorized by the Board of Directors.

II. POLICY CONTENT

- A. Per diem shall be paid at the rate established by the Board of Directors.
- B. It shall be the policy of Owen EC to pay for its Directors' out-of-pocket expense and per diem to attend certain meetings and training programs. Receipts are required for reimbursement of out-of-pocket expenses in excess of \$25.00 per occurrence. Reimbursable expenses are defined in Policy No. 302.
- C. The number of days for per diem purposes will be determined by the number of days of the particular meeting or program, plus the time necessary to travel as follows:
  - 1) In-state: No per diem will be allowed for travel to meetings but overnight expenses will be paid by the Cooperative.
  - 2) Out-of-state: One per diem will be allowed for travel one day prior to the beginning of a meeting. An additional per diem will be permitted for travel providing the meeting adjourns late in the day. If a director elects to drive to a meeting, one per diem each way will be permitted for travel to and from the meeting.
- D. Directors absent from a regular board meeting because of their own illness or the illness or death of a mother, father, husband, wife, child, sister, brother, grandparent, grandchild, father-in-law, mother-in-law, sister-in-law, brother-in-law, son-in-law, daughter-in-law, step-mother, step-father, step-child, step-sister, or step-brother shall receive their per diem. Directors absent from a regular board meeting for the illness or death of all other considered "close relatives" shall be at the discretion of the board for receiving their per diem.
- E. Mileage shall be computed in accordance with the Cooperative's mileage rate policy.

F. The director shall be responsible for the expenses of any guest (s) invited, and shall indicate guest expenses on any credit card/other receipts.

**III. RESPONSIBILITY**

It shall be the responsibility of the director to turn in the number of days and the amount of out-of-pocket expense incurred while representing the Cooperative to the President/CEO or his executive assistant for reimbursement.

Date Policy Reviewed by Board	<u>04/26/07</u>			
<u>Amended:</u>				
04/26/07	07/24/97	05/27/93	07/27/89	04/18/79
02/22/07	04/24/97	05/28/92	09/15/88	
07/24/03	04/25/96	09/19/91	09/24/87	
04/22/99	04/27/95	05/23/91	07/25/85	
04/23/98	04/28/94	07/26/90	07/24/80	



Owen Elec Cooperative  
Case No. 2008-000154  
Director Fees and Expenses  
December 31, 2007

Exhibit 10  
page 5 of 15  
Witness: Robert Hood

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	Regular Board Mtg	Other Board Mtg	Per Diem	Mileage	Air Fare	Meeting Fees	Hotel	Meals	Health Insurance	Other Transportation	Misc Expenses	Total
Robert True	3,900	1,625	0	610	0	3,900	0	165	11,765	0	187	22,152
Frank Jackson	3,575	1,950	0	263	0	0	0	0	0	0	0	5,788
John Grant	3,900	1,950	0	659	463	5,200	0	15	0	337	420	12,943
Ann Bond	3,900	1,950	0	326	0	5,200	0	28	6,826	0	216	18,446
Stanley Gosney	3,900	1,625	0	605	0	1,300	0	36	0	0	14	7,480
Patricia Kinman	3,900	2,275	0	565	0	2,600	0	16	11,765	0	128	21,249
Eddie McCord	3,900	1,950	0	439	0	3,900	0	56	6,826	0	55	17,127
Bruce Gosney	3,575	2,275	0	515	0	3,900	0	0	0	0	13,513	23,778
General expenses	0	0	0	0	8,523	6,115	12,072	10,393	57,070	0	51,422	145,595
Total	30,550	15,600	0	3,981	8,986	32,115	12,072	10,710	94,253	337	65,954	274,558

Owen E : Cooperative  
Case No. 2008-000154  
Robert True

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<u>Date</u>	<u>Check Number</u>	<u>Payee</u>	<u>Explanation</u>	<u>Regular Bd Mtg</u>	<u>Other Bd Mtg</u>	<u>Per Diem</u>	<u>Mileage</u>	<u>Air Fare</u>	<u>Meeting Fees</u>	<u>Hotel</u>	<u>Meals</u>	<u>Allowance Health Ins</u>	<u>Misc Expense</u>	<u>Total</u>
				325.00			25.22					980.43		1,330.65
1/23/2007	74174	True Robert		325.00			23.14				76.29	980.43	66.00	1,470.86
2/20/2007	74554	True Robert		325.00			66.10		1,300.00			980.43		2,671.53
3/25/2007	74967	True Robert	Legislative conference	325.00			50.44				55.52	980.43	106.50	1,842.89
4/25/2007	75286	True Robert		325.00	325.00		64.02		1,300.00			980.43		2,669.45
5/24/2007	75541	True Robert		325.00			41.71					980.43		1,997.14
6/21/2007	75984	True Robert	EKPC annual meeting	325.00	650.00		25.22					980.43		1,330.65
7/20/2007	76328	True Robert		325.00			50.44					980.43		1,680.87
8/24/2007	76704	True Robert		325.00	325.00		50.44					980.43		1,680.87
9/27/2007	77062	True Robert		325.00	325.00		25.22					980.43		1,330.65
10/26/2007	77377	True Robert		325.00			162.96		1,300.00		33.54	980.43	14.00	2,815.93
11/29/2007	77778	True Robert	KAEC annual meeting	325.00			25.22					980.43		1,330.65
12/14/2007	77933	True Robert		325.00										0.00
														0.00
				3,900.00	1,625.00	0.00	610.13	0.00	3,900.00	0.00	165.35	11,765.16	186.50	22,152.14



Owen Elk Cooperative  
Case No. 2008-000154  
John Grant

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<u>Date</u>	<u>Check Number</u>	<u>Explanation</u>	<u>Regular Bd Mtg</u>	<u>Other Bd Mtg</u>	<u>Per Diem</u>	<u>Mileage</u>	<u>Air Fare</u>	<u>Meeting Fees</u>	<u>Hotel</u>	<u>Other Transportation</u>	<u>Meals</u>	<u>Health Ins</u>	<u>Check Signing</u>	<u>Total</u>
1/26/2007	74154		325.00										35.00	360.00
2/22/2007	74507		325.00			65.86	462.61	1,300.00		50.00			35.00	2,238.47
3/30/2007	74932		325.00			16.59		2,600.00		170.05	1.59		35.00	3,148.23
4/27/2007	75243		325.00	325.00		100.88							35.00	785.88
5/24/2007	75537		325.00			19.40		1,300.00		116.50	6.25		35.00	1,802.15
6/22/2007	75934		325.00	325.00		77.60							35.00	762.60
7/19/2007	76289		325.00										35.00	360.00
8/24/2007	76676		325.00	325.00		100.88							35.00	785.88
9/27/2007	77033		325.00	325.00		50.44							35.00	735.44
10/24/2007	77365		325.00			50.44							35.00	410.44
12/3/2007	77753		325.00	650.00		91.18					7.00		35.00	1,108.18
12/14/2008	77904		325.00			85.36							35.00	445.36
														0.00
														0.00
														0.00
			3,900.00	1,950.00	0.00	658.63	462.61	5,200.00	0.00	336.55	14.84	0.00	420.00	12,942.63



Owen El: : Cooperative  
Case No. 2008-000154  
Stanley Gosney

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1/25/2007	74153	Gosney S		325.00	325.00		65.96							715.96
2/23/2007	74504	Gosney S		325.00										325.00
3/30/2007	74931	Gosney S		325.00			32.98							357.98
4/27/2007	75241	Gosney S		325.00										325.00
5/24/2007	75536	Gosney S		325.00			32.98							357.98
6/22/2007	75931	Gosney S		325.00	650.00		78.57							1,053.57
7/20/2007	76284	Gosney S		325.00			32.98							357.98
8/24/2007	76674	Gosney S		325.00			32.98							357.98
9/27/2007	77031	Gosney S		325.00	325.00		65.96							715.96
10/26/2007	77364	Gosney S		325.00										325.00
12/3/2007	77752	Gosney S		325.00			196.43		1,300.00		36.29		14.00	1,871.72
12/14/2007	77902	Gosney S		325.00	325.00		65.96							715.96
														0.00
														0.00
				3,900.00	1,625.00	0.00	604.80	0.00	1,300.00	0.00	36.29	0.00	14.00	7,480.09

Owen El. Cooperative  
Case No. 2008-000154  
Patricia Kinman

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1/26/2007	74157	Kinman H		325.00	325.00		98.94					980.43		1,729.37
2/23/2007	74519	Kinman H		325.00								980.43		1,305.43
3/30/2007	74940	Kinman H		325.00			49.47		1,300.00			980.43	35.89	2,690.79
4/27/2007	75259	Kinman H		325.00	325.00		36.38					980.43		1,666.81
5/24/2007	75539	Kinman H		325.00			49.47		1,300.00		16.34	980.43	92.00	2,763.24
6/22/2007	75950	Kinman H		325.00	325.00		23.28					980.43		1,653.71
7/20/2007	76297	Kinman H		325.00			60.14					980.43		1,365.57
8/24/2007	76684	Kinman H		325.00								980.43		1,305.43
9/27/2007	77037	Kinman H		325.00	325.00		49.47					980.43		1,679.90
10/26/2007	77368	Kinman H		325.00								980.43		1,305.43
11/30/2007	77718	Kinman H		325.00	650.00		148.41					980.43		2,103.84
12/14/2007	77910	Kinman H		325.00	325.00		49.47					980.43		1,679.90
														0.00
														0.00
				3,900.00	2,275.00	0.00	565.03	0.00	2,600.00	0.00	16.34	11,765.16	127.89	21,249.42

Owen Elmer Cooperative  
Case No. 2008-000154  
Eddie McCord

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1/26/2007	74160	Mccord E		325.00	325.00		38.80					568.86		1,257.66
2/23/2007	74525	Mccord E		325.00			40.94		1,300.00		37.62	568.86	37.00	2,309.42
3/30/2007	74943	Mccord E		325.00			48.30		1,300.00			568.86	18.00	2,260.16
4/27/2007	75262	Mccord E		325.00	325.00		34.92					568.86		1,253.78
5/24/2007	75540	Mccord E		325.00			20.37					568.86		914.23
6/22/2007	75956	Mccord E		325.00	650.00		35.41					568.86		1,579.27
7/19/2007	76301	Mccord E		325.00								568.86		893.86
8/24/2007	76688	Mccord E		325.00								568.86		893.86
9/27/2007	77039	Mccord E		325.00	325.00		40.74					568.86		1,259.60
10/26/2007	77373	Mccord E		325.00			20.37					568.86		914.23
12/3/2007	77760	Mccord E		325.00			131.92		1,300.00		18.80	568.86		2,344.58
12/14/2007	77915	Mccord E		325.00	325.00		27.16					568.86		1,246.02
														0.00
														0.00
														0.00
														0.00
														0.00
				3,900.00	1,950.00	0.00	438.93	0.00	3,900.00	0.00	56.42	6,826.32	55.00	17,126.67



Owen Elk Cooperative  
Case No. 2008-000154  
Bruce Gosney

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<u>Date</u>	<u>Check Number</u>	<u>Payee</u>	<u>Explanation</u>	<u>Regular Bd Mtg</u>	<u>Other Bd Mtg</u>	<u>Per Diem</u>	<u>Mileage</u>	<u>Air Fare</u>	<u>Meeting Fees</u>	<u>Hotel</u>	<u>Meals</u>	<u>Health Ins</u>	<u>Misc Expense</u>	<u>Total</u>
1/23/2007	74152	Gosney B		325.00			11.64							336.64
2/23/2007	74503	Gosney B		325.00			64.08		1,300.00				0.80	1,689.88
3/30/2007	74930	Gosney B		325.00			42.62		1,300.00				15.36	1,682.98
4/27/2007	75240	Gosney B		325.00	650.00		100.88						118.00	1,193.88
5/24/2007	75535	Gosney B		325.00			36.86		1,300.00					1,661.86
6/22/2007	75930	Gosney B		325.00	325.00									650.00
7/20/2007	76283	Gosney B		325.00			11.64							336.64
8/24/2007	76673	Gosney B		325.00										325.00
9/27/2007	77030	Gosney B		325.00	325.00		67.90							717.90
10/26/2007	77363	Gosney B		325.00			44.62							369.62
11/29/2007	77751	Gosney B		325.00	975.00		134.83							1,434.83
12/3/2007	77819	Gosney B	Resigned										13,379.17	13,379.17
														0.00
														0.00
														0.00
				3,575.00	2,275.00	0.00	515.07	0.00	3,900.00	0.00	0.00	0.00	13,513.33	23,778.40

Owen Electric Coop  
Case No. 2008-000154  
General Expenses

Exhibit 10  
page 14 of 15  
Witness: Robert Hood

	Date	Check Number	Explanation	Description	Regular Bd Mtg	Other Bd Mtg	Per Diem	Mileage	Air Fare	Meeting Fees	Hotel	Meals	Health Ins	Misc Expense	Total
9	1/8/2007	73933	East Ky Power										4,335.78		4,335.78
10	2/16/2007	74358	East Ky Power										4,335.78		4,335.78
11	3/9/2007	74658	East Ky Power										4,335.78		4,335.78
12	4/9/2007	75072	East Ky Power										4,335.78		4,335.78
13	5/2/2007	75296	East Ky Power										4,335.78		4,335.78
14	6/15/2007	75792	East Ky Power										4,335.78		4,335.78
15	7/6/2007	76163	East Ky Power										4,335.78		4,335.78
16	8/10/2007	76508	East Ky Power										4,335.78		4,335.78
17	9/10/2007	76873	East Ky Power										4,335.78		4,335.78
18	10/5/2007	77101	East Ky Power										4,335.78		4,335.78
19	11/2/2007	77476	East Ky Power										4,335.78		4,335.78
20	12/3/2007	77748	East Ky Power										4,335.78		4,335.78
21	8/10/2007	76529	KAEC	Congres. Br								306.00			306.00
22	2/1/2008	78469	KAEC									1,105.00			1,105.00
23	4/12/2007	75126	Swan	arrangemts										50.87	50.87
24	4/27/2007	75284	Swan	arrangemts										46.63	46.63
25	4/27/2007	75284	Swan	arrangemts										41.33	41.33
26	5/11/2007	75465	Smith House	Bd Mtg Meal								76.25			76.25
27	6/1/2007	75670	Smith House	Bd Mtg Meal								126.00			126.00
28	6/29/2007	76061	Smith House	Bd Mtg Meal								116.73			116.73
29	8/24/2007	76700	Smith House	Bd Mtg Meal								91.00			91.00
30	8/24/2007	76700	Smith House	Meal								95.86			95.86
31	9/21/2007	76993	Smith House	Meal								126.00			126.00
32	9/27/2007	77053	Smith House	Meal								108.90			108.90
33	12/3/2007	77771	Smith House	Bd Mtg Meal								125.60			125.60
34	12/21/2007	78008	Smith House	Bd Mtg Meal								32.00			32.00
35	2/2/2007	74274	Smith House	Bd Mtg Meal								107.77			107.77
36	11/2/2007	77454	Smith House	Bd Mtg Meal								122.00			122.00
37	4/6/2007	75045	Smith House	Bd Mtg Meal								106.40			106.40
38	3/2/2007	74606	NRECA	Annual Mtg								3,252.00			3,252.00
39	2/2/2007	74256	NRECA	Mtg					1,095.00						1,095.00
40	2/2/2007	74256	NRECA	Director's C					2,265.00						2,265.00
41	2/2/2007	74256	NRECA	Director's C					755.00						755.00
42	2/16/2007	74409	NRECA	Subscription									200.00		200.00
43	8/31/2007	76750	NRECA	Subscription									344.00		344.00
44	1/12/2008	78240	NRECA	Annual Mtg					2,000.00						2,000.00
45	3/23/2007	74828	Commonwealth Adminstrs									420.06			420.06
46	2/16/2007	74347	Commonwealth Adminstrs									420.06			420.06
47	3/9/2007	74654	Commonwealth Adminstrs									420.06			420.06
48	5/4/2007	75316	Commonwealth Adminstrs									420.06			420.06
49	7/6/2007	76088	Commonwealth Adminstrs									420.06			420.06
50	8/6/2007	76414	Commonwealth Adminstrs									420.06			420.06
51	9/7/2007	76796	Commonwealth Adminstrs									420.06			420.06
52	11/2/2007	77399	Commonwealth Adminstrs									420.06			420.06
53	12/3/2007	77744	Commonwealth Adminstrs									420.06			420.06
54	6/1/2007	75636	Commonwealth Adminstrs									420.06			420.06
55	10/5/2007	77094	Commonwealth Adminstrs									420.06			420.06
56	1/15/2007	74021	Commonwealth Adminstrs									420.06			420.06
57	2/23/2007	74534	NRECA	Ins									268.39		268.39
58	5/4/2007	75355	NRECA	Ins									268.39		268.39
59	2/2/2007	74257	NRECA	Ins									268.39		268.39
60	3/15/2007	74775	NRECA	Ins									268.39		268.39
61	4/6/2007	75025	NRECA	Ins									268.39		268.39
62	6/8/2007	75754	NRECA	Ins									268.39		268.39
63	7/6/2007	76132	NRECA	Ins									268.39		268.39
64	8/10/2007	76539	NRECA	Ins									268.39		268.39
65	9/14/2007	76914	NRECA	Ins									268.39		268.39
66	10/5/2007	77132	NRECA	Ins									268.39		268.39
67	12/21/2007	77997	NRECA	Ins									268.39		268.39
68	2/9/2007	74313	RCCU						3,415.52						3,415.52

69	3/2007	74696	RCCU				583.92	182.32			766.24				
70	3/9/2007	74696	RCCU				562.65	140.23	72.00		774.88				
71	3/9/2007	74696	RCCU		478.30		560.40	161.55	32.00		1,232.25				
72	3/9/2007	74696	RCCU		111.20		576.25	224.14	32.00		943.59				
73	3/9/2007	74696	RCCU					39.20			39.20				
74	3/30/2007	74956	RCCU					35.03			35.03				
75	3/30/2007	74956	RCCU					21.20			21.20				
76	3/30/2007	74956	RCCU						16.96		16.96				
77	3/30/2007	74956	RCCU		1,294.92						1,294.92				
78	3/30/2007	74956	RCCU					9.96			9.96				
79	7/6/2007	76145	RCCU					54.56			54.56				
80	8/10/2007	76544	RCCU					33.90			33.90				
81	6/8/2007	75768	RCCU				857.83	29.42			887.25				
82	6/8/2007	75768	RCCU				855.33	229.79	31.00		1,116.12				
83	6/8/2007	75768	RCCU				855.33				855.33				
84	6/8/2007	75768	RCCU				855.33		51.93		998.26				
85	5/7/2007	75401	RCCU		1,977.14			91.00			1,977.14				
86	5/7/2007	75401	RCCU					38.70			38.70				
87	5/7/2007	75401	RCCU				435.39	158.95	432.75		1,027.09				
88	5/7/2007	75401	RCCU				647.46	68.14			715.60				
89	5/7/2007	75401	RCCU				469.64	134.11	32.00		635.75				
90	5/7/2007	75401	RCCU				1,013.70	362.68	82.00		1,458.38				
91	5/7/2007	75401	RCCU				434.14	43.70			477.84				
92	6/8/2007	75768	RCCU				431.64	47.54			479.18				
93	6/8/2007	75768	RCCU				855.33	244.93			1,100.26				
94	5/4/2007	75375	RCCU					883.38			883.38				
95	6/8/2007	75768	RCCU					338.83			338.83				
96	6/8/2007	75768	RCCU					12.01			12.01				
97	12/3/2007	77767	RCCU					106.18			106.18				
98	12/3/2007	77767	RCCU					85.15			85.15				
99	11/2/2007	77450	RCCU					21.22			21.22				
100	10/5/2007	77143	RCCU						178.08		178.08				
101	1/11/2008	78185	RCCU			36.00	296.74	57.02			389.76				
102	1/11/2008	78185	RCCU		1,962.39						1,962.39				
103	1/11/2008	78185	RCCU				296.74	11.01			307.75				
104	1/11/2008	78185	RCCU				296.74	48.06	26.00		370.80				
105	1/11/2008	78185	RCCU				296.74				296.74				
106	1/11/2008	78185	RCCU				296.74	21.62	36.00		354.36				
107	1/11/2008	78185	RCCU						201.39		201.39				
108	1/11/2008	78185	RCCU				296.74	23.00	18.00		337.74				
109	1/11/2008	78185	RCCU				296.74	17.37			314.11				
110	1/11/2008	78185	RCCU					83.54			83.54				
111	3/3/2007	74635	Sisterly Touch					276.79			276.79				
112	12/13/2007	78007	Sisterly Touch					375.71			375.71				
113	12/21/2007	77983	Ivy Leaf Florist	Funeral					53.00		53.00				
114	1/22/2007		Reimbursement from KAEC					(50.00)			(50.00)				
115	1/11/2008	75363	Petals On the Square						56.71		56.71				
116	12/21/2007	78003	Petals On the Square	Christmas					853.30		853.30				
117	1/23/2007		Reimbursement from B Gosney					(64.50)			(64.50)				
118	1/12/2007		Reimbursement from R True					(64.50)			(64.50)				
119	1/25/2007		Reimbursement from S Gosney					(64.50)			(64.50)				
120	1/12/2007		Reimbursement from J Grant					(64.50)			(64.50)				
121	Various		Meal - B Gosney					38.71			38.71				
122	2/16/2007		Meal - B Gosney					17.42			17.42				
123	Various		Meal - R True					30.00			30.00				
124	Various		Meal					5.18			5.18				
125	Various		Reimbursement allocation		(716.07)						(716.07)				
126	12/18/2007		Reimbursement from NRECA			(35.83)					(35.83)				
127	Various		Allocation of Liability Insurance						7,019.00		7,019.00				
128	Various		Allocation of FAS 106 expense						38,562.45		38,562.45				
129											0.00				
130											0.00				
131															
132					0.00	0.00	0.00	0.00	8,523.40	6,115.17	12,071.52	10,392.76	57,070.08	51,421.69	145,594.62

**Owen Electric Cooperative**  
Case No. 2008-00154  
**Adjustment for miscellaneous expenses**  
**December 31, 2007**

Certain advertising expenses are disallowed for rate making purposes that are not for safety, conservation, information or the annual meeting. These have been removed from Account 930.10, General advertising. Those removed include sponsorship of sports, church, civic and charitable related organizations.

There are Miscellaneous General Expenses that are also disallowed for rate making purposes to include employee meals, gifts, flower funds for deaths in families, amounts paid for the nominating committee, and other non-recurring amounts. Amounts for reimbursements and attendance at chamber of commerce functions has been removed.

Annual meeting scholarships, prizes and giveaways are also disallowed. These have been identified and removed.

Amounts that are less than \$100 individually and fall into the categories above that would normally be disallowed for rate making purposes have been identified and removed.

Amounts removed by account are as follows:

Account 930.10, General advertising	(16,386)
Account 930.30, Dues	0
Account 930.40, Annual meeting	<u>10,107</u>
Total to remove	<u>(6,279)</u>

Owen Electric Cooperative  
Case No. 2008-00154  
Miscellaneous General Expenses - General Advertising Account 930.10  
December 31, 2007

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<u>Date</u>	<u>Check Number</u>	<u>Payee</u>	<u>Amount</u>	<u>Description</u>
1/26/2007	74167	PERRYVILLE EMBROIDERY	141 78	CLOTHING
2/2/2007	74211	EAST KY POWER	441 50	POSTERS
2/2/2007	75240	KY SPEEDWAY	10,000.00	BILLBOARD - GENERAL INFORMATION
2/2/2007	74245	LANHAM MEDIA SERVICE	1,035 00	X WELCOME TO GEORGETOWN
2/2/2007	74260	OWEN CO HIGH SCHOOL BASEBAL	100 00	X SIGN ON BASEBALL FIELD
2/2/2007	74244	LANDS END BUSINESS OUTFITTER	200 34	CLOTHING
2/9/2007	74313	RURAL COOP CREDIT UNION/VISA	5 21	X TRI STATE GROUP PLANNING
2/16/2007	74343	CINCINNATI BELL	78 00	YELLOW PAGES
2/16/2007	74386	KAEC	20,247.71	KY LIVING MAGAZINE
2/16/2007	74329	AT&T	45 34	YELLOW PAGES
2/16/2007	74420	PERRYVILLE EMBROIDERY	1,331 10	CLOTHING
2/16/2007	74393	LANDS END BUSINESS OUTFITTER	185.98	CLOTHING
2/16/2007	74393	LANDS END BUSINESS OUTFITTER	19 56	CLOTHING
2/16/2007	74393	LANDS END BUSINESS OUTFITTER	76 75	CLOTHING
2/23/2007	74506	GRANT CO NEWS	87 50	X AD
2/23/2007	74478	BUTLER RURAL ELECTRIC COOP	1,395 82	X CINC HOME AND GARDEN SHOW
2/23/2007	74500	FLORENCE FREEDOM	5,900.00	X SEASON TICKTES
2/23/2007	74522	LANDS END BUSINESS OUTFITTER	23 85	CLOTHING
3/2/2007	74586	FALMOUTH ROTARY CLUB	35 00	X AD SUPPORTING FALMOUTH ROTARY
3/2/2007	74611	PERRYVILLE EMBROIDERY	501 91	CLOTHING
3/2/2007	74597	LANDS END BUSINESS OUTFITTER	104 89	CLOTHING
3/2/2007	74597	LANDS END BUSINESS OUTFITTER	29 10	CLOTHING
3/2/2007	74597	LANDS END BUSINESS OUTFITTER	33.34	CLOTHING
3/9/2007	74689	PERRYVILLE EMBROIDERY	155.29	CLOTHING
3/15/2007	74755	KAEC	20,325.38	KY LIVING MAGAZINE
3/15/2007	74781	PERRYVILLE EMBROIDERY	1,259 10	CLOTHING
3/15/2007	74758	KY SHERIFF'S ASSOC	85 00	X AD
3/15/2007	74719	AT&T	23 63	YELLOW PAGES
3/15/2007	74760	LANDS END BUSINESS OUTFITTER	67 69	CLOTHING
3/15/2007	74760	LANDS END BUSINESS OUTFITTER	189.32	CLOTHING
3/23/2007	74858	OWEN CO HIGH SCHOOL	150.00	X SIGN AT FIELD
3/30/2007	74898	AT&T	16 00	YELLOW PAGES
3/30/2007	74945	NATIONAL BANK PRODUCTS	402 09	X SUNFLOWER SEEDS
3/30/2007	74963	SUSAN TEAFORD	150 00	X JUDGING SCHOLARSHIPS
4/6/2007	75006	DELORIS FOXWORTH	160 00	X JUDGING SCHOLARSHIPS
4/6/2007	75015	KAEC	20,293 46	KY LIVING MAGAZINE
4/6/2007	75033	PERRYVILLE EMBROIDERY	1,648.83	CLOTHING
4/6/2007	75018	LANDS END BUSINESS OUTFITTER	29 10	CLOTHING
4/6/2007	75018	LANDS END BUSINESS OUTFITTER	96 79	CLOTHING
4/6/2007	75018	LANDS END BUSINESS OUTFITTER	33 39	CLOTHING
4/6/2007	75018	LANDS END BUSINESS OUTFITTER	81.04	CLOTHING
4/6/2007	75018	LANDS END BUSINESS OUTFITTER	42 88	CLOTHING
4/6/2007	75009	DORISLEE GILBERT	160 00	X JUDGING SCHOLARSHIPS
4/12/2007	75116	OWEN CO FAIR INC	30.00	X HORSE SHOW TROPHIES
4/20/2007	75138	AT&T	16 24	YELLOW PAGES
4/20/2007	75140	AT&T	24 00	YELLOW PAGES
4/20/2007	75167	LANDS END BUSINESS OUTFITTER	197 96	CLOTHING
4/27/2007	75260	LANDS END BUSINESS OUTFITTER	216 19	CLOTHING
5/4/2007	77349	WNKR-FM	1,267 00	HOME TOWN CO-OP
5/4/2007	75362	PERRYVILLE EMBROIDERY	202 73	CLOTHING

Owen Electric Cooperative  
Case No. 2008-00154  
Miscellaneous General Expenses - General Advertising Account 930.10  
December 31, 2007

<u>Date</u>	<u>Check Number</u>	<u>Payee</u>	<u>Amount</u>	<u>Description</u>
5/4/2007	75342	LANDS END BUSINESS OUTFITTER	376.09	CLOTHING
5/4/2007	75342	LANDS END BUSINESS OUTFITTER	165.94	CLOTHING
5/11/2007	75457	PERRYVILLE EMBROIDERY	1,090.48	CLOTHING
5/11/2007	75409	AT&T	24.00	YELLOW PAGES
5/18/2007	75526	KAEC	20,397.93	KY LIVING MAGAZINE
5/18/2007	75533	JANE'S SADDLEBAG	500.00	X SPONSORSHIP DEPOSIT
5/25/2007	75576	HBA OF NORTHER KY	35.00	ADTL BUSINESS ACTIVITY LISTINGS
5/25/2007	75584	LANDS END BUSINESS OUTFITTER	365.38	CLOTHING
6/1/2007	75650	KAEC	20,378.61	KY LIVING MAGAZINE
6/1/2007	75686	AT&T	16.00	YELLOW PAGES
6/1/2007	75653	LANDS END BUSINESS OUTFITTER	194.08	CLOTHING
6/1/2007	75653	LANDS END BUSINESS OUTFITTER	79.13	CLOTHING
6/1/2007	75653	LANDS END BUSINESS OUTFITTER	148.19	CLOTHING
6/8/2007	75720	ENQUIRER	419.00	X BOONE CO GUIDE
6/8/2007	75768	RURAL COOP CREDIT UNION/VISA	14.75	X MEALS
6/8/2007	75788	WNKR-FM	1,267.00	RADIO ADS
6/15/2007	75860	PERRYVILLE EMBROIDERY	1,084.91	CLOTHING
6/15/2007	75860	PERRYVILLE EMBROIDERY	871.32	CLOTHING
6/22/2007	75905	CINCINNATI BELL	1,236.00	YELLOW PAGES
6/22/2007	75959	NEWS HERALD PUB	99.00	X GRAD AD
6/22/2007	75930	BRUCE GOSNEY	69.84	MILEAGE
6/22/2007	75888	AT&T	160.24	YELLOW PAGES
6/22/2007	75889	AT&T	26.00	YELLOW PAGES
6/22/2007	75947	KAEC/NUTSEA	400.00	X SPONSORSHIP
7/6/2007	76115	KAEC	27,741.80	KY LIVING MAGAZINE
7/6/2007	76145	RURAL COOP CREDIT UNION/VISA	200.00	X NKY CHAMBER
7/6/2007	76145	RURAL COOP CREDIT UNION/VISA	103.46	GENERAL OFFICE SUPPLIES
7/12/2007	76174	CINCINNATI BELL	127.00	YELLOW PAGES
7/12/2007	76195	GRANT CO CHAMBER OF COMM	600.00	X BREAKFAST SPONSOR
7/12/2007	76168	AT&T	26.40	YELLOW PAGES
7/20/2007	76306	NEWS HERALD PUB	155.00	x FAIR BOOK
7/20/2007	76248	AT&T	160.24	YELLOW PAGES
7/20/2007	76257	BUTLER RURAL ELECTRIC COOP	885.00	X BALLOON GLOW
8/6/2007	76440	KAEC	4,800.00	WASHINGTON YOUTH TOUR
8/6/2007	76442	LANDS END BUSINESS OUTFITTER	30.16	X SUPIMA CONTRAST
8/6/2007	76448	OHIO VALLEY WALKING HORSE	50.00	X AD IN PROGRAM
8/6/2007	76439	JANE'S SADDLEBAG	1,000.00	BALANCE OF SPONSORSHIP
8/10/2007	76543	PERRYVILLE EMBROIDERY	857.01	CLOTHING
8/17/2007	76608	KAEC	19,908.01	KY LIVING MAGAZINE
8/17/2007	76626	PERRYVILLE EMBROIDERY	101.76	CLOTHING
8/17/2007	76636	TRAVEL AMERICA	711.00	X MAYSVILLE TRIP
8/17/2007	76611	LANDS END BUSINESS OUTFITTER	97.25	CLOTHING
8/17/2007	76589	STACEY DORAN	240.00	X SCHOLARSHIP WAGES
8/17/2007	76577	ASHLEY CALDWELL	240.00	X SCHOLARSHIP WAGES
8/17/2007	766314	LAUREN RAWE	240.00	X SCHOLARSHIP WAGES
8/17/2007	76642	TONYA WEBSTER	240.00	X SCHOLARSHIP WAGES
8/17/2007	76596	REBECCA GALLAGHER	240.00	X SCHOLARSHIP WAGES
8/17/2007	76612	EMILY MAHONEY	240.00	X SCHOLARSHIP WAGES
8/17/2007	76633	KATIE STACEY	240.00	X SCHOLARSHIP WAGES
8/17/2007	76578	STACEY CARMONY	240.00	X SCHOLARSHIP WAGES

Owen Electric Cooperative  
Case No. 2008-00154  
Miscellaneous General Expenses - General Advertising Account 930.10  
December 31, 2007

	<u>Date</u>	<u>Check Number</u>	<u>Payee</u>	<u>Amount</u>	<u>Description</u>
112	8/17/2007	76603	DEREK HOPPERTON	240.00	X SCHOLARSHIP WAGES
113	8/17/2007	76627	LAUREN POER	240.00	X SCHOLARSHIP WAGES
114	8/17/2007	76593	JEREMY ELLIS	240.00	X SCHOLARSHIP WAGES
115	8/17/2007	76614	LAUREN MARSTON	240.00	X SCHOLARSHIP WAGES
116	8/17/2007	76641	BRANDON WEBSTER	240.00	X SCHOLARSHIP WAGES
117	8/24/2007	76651	AT&T	34.64	YELLOW PAGES
118	8/24/2007	76652	AT&T	26.00	YELLOW PAGES
119	8/27/2007	76693	OWEN CO CHAMBER OF COMM	50.00	X CHAMBER FUN RUN AD
120	8/31/2007	76743	LANDS END BUSINESS OUTFITTER	135.58	CLOTHING
121	9/7/2007	76810	GEORGETOWN NEWS	75.00	X PROMOTIONS
122	9/7/2007	76845	RURAL COOP CREDIT UNION/VISA	693.27	CIVIC DUES AND EXPENSES
123	9/7/2007	76872	WNKR-FM	1,267.00	X BLUEGRASS FESTIVAL
124	9/7/2007	76818	KAEC/NUTSEA	50.00	X SPONSORSHIP FOR DOOR PRIZES
125	9/7/2007	76818	KAEC/NUTSEA	100.00	X DOOR PRIZE SPONSOR
126	9/14/2007	76909	KAEC	21,405.29	KY LIVING MAGAZINE
127	9/14/2007	76916	PERRYVILLE EMBROIDERY	818.00	CLOTHING
128	9/14/2007	76880	AT&T	26.40	YELLOW PAGES
129	9/21/2007	76943	CHAMBER MAP PROJECT	369.00	X MAP PROJECT
130	9/21/2007	76983	PERRYVILLE EMBROIDERY	119.27	CLOTHING
131	9/21/2007	76983	PERRYVILLE EMBROIDERY	1,169.75	CLOTHING
2	10/11/2007	77190	KAEC	21,470.83	KY LIVING MAGAZINE
133	10/11/2007	77203	RURAL COOP CREDIT UNION/VISA	211.83	X CIVIC DUES AND EXPENSES
134	10/11/2007	77166	AT&T	26.00	YELLOW PAGES
135	10/19/2007	77254	HBA OF NORTHER KY	200.00	X NKY BUILDER MAGAZINE
136	10/19/2007	77247	ENQUIRER	220.00	X CR SIG PAGE PACKAGE
137	10/19/2007	77296	WNKR-FM	1,267.00	TSE LIVING
138	10/19/2007	77231	CARD SOURCE	7,261.91	COOP CONNECTION CARD
139	10/26/2007	77319	FALMOUTH OUTLOOK	85.00	X WOOL FESTIVAL AD
140	10/26/2007	77349	WNKR-FM	1,267.00	BALLOON GLOW
141	11/9/2007	77519	GALLATIN CO NEWS	126.23	HALLOWEEN SAFETY
142	11/9/2007	77521	GEORGETOWN NEWS	222.87	X LOCAL DISPLAY PAPER
143	11/9/2007	77545	OWEN CO HIGH SCHOOL	175.00	X YEARBOOK AD
144	11/9/2007	77479	AT&T	26.00	YELLOW PAGES
145	11/16/2007	77610	KAEC	21,537.36	KY LIVING MAGAZINE
146	11/16/2007	77620	NEWS HERALD PUB	674.11	HALLOWEEN SAFETY
147	11/16/2007	77607	HBA OF NORTHER KY	200.00	x NKY BUILDER MAGAZINE
148	11/23/2007	77695	WNKR-FM	1,267.00	TSE LIVING
149	11/30/2007	77726	PERRYVILLE EMBROIDERY	517.00	CLOTHING
150	12/1/2007	78392	WNKR-FM	1,267.00	CONTRACT
151	12/7/2007	77831	KAEC	21,532.34	KY LIVING MAGAZINE
152	12/14/2007	77925	PERRYVILLE EMBROIDERY	1,001.19	CLOTHING
153	12/14/2007	77874	AT&T	26.00	YELLOW PAGES
154	12/14/2007	77912	LANDS END BUSINESS OUTFITTER	107.96	CLOTHING
155	12/17/2007	78146	UNIVERSAL ADCOM	299.50	X PENDLETON CO GC/KY
156	12/19/2007	78557	KAEC	18,173.38	KY LIVING MAGAZINE
157	12/20/2007	78121	PERRYVILLE EMBROIDERY	1,067.23	CLOTHING
9	12/21/2007	77976	HBA OF NORTHER KY	200.00	X NKY BUILDER MAGAZINE
9	12/21/2007	77969	ENQUIRER	287.00	X CHRISTMAS AD
160	12/25/2007	78043	AT&T	26.00	YELLOW PAGES
161	12/26/2007	78294	LANDS END BUSINESS OUTFITTER	67.42	CLOTHING

Owen Electric Cooperative  
Case No. 2008-00154  
Miscellaneous General Expenses - General Advertising Account 930.10  
December 31, 2007

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<u>Date</u>	<u>Check Number</u>	<u>Payee</u>	<u>Amount</u>	<u>Description</u>
12/30/2007	78221	GALLATIN CO NEWS	133 65	HOLIDAY SAFETY
12/31/2007	78256	WNKR-FM	1,267 00	X HOLIDAY
12/31/2007	78297	NEWS HERALD PUB	471 56	X SEASON GREETINGS
		SALE OF TOY TRUCKS	(290 00)	
		EMP PMTS-CLOTHING	(411 28)	
		EKPC PARTNERS PLUS	(38,849 52)	X
		PETTY CASH	227 13	X
		BALLOON GLOW SPONSORSHIP	(393 44)	X
			<u>288,740.23</u>	
		Disallow for rate making purposes	<u>(16,385.54)</u>	x



**Owen Electric Cooperative**  
**Case No. 2008-00154**

**Misc General Expenses - Dues Pd Assoc Org Account 930.3**  
**December 31, 2007**

<u>Date</u>	<u>Check Number</u>	<u>Payee</u>	<u>Amount</u>	<u>Description</u>
2/8/2007	74237	KAEC	66,389.16	M/S DUES
8/3/2007	76369	KAEC	66,389.17	M/S DUES
2/1/2007	74391	KY COUNCIL OF CO-OP	300.00	M/S DUES
		NRECA	46,955.90	M/S DUES
			<u>180,034.23</u>	
		Items disallowed for rate making purposes	<u>0.00</u>	x

**Owen Electric Cooperative**  
**Case No. 2008-00154**  
**Annual Meeting Expenses Account 930.40**  
**December 31, 2007**

	<u>Date</u>	<u>Check Number</u>	<u>Control Number</u>	<u>Payee</u>	<u>Amount</u>		<u>Description</u>
11	4/27/2007	75224		CLEMENTS F T	208.73	X	2007 NOMINATING COMMITTEE MTG
12	4/27/2007	75247		HOFFMAN LAWRENCE	240.74	X	2007 NOMINATING COMMITTEE MTG
13	4/27/2007	75261		LOWE JOSEPH	207.76	X	2007 NOMINATING COMMITTEE MTG
14	4/27/2007	75220		CALDWELL, OTIS	226.19	X	2007 NOMINATING COMMITTEE MTG
15	4/27/2007	75204		AHRMAN PEGGY	247.53	X	2007 NOMINATING COMMITTEE MTG
16	5/4/2007	75342		LANDS END OUTFITTERS	235.35		CLOTHING
17	5/7/2007	75401		RURAL COOP CREDIT UNION/VIS	175.00	X	GIFT CARD FOR PHOTOS
18	6/1/2007	75653		LANDS END OUTFITTERS	286.30		CLOTHING
19	6/1/2007	75647		INFLATABLE FUN FACTORY	300.00		CHILDRENS INFLATABLES
20	6/8/2007	75764		WHITNEY PRATHER	110.59		MILEAGE
21	6/8/2007	75752		NEWTON MANUF. CO	966.92	X	RULERS, PENCILS
22	6/8/2007	75702		BETHEL HILL SIGNS	95.40		ANNUAL MEETING ADS
23	6/8/2007	75790		WULFE BROTHERS	1,650.00		ENTERTAINMENT
24	6/15/2007	75849		LANDS END OUTFITTERS	2,311.13		CLOTHING
25	6/15/2007	75857		NATIONAL BANK PRODUCTS	2,797.41	X	4" KEEP IT CLIPS
26	6/22/2007	75939		HOWE HARRY	223.28		CREDENTIALS AND ELECTION MTG
27	6/22/2007	75911		COPPAGE SHARON	245.59		CREDENTIALS AND ELECTION MTG
28	6/22/2007	75901		CAMERON FLOYD	236.38		CREDENTIALS AND ELECTION MTG
29	6/22/2007	75921		EASTON GARY	213.58		CREDENTIALS AND ELECTION MTG
30	6/22/2007	75953		MAGEE DALE	240.74		CREDENTIALS AND ELECTION MTG
31	6/29/2007	76042		CDW DIRECT	76.31		DYMO BUSINESS CARDS
32	7/6/2007	76103		GALLATIN CO NEWS	237.60		ANNUAL MEETING ADS
33	7/6/2007	76145		RURAL COOP CREDIT UNION/VIS	3,435.34	X	PRIZES
34	7/6/2007	76147		SNAPPY TENTS	3,319.39		RENTAL
35	7/6/2007	76137		PLASTICE NAMEPLATES INC	58.00		NAME BADGES
36	7/6/2007	76120		LANDS END OUTFITTERS	183.66		CLOTHING
37	7/6/2007	76140		WKID-FM	180.00		ANNUAL MEETING ADS
38	7/12/2007	76178		MICHAEL COBB	83.90		MILEAGE
39	7/12/2007	76212		LINDA MONTAGUE	20.86		MILEAGE
40	7/12/2007	76171		KIM BLACKBURN	19.40		MILEAGE
41	7/12/2007	76228		CYNDI SNELL	16.97		MILEAGE
42	7/12/2007	76233		TARA THORNBERRY	33.95		MILEAGE
43	7/12/2007	76203		MISTY JUMP	27.16		MILEAGE
44	7/12/2007	76218		JAMIE OLDS	19.40		MILEAGE
45	7/12/2007	76215		SAMI NOE	20.86		MILEAGE
46	7/12/2007	76222		WHITNEY PRATHER	61.11		MILEAGE
47	7/12/2007	76199		ROBERT HOOD	24.25		MILEAGE
48	7/12/2007	76188		EAST KY POWER CO	1,513.68	X	BUZZ AND SPARKY T-SHIRTS
49	7/12/2007	76192		GEORGETOWN NEWS	306.00		ANNUAL MEETING ADS
50	7/12/2007	76242		WNKR-FM	1,267.00		ANNUAL MEETING ADS
51	7/12/2007	76194		GRANT CO CATTLEMENS ASSOC	12,352.50		MEMBERS MEALS
52	7/12/2007	76231		STAFFORD MIKE	26.19		MILEAGE
53	7/20/2007	76290		TERESA HAMILTON	19.40		MILEAGE
54	7/20/2007	76280		FALMOUTH OUTLOOK	146.80		ANNUAL MEETING ADS
55	7/20/2007	76288		GRANT CO NEWS	856.00		ANNUAL MEETING ADS
56	7/20/2007	76277		ENQUIRER	289.96		ANNUAL MEETING ADS
57	7/20/2007	76294		IVY LEAF FLORIST	87.87	X	FERNS
58	8/10/2007	76529		KAEC	8,615.45		CHILDRENS ENTERTAINMENT

Owen Electric Cooperative  
Case No. 2008-00154  
Annual Meeting Expenses Account 930.40  
December 31, 2007

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<u>Date</u>	<u>Check Number</u>	<u>Control Number</u>	<u>Payee</u>	<u>Amount</u>	<u>Description</u>
8/10/2007	76529		KAEC	32.99	LOCAL SECTION AR HANDOUTS
8/10/2007	76544		RURAL COOP CREDIT UNION/VIS	529.02	MEALS
8/10/2007	76544		RURAL COOP CREDIT UNION/VIS	331.81	MISC ANNUAL MEETING
8/10/2007	76544		RURAL COOP CREDIT UNION/VIS	810.00	GOLF CARTS
			LABOR	19,763.46	LABOR FOR EMPLOYEES
			VEHICLE EXPENSE	750.89	
			ALLOCATION OF BENEFITS	6,063.36	
			PETTY CASH	484.00	
				<u>73,283.16</u>	
			Amounts to exclude for rate making purposes	<u>10,107.17</u>	x

Owen Electric Cooperative  
Case No. 2008-00154  
Account 930 - Miscellaneous General Expenses  
December 31, 2007

Line No.	Item (a)	Amount (b)
1.	Industry association dues	180,034
2.	Annual meeting expenses	73,283
3.	Institutional advertising	
4.	Conservation advertising	288,740
5.	Rate departmenet load studies	
6.	Director's fees and expenses	274,558
7.	Dues and subscriptions	
8.	Miscellaneous	
9.	Total	816,615
10.	Amount assigned to KY retail	

Witness: Alan Zumstein

Owen Electric Cooperative  
PSC Case No. 2008-00154  
Non Recurring Charges  
December 31, 2007

<b>Direct Wage Expense:</b>	<u>Hours</u>	<u>Percent</u>
Total hours	2,080	100.00%
Average vacation	126	6.06%
Holidays	72	3.46%
Sick leave days	96	4.62%
Hours worked	<u>1,786</u>	<u>85.87%</u>

For every \$100.00 of labor paid, \$85.87 is paid for work and \$14.13 is paid for non-working hours. The allocation for Office and Service employees is as follows:

	<u>Employee Number</u>	<u>Hourly Rate</u>	<u>Percent</u>	<u>Non-Working Hourly Amount</u>
Accounting	2326	\$19.48	14.13%	\$2.75
Office clerical - CSR	Various	\$19.43	14.13%	\$2.75
Field Service Representative	5120	\$20.63	14.13%	\$2.92
Lineman	Various	\$26.87	14.13%	\$3.80
Meter department - Reader	Various	\$11.85	14.13%	\$1.67
Meter department - Tech	Various	\$22.51	14.13%	\$3.18

<b>Other Costs Based on Labor:</b>	<u>Total Charges</u>	<u>Percent of Labor</u>
Total labor	<u>\$8,023,567</u>	
Retirement	1,145,323	14.27%
401 (k)	289,361	3.61%
Life and disability insurance	129,766	1.62%
Payroll taxes	627,977	7.83%
Worker's compensation insurance	195,760	2.44%
Total		<u>29.76%</u>

<b>Other Direct Costs:</b>	
Health and dental insurance premiums	\$1,461,351
Postretirement benefits	905,781
	<u>2,367,132</u>
Number of employees	134
Annual cost per employee	<u>\$17,665</u>
Hours worked	<u>1,786</u>
Per hour amount	<u>\$9.89</u>

Witness: Alan Zumstein

Owen Electric Cooperative  
PSC Case No. 2008-00154  
Non Recurring Charges  
December 31, 2007

**Return Check Charge:**

		Estimated Hours	Per Hour	Amount
Number of Minutes	<u>40</u>			
Direct labor charge		66.7%	\$19.43	\$12.95
Direct wage expense		66.7%	\$2.75	1.83
Other cost based on labor	\$19.43	66.7%	29.76%	3.86
Other direct cost per hour		66.7%	\$9.89	6.59
Bank charge - Average				<u>7.50</u>
Total charges				<u><u>\$32.73</u></u>
Proposed charge				<u><u>\$25.00</u></u>

**Meter Reading, Collection, Disconnect-Reconnect Charge:**

	Per Hour	Collection	Disconnect & Reconnect	Meter Test	Overtime
<b>Serviceman:</b>					
Number of minutes		<u>30</u>	<u>60</u>	<u>60</u>	<u>90</u>
Direct labor charge	\$20.63				\$46.42
Direct labor charge	\$22.51	\$10.32	\$20.63	\$22.51	
Direct labor charge	\$26.87	\$1.46	\$2.92	\$2.92	
Direct wage expense	\$2.92				
Other cost based on labor	29.76%	\$3.07	\$6.14	\$6.70	\$13.82
Other direct cost	\$9.89	\$4.95	\$9.89	\$9.89	
Mileage	<u>15</u>	\$0.485	\$7.28	\$14.55	
Mileage	<u>30</u>	\$0.485			\$14.55
<b>Office Clerical:</b>					
Number of minutes		<u>15</u>	<u>30</u>	<u>20</u>	<u>20</u>
Direct labor charge	\$19.43	\$4.86	\$9.72	\$6.48	\$6.48
Direct wage expense	\$2.75	\$0.69	\$1.37	\$0.92	\$0.92
Other cost based on labor	29.76%	\$1.45	\$2.89	\$1.93	\$1.93
Other direct cost	\$9.89	\$2.47	\$4.95	\$3.30	\$3.30
Total		<u>\$36.53</u>	<u>\$73.05</u>	<u>\$54.63</u>	<u>\$87.40</u>
Proposed Charge		<u>\$30.00</u>	<u>\$60.00</u>	<u>\$50.00</u>	<u>\$80.00</u>

## Owen Electric Cooperative

PSC Case No. 2008-00154

Non Recurring Charges

December 31, 2007

*Additional Revenues Generated:*

Number	Charges		Revenue		Increase		
	Existing	Proposed	Existing	Proposed	Amount	Percent	
Return check	1,821	\$8.00	\$25.00	\$14,568	\$45,525	\$30,957	213%
Collection	7,382	\$20.00	\$30.00	147,640	221,460	73,820	50%
Disconnect	6,351	\$40.00	\$60.00	254,040	381,060	127,020	50%
Meter tests	12	\$27.50	\$50.00	330	600	270	82%
Overtime	302	\$70.00	\$80.00	21,140	24,160	3,020	14%
Total				\$437,718	\$672,805	\$235,087	54%

Owen Electric Cooperative Corporation  
Non Recurring Charges  
December 31, 2007

**Return Check**

When a check is not honored by the bank and is returned, the check is stamped "VOID". The CSR reviews the return check, verifying the account number, name, accounts paid by check, number of return checks for consumer, reason check was returned, (ie NSF, Stop Payment, Account closed), whether it was collected by a Field Service Rep. The CSR will also ensure that there is no arrangement or membership/security deposit involved. The returned check is then keyed to the account, as is the return check fee. The batch is balanced and the cash sheet is pulled. Totals are added to Daily balance sheet/branch office re-cap sheets. The check is keyed at a branch office, the amount is transferred to Daily Balance Sheet. A letter is typed for mailing to the consumer notifying of the return check and/or letter typed notifying consumer on a NO CHECK basis. The consumer's account is noted NC (if applicable) and if the consumer is on bank draft program, their account is taken off auto - payment and applicable notes are made on the account.

The letter is mailed to the consumer. A service order is then issued to collect if the return check was collected by an FSR during a collection trip, on arrangement, or for membership/security deposit, and the account is added to the call out list for the System Operators.

The account is monitored by the CSR to ensure that it is paid within ten days. If not paid, a service order is issued. Possible arrangements may be made by the CSR to extend time on the return check. If the return check is paid, the payment is processed by the CSR and the collection system is updated to clear out field notification and return check is pulled from the file and marked paid. The accounting department reconciles the return checks with the bank statement on a monthly basis and runs applicable reports.

Discussions with the departments involved indicate that it takes a minimum of 40 minutes to process and account for each return check.



Owen Electric Cooperative Corporation  
Non Recurring Charges  
December 31, 2007

**Labor for Collection Charge and Disconnect & Reconnect Charge**  
**Regular working hours**

The CSR produces disconnect tickets and sends them to the district offices, where they are printed. The customer names are entered on the call out list for the System Operators, and a courtesy call is made to attempt to collect before being sent to the FSRs. If payment is not received, or a call received to make arrangements, the tickets are released to the FSRs.

The FSR arranges his route and attempts to collect the payment. If unable to collect, he disconnects the service. Tickets are returned to the CSRs who key any payments collected plus key the charge for the fees.

Per discussions with the parties involved, it takes the FSR approximately 30 minutes for each trip, including the time to prepare the completed paper work. The CSR spend approximately 15 to 20 minutes to prepare paperwork and key payments and charges.

**Labor for overtime charges**

Includes the same processes as for regular time. The differences are that jobs can not be coordinated with other jobs either by route or by service location since these are isolated occurrences.

Since after hour trips are isolated, that is the reason for the mileage to be doubled from regular hours.

Owen Electric Cooperative Corporation  
Non Recurring Charges  
December 31, 2007

**Labor for meter tests**

Meter tests requests originate with the CSR, usually as a result of a high bill. The CSR prepares a Meter Change Service Order and received and processes the credit card payment for the request. After payment for the request is received, the CSR fills out the Meter Change Service Order and passes on to the Field Service Rep

The meter is re-read by the FSR and if indicated, the meter is pulled. It is brought to the meter shop where a technician tests first contacts the consumer to see if he/she wishes to witness the test. Three separate tests are conducted. If the consumer is not present for the test, the meter technician contacts the consumer to provide verbal results. A written report is prepared documenting the results of the test, which is returned to the CSR for mailing.

Per discussions with the meter department, it requires approximately ninety (90) minutes to test the meter and record the results for mailing to the consumer. It takes the CSR approximately 20 minutes of clerical time.

**Miles driven for each service**

Per discussions with the Distribution Field Supervisor and service men, it is estimated that each trip is approximately 20 miles, but probably less. Therefore, 15 miles per trip was used.

**Cost per mile driven**

The transportation system used by Owen Electric Cooperative does not allow for the calculations of a per mile cost per vehicle. The costs are allocated on a per hour of use basis.

Since most vehicles used on service calls, collections and reconnects are service trucks and not the large bucket trucks, Owen Electric has chosen to use the Internal Revenue Service cost per mile of \$0.485 (forty-eight and one-half cent).

**Owen Electric Cooperative**  
**Case No. 2008-00154**  
**Rate Case Expenses**  
December 31, 2007

Estimated rate case costs:

Attorney	\$5,000
Consulting	60,000
Advertising	5,000
Supplies and miscellaneous	<u>2,000</u>
Total	72,000
Number of years	<u>3</u>
Adjustment	<u><u>\$24,000</u></u>

In-house labor was not included in the above adjustment as the labor would be incurred in other accounts.

This amount is approximately the same as other rate requests filed before this Commission.

The monthly amounts filed for rate case expenses will include the labor, however, this amount is not included in the above adjustment.

Owen Electric Cooperative  
Case No.2008-00154  
Purchased Power  
Test Year Billing Determinants  
December 31, 2007

	Billing Demand				Total KWH Billing							
	Excess				Schedule E		Total	Green	Metering	Substation Charge		
	Schedule B	Contract	Schedule E	Interruptible	Schedule B	On-Peak				Off-Peak	Kwh	Power
January	23,857	823	201,220	7,557	14,820,163	41,790,599	48,460,943	105,071,705	219,900	23	15	8
February	23,870	1,050	196,572	7,570	15,708,683	43,992,862	52,130,407	111,831,952	219,900	23	15	8
March	23,539	499	227,117	7,239	14,584,439	46,229,183	57,512,512	118,326,134	231,900	23	15	8
April	24,106	665	164,414	7,806	15,922,818	35,855,354	42,574,909	94,353,081	218,800	23	15	8
May	23,805	0	142,802	7,505	15,483,778	33,133,372	39,162,211	87,779,361	218,800	23	15	8
June	16,334	1,305	181,988	34	15,809,975	45,513,507	30,994,724	92,318,206	220,400	23	15	8
July	23,440	1,576	197,978	6,740	15,958,349	53,228,371	34,222,096	103,408,816	220,400	24	16	8
August	23,805	925	208,115	7,105	15,177,921	56,563,015	35,769,867	107,510,803	220,400	24	16	8
September	24,492	981	231,211	7,792	17,191,499	69,183,114	43,598,340	129,972,953	221,700	24	16	8
Ocotber	23,104	2,433	212,788	7,204	15,866,470	52,244,561	33,298,552	101,409,583	221,700	24	16	8
November	17,300	1,829	188,783	0	17,457,344	33,542,825	38,886,419	89,886,588	227,800	24	16	8
December	22,007	670	165,416	4,707	16,223,117	35,913,833	41,496,861	93,633,811	224,900	25	17	8
<b>Total</b>	<b>269,659</b>	<b>12,756</b>	<b>2,318,404</b>	<b>71,259</b>	<b>190,204,556</b>	<b>547,190,596</b>	<b>498,107,841</b>	<b>1,235,502,993</b>	<b>2,666,600</b>	<b>283</b>	<b>187</b>	<b>96</b>

Owen E Cooperative  
Case No. 2008-00154  
Purchased Power  
December 31, 2007

Exhibit 14  
Page 2 of 4

Billing Rates	1-Apr-07	1-Aug-07
KW-Sch B Contract	\$5.39	\$6.22
Excess Contract	\$7.82	\$8.65
KW-Sch E	\$6.92	\$6.92
KWH-Sch B	\$0.027325	\$0.027325
KWH-Sch E On-Peak	\$0.027620	\$0.029276
KWH-Sch E Off-Peak	\$0.027118	\$0.028774
KVA 7500-14999	\$2,855	\$2,855
KVA 15000-99999	\$4,605	\$4,605
Metering Point	\$125	\$125
Green Power	\$0.023750	\$0.023750

	Sch B	Billing Demand		Schedule E Intermittible	Total Demand	Schedule B All KWH	Total KWH Billing		Buy Through Chg I (Cr)	Energy Charges	Green Power	Metering Point	Substation Charge			Total from Base Rates	Fuel Adjustment	Environmental Surcharges	Total
		Excess Contract	Schedule E				On-Peak	Off-Peak					7500	15000	Total				
January	128,589	6,436	1,392,442	(27,205)	1,500,262	404,961	1,151,989	1,314,164	33,708	2,904,822	5,223	2,875	42,825	36,840	79,665	4,492,847	540,540	478,180	5,511,567
February	128,859	8,211	1,360,278	(27,252)	1,469,897	429,240	1,214,820	1,413,672	18,977	3,076,709	5,223	2,875	42,825	36,840	79,665	4,634,369	770,432	450,323	5,855,124
March	126,875	3,902	1,571,650	(26,060)	1,876,367	398,520	1,276,856	1,559,624	52,063	3,287,063	5,508	2,875	42,825	36,840	79,665	5,051,478	945,424	561,394	6,558,296
April	129,931	5,200	1,137,745	(28,102)	1,244,775	435,091	990,104	1,154,546	0	2,579,741	5,197	2,875	42,825	36,840	79,665	3,719,821	743,033	415,453	4,878,307
May	148,067	0	988,190	(27,018)	1,109,239	423,094	966,827	1,126,853	6,071	2,522,845	5,197	2,875	42,825	36,840	79,665	3,912,253	1,409,475	480,615	5,802,343
June	101,597	11,288	1,259,357	(122)	1,372,120	432,008	1,330,804	891,842	16,876	2,671,530	5,235	2,875	42,825	36,840	79,665	4,131,425	1,632,704	393,333	6,157,462
July	145,797	13,632	1,370,008	(24,264)	1,505,173	436,062	1,558,356	984,707	35,453	3,014,577	5,235	3,000	45,680	36,840	82,520	4,610,505	609,273	456,020	5,675,798
August	148,067	8,001	1,440,156	(25,578)	1,570,646	414,737	1,656,477	1,029,242	9,245	3,109,701	5,235	3,000	45,680	36,840	82,520	4,771,102	736,451	493,006	6,000,559
September	152,340	8,486	1,599,980	(28,051)	1,732,755	575,142	2,449,497	1,521,756	39,735	4,586,130	5,265	3,000	45,680	36,840	82,520	6,409,670	32,495	662,359	7,104,524
October	143,707	21,045	1,472,493	(25,934)	1,611,311	530,813	1,849,771	1,162,253	0	3,542,836	5,265	3,000	45,680	36,840	82,520	5,244,932	886,320	645,678	6,776,930
November	107,606	15,821	1,306,378	0	1,429,805	584,035	1,187,276	1,357,292	36,480	3,165,083	5,410	3,000	45,680	36,840	82,520	4,685,818	302,018	477,351	5,465,187
December	136,884	5,796	1,144,679	(16,945)	1,270,413	542,744	1,271,565	1,448,406	0	3,262,716	5,341	3,125	45,680	36,840	82,520	4,624,115	118,915	404,598	5,147,628
<b>Total</b>	<b>1,598,120</b>	<b>107,819</b>	<b>16,043,356</b>	<b>(256,532)</b>	<b>17,492,762</b>	<b>6,696,446</b>	<b>16,804,342</b>	<b>14,964,358</b>	<b>248,608</b>	<b>17,723,756</b>	<b>63,324</b>	<b>35,375</b>	<b>531,030</b>	<b>442,080</b>	<b>973,110</b>	<b>50,288,336</b>	<b>8,727,080</b>	<b>5,918,310</b>	<b>70,933,726</b>
Normalized using rates effective	<b>1,877,279</b>	<b>110,339</b>	<b>16,043,356</b>	<b>(256,532)</b>	<b>17,574,442</b>	<b>6,383,293</b>	<b>19,373,839</b>	<b>17,385,856</b>	<b>248,608</b>	<b>43,371,688</b>	<b>63,332</b>	<b>37,500</b>	<b>582,420</b>	<b>442,080</b>	<b>1,024,500</b>	<b>62,071,461</b>			

Normalized Adjustment 5,783,125

Owen Electric Cooperative  
Case No.2008-00154  
Purchase Power - Rate GA

Test Year Billing Determinants	Kw Demand					kwh Energy		Rates	1-Jan-07	1-Apr-07	1-Aug-07
	Firm	Interruptible		On-Peak	Off-Peak	Energy charbe per kwh:					
		10 Minute	90 Minute			On-Peak	Off-Peak				
January	15,000	120,000	24,902	26,419,445	65,786,555	On-Peak	\$0.02765	\$0.02765	\$0.03378		
February	15,000	120,000	25,020	23,128,881	58,698,062	Off-Peak	\$0.02465	\$0.02465	\$0.03078		
March	15,000	120,000	25,155	25,579,063	64,057,331	Interruptible kw charge:					
April	15,000	120,000	25,013	20,170,813	55,076,208	Firm: 15,000	\$5.39	\$5.39	\$6.06		
May	15,000	120,000	25,031	23,238,368	50,581,770	10 Minute Int.	\$1.79	\$1.79	\$2.46		
June	15,000	120,000	25,145	23,493,817	55,690,726	90 Minute Int.	\$2.69	\$2.69	\$3.36		
July	15,000	120,000	24,910	21,896,926	54,640,402						
August	15,000	120,000	25,151	30,207,250	55,699,664						
September	15,000	120,000	24,904	25,919,465	58,324,208						
October	15,000	120,000	24,778	23,896,558	60,549,800						
November	15,000	120,000	24,897	24,084,869	56,844,029						
December	15,000	120,000	24,879	21,794,156	60,740,075						
Total	180,000	1,440,000	299,785	289,829,611	696,688,830						

Power cost

	Kw Demand			kwh Energy		Adjustment	Buy Thru Chg / (Cr)	Base Rate	Fuel Adjustment	Environmental Surcharge	Total
	Firm	10 Minute	90 Minute	On-Peak	Off-Peak						
January	\$80,850	\$214,800	\$66,986	\$730,498	\$1,621,639	(\$20,000)	\$273,785	\$2,968,558	\$635,299	\$279,396	\$3,883,253
February	\$80,850	\$214,800	\$67,304	\$639,514	\$1,446,907	(\$20,000)	\$730,833	\$3,160,208	\$653,797	\$290,767	\$4,104,772
March	\$80,850	\$214,800	\$67,667	\$707,261	\$1,579,013	(\$20,000)	\$0	\$2,629,591	\$1,339,168	\$360,584	\$4,329,343
April	\$90,900	\$295,200	\$84,044	\$557,723	\$1,357,628	(\$20,000)	\$59,971	\$2,425,466	\$638,095	\$281,799	\$3,345,360
May	\$90,900	\$295,200	\$84,104	\$642,541	\$1,246,841	(\$20,000)	\$24,702	\$2,364,288	\$1,307,355	\$250,452	\$3,922,095
June	\$90,900	\$295,200	\$84,487	\$649,604	\$1,372,776	(\$20,000)	\$161,078	\$2,634,045	\$218,711	\$257,985	\$3,110,741
July	\$90,900	\$295,200	\$83,698	\$605,450	\$1,346,886	(\$20,000)	\$53,347	\$2,455,481	\$518,286	\$263,462	\$3,237,229
August	\$90,900	\$295,200	\$84,507	\$1,020,401	\$1,714,436	(\$20,000)	\$639,491	\$3,824,935	\$19,520	\$331,849	\$4,176,304
September	\$90,900	\$295,200	\$83,677	\$875,560	\$1,795,219	(\$20,000)	\$0	\$3,120,556	\$736,290	\$408,620	\$4,265,466
October	\$90,900	\$295,200	\$83,254	\$807,226	\$1,863,723	(\$20,000)	\$0	\$3,120,303	\$283,740	\$328,023	\$3,732,066
November	\$90,900	\$295,200	\$83,654	\$813,587	\$1,749,659	(\$20,000)	\$0	\$3,013,000	\$102,780	\$267,796	\$3,383,576
December	\$90,900	\$295,200	\$83,593	\$736,207	\$1,869,580	(\$20,000)	\$0	\$3,055,480	\$77,582	\$243,732	\$3,376,794
Total	\$1,060,650	\$3,301,200	\$956,975	\$8,785,572	\$18,964,307	(\$240,000)	\$1,943,207	\$34,771,911	\$6,530,623	\$3,564,465	\$44,866,999
Normalized	\$1,090,800	\$3,542,400	\$1,007,278	\$9,790,444	\$21,444,082	(\$240,000)	\$1,943,207	\$38,578,211			

Normalized adjustment \$3,806,300

Owen Electric cooperative  
Case No.2008-00154  
Analysis of Fuel Adjustment and Environmental Surcharge  
December 31, 2007

Exhibit 14  
Page 4 of 4

An analysis of fuel adjustment and environmental surcharge as purchased and passed on to consumers as follows:

Month	Sales		Purchased		Industrial Customer - Rate GA			
	Fuel	Environmental	Fuel	Environmental	Sales		Purchased	
	Adjustment	Surcharge	Adjustment	Surcharge	Fuel	Environmental	Fuel	Environmental
	Adjustment	Surcharge	Adjustment	Surcharge	Adjustment	Surcharge	Adjustment	Surcharge
January	309,317	515,003	540,540	478,180	635,299	213,079	\$635,299	\$279,396
February	570,479	572,504	770,432	450,323	653,797	193,946	\$653,797	\$290,767
March	654,062	454,510	945,424	561,394	1,339,168	265,743	\$1,339,168	\$360,584
April	624,128	419,488	1,409,475	480,615	638,095	206,370	\$638,095	\$281,799
May	1,276,873	448,759	743,033	415,453	1,307,355	178,110	\$1,307,355	\$250,452
June	1,077,986	370,018	1,632,704	393,333	218,711	189,506	\$218,711	\$257,985
July	2,064,459	584,008	609,273	456,020	518,286	192,834	\$518,286	\$263,462
August	505,856	523,116	736,451	493,006	19,520	244,667	\$19,520	\$331,849
September	504,206	751,948	32,495	662,359	736,290	326,613	\$736,290	\$408,620
October	(2,113)	536,342	886,320	645,678	283,740	269,765	\$283,740	\$328,023
November	704,705	542,755	302,018	477,351	102,780	219,640	\$102,780	\$267,796
December	<u>340,476</u>	<u>523,677</u>	<u>118,915</u>	<u>404,598</u>	77,582	199,229	\$77,582	\$243,732
Total	<u>8,630,434</u>	<u>6,242,128</u>	<u>8,727,080</u>	<u>5,918,310</u>	<u>6,530,623</u>	<u>2,699,502</u>	<u>6,530,623</u>	<u>3,564,465</u>

The fuel purchased and environmental surcharge from East Kentucky Power Cooperative is passed on to the consumers using the Fuel Adjustment and Environmental Procedures established by this Commission.

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Owen Electric Cooperative  
Case No. 2008-00154  
**Normalized Revenues**  
December 31, 2007

Base rates for the test year	81,809,900
Normalized revenues using rates effective Case No. 2006-0522	<u>87,066,127</u>
Normalized revenue adjustment	<u><u>5,256,227</u></u>



Owen Electric Cooperative  
Case No. 2008-00154  
End of Test Year Customer Adjustment

	Sch I Farm & Home	Sch I Small Commercial	Sch II Large Power	Sch XI Large Ind Rate LPB1	Sch XIII Large Ind Rate LPB2	Sch XIV Large Ind Rate LPB	Sch 2A Large Pwr T-O-D
December, 2006	52,359	2,551	241	6	2	4	9
January, 2007	52,393	2,586	240	6	2	4	9
February	52,517	2,556	242	7	2	5	9
March	52,357	2,546	237	7	2	5	9
April	52,660	2,535	248	7	2	5	9
May	52,850	2,454	230	7	2	5	8
June	53,120	2,255	234	7	2	5	7
July	53,346	2,278	236	7	2	5	8
August	53,436	2,239	233	7	2	5	8
September	53,575	2,238	238	7	2	5	8
October	53,381	2,225	237	7	2	5	8
November	53,484	2,198	242	8	2	6	8
December	53,535	2,191	241	6	2	4	8
Average	53,001	2,373	238	7	2	5	8
Increase	<u>534</u>	<u>(182)</u>	<u>3</u>	<u>(1)</u>	<u>0</u>	<u>(1)</u>	<u>0</u>
Test year base revenue	55,952,448	3,466,798	12,183,554	3,557,595	4,586,346	953,066	275,772
kwh useage	737,788,979	46,804,027	184,179,473	68,688,339	112,662,049	15,977,494	4,040,256
Average per kwh	0 07584	0 07407	0 06615	0 05179	0 04071	0 05965	0 06826
Total billings	636,654	28,301	2,858	83	24	59	99
Average monthly kwh use	1,159	1,654	64,443	827,570	4,694,252	270,805	40,811
Increase in consumers, times average use, times average rate, times 12 months, equals additional revenues							
Increase in revenues	563,168	(267,534)	153,467	(514,351)	0	(193,844)	0
Increase in consumers, times average use, times average cost per kwh purchased, times 12 months, equals additional power cost							
Increase in power cost	338,321	(164,555)	105,696	(452,442)	0	(148,052)	0
Net increase	224,848	(102,979)	47,771	(61,909)	0	(45,792)	0
Adjustment	<u>61,939</u>						
Base power cost			56,288,671				
Kwh purchased			1,235,502,993				
Cost per kwh purchased			0 04556				

**2007**  
**KENTUCKY ELECTRIC COOPERATIVES**  
**AVERAGE EXPENSE PER CONSUMER**  
**STATISTICAL COMPARISONS**

<u>COOPERATIVE</u>	<u>2007</u>	<u>2006</u>	<u>2005</u>	<u>2004</u>	<u>2003</u>	<u>% CHANGE FROM 2003</u>
BIG SANDY	\$286	\$250	\$282	\$277	\$257	11.3 %
BLUE GRASS ENERGY	272	248	244	249	254	7.1
CLARK ENERGY COOP	240	237	241	248	269	-10.8
CUMBERLAND VALLEY	259	264	240	205	201	28.9
FARMERS	259	223	238	250	243	6.6
FLEMING-MASON	280	294	298	263	260	7.7
GRAYSON	350	307	309	318	304	15.1
INTER-COUNTY	280	280	272	249	253	10.7
JACKSON ENERGY	301	300	269	275	254	18.5
LICKING VALLEY	260	250	252	236	223	16.6
NOLIN	342	327	306	351	337	1.5
OWEN	250	267	237	253	246	1.6
SALT RIVER ELECTRIC	196	187	191	215	201	-2.5
SHELBY ENERGY	258	280	276	297	280	-7.9
SOUTH KENTUCKY	262	251	235	231	242	8.3
AYLOR COUNTY	<u>203</u>	<u>212</u>	<u>195</u>	<u>192</u>	<u>191</u>	<u>6.3</u>
<b>AVERAGE EKPC</b>	<b>\$269</b>	<b>\$262</b>	<b>\$255</b>	<b>\$256</b>	<b>\$250</b>	<b>7.6 %</b>
JACKSON PURCHASE	\$303	\$300	\$269	\$239	\$238	27.3 %
KENERGY	333	354	347	311	274	21.5
MEADE COUNTY	<u>251</u>	<u>250</u>	<u>247</u>	<u>245</u>	<u>224</u>	<u>12.1</u>
<b>AVERAGE BIG RIVERS</b>	<b>\$295</b>	<b>\$301</b>	<b>\$288</b>	<b>\$265</b>	<b>\$245</b>	<b>20.4 %</b>
HICKMAN-FULTON	\$433	\$460	\$411	392	\$369	17.3 %
PENNYRILE	254	235	226	236	234	8.5
TRI-COUNTY	244	240	238	239	221	10.4
WARREN	310	302	294	289	263	17.9
WEST KENTUCKY	<u>331</u>	<u>313</u>	<u>329</u>	<u>288</u>	<u>284</u>	<u>16.5</u>
<b>AVERAGE TVA</b>	<b>\$314</b>	<b>\$309</b>	<b>\$300</b>	<b>\$289</b>	<b>\$274</b>	<b>14.6 %</b>
<b>OVERALL AVERAGE</b>	<b>\$281</b>	<b>\$276</b>	<b>\$270</b>	<b>\$264</b>	<b>\$255</b>	<b>10.2 %</b>

**2007**  
**KENTUCKY ELECTRIC COOPERATIVES**  
**DENSITY CONSUMERS PER MILE**  
**STATISTICAL COMPARISONS**

<u>COOPERATIVE</u>	<u>2007</u>	<u>2006</u>	<u>2005</u>	<u>2004</u>	<u>% CHANGE</u>	
					<u>2003</u>	<u>FROM 2003</u>
BIG SANDY	12.8	13.0	12.7	12.7	12.5	2.4 %
BLUE GRASS ENERGY	11.9	11.9	11.7	8.6	8.5	40.0 *
CLARK ENERGY COOP	8.7	8.6	8.6	8.6	8.5	2.4
CUMBERLAND VALLEY	9.1	9.1	9.1	10.1	9.9	-8.1
FARMERS	6.8	6.7	6.7	6.6	6.6	3.0
FLEMING-MASON	6.8	6.8	6.7	6.7	6.6	3.0
GRAYSON	6.4	6.4	6.3	6.3	6.2	3.2
INTER-COUNTY	6.9	7.0	7.0	7.1	7.1	-2.8
JACKSON ENERGY	9.1	9.1	9.0	9.0	9.0	1.1
LICKING VALLEY	9.0	8.0	8.0	8.0	8.3	8.4
NOLIN	10.8	10.8	10.5	10.4	10.2	5.9
OWEN	12.7	12.5	10.8	10.7	10.5	21.0 **
SALT RIVER ELECTRIC	11.7	11.7	11.5	11.4	11.2	4.5
SHELBY ENERGY	7.3	7.0	7.0	7.0	7.0	4.3
SOUTH KENTUCKY	9.5	9.5	9.4	9.4	9.4	1.1
TAYLOR COUNTY	<u>7.9</u>	<u>7.8</u>	<u>7.8</u>	<u>7.1</u>	<u>7.7</u>	<u>2.6</u>
<b>AVERAGE EKPC</b>	<b>9.3</b>	<b>9.2</b>	<b>9.0</b>	<b>8.8</b>	<b>8.7</b>	<b>6.9 %</b>
JACKSON PURCHASE	8.8	8.8	8.8	8.7	8.7	1.1 %
KENERGY	7.8	7.8	7.7	7.7	7.6	2.6
MEADE COUNTY	<u>9.3</u>	<u>9.2</u>	<u>9.2</u>	<u>9.1</u>	<u>9.1</u>	<u>2.2</u>
<b>AVERAGE BIG RIVERS</b>	<b>8.4</b>	<b>8.3</b>	<b>8.3</b>	<b>8.2</b>	<b>8.2</b>	<b>2.4 %</b>
HICKMAN-FULTON	5.5	5.5	5.5	5.5	5.5	0.0 %
PENNYRILE	9.2	9.1	9.1	9.0	8.9	3.4
TRI-COUNTY	9.2	9.1	9.2	9.1	9.1	1.1
WARREN	10.5	10.3	10.2	10.1	10.0	5.0
WEST KENTUCKY	<u>9.8</u>	<u>9.5</u>	<u>9.5</u>	<u>9.5</u>	<u>9.5</u>	<u>3.2</u>
<b>AVERAGE TVA</b>	<b>9.5</b>	<b>9.4</b>	<b>9.4</b>	<b>9.3</b>	<b>9.2</b>	<b>3.3 %</b>
<b>OVERALL AVERAGE</b>	<b>9.2</b>	<b>9.1</b>	<b>9.0</b>	<b>8.8</b>	<b>8.7</b>	<b>5.7 %</b>

\* NEW MAPPING SYSTEM INSTALLED IN 2005 - MORE ACCURATE COUNT

\*\* NEW MAPPING SYSTEM INSTALLED IN 2006 - MORE ACCURATE COUNT

2007  
**KENTUCKY ELECTRIC COOPERATIVES**  
**MILES OF LINE**  
**STATISTICAL COMPARISONS**

Exhibit 17  
page 3 of 18

<u>COOPERATIVE</u>	<u>2007</u>	<u>2006</u>	<u>2005</u>	<u>2004</u>	<u>2003</u>	<u>% CHANGE FROM 2003</u>
BIG SANDY	1,022	1,016	1,012	1,003	1,001	2.1 %
BLUE GRASS ENERGY	4,535	4,487	4,440	5,912	5,847	-22.4 *
CLARK ENERGY COOP	2,982	2,966	2,935	2,900	2,865	4.1
CUMBERLAND VALLEY	2,577	2,559	2,529	2,503	2,479	4.0
FARMERS	3,513	3,481	3,447	3,416	3,382	3.9
FLEMING-MASON	3,483	3,456	3,421	3,386	3,346	4.1
GRAYSON	2,454	2,437	2,416	2,400	2,377	3.2
INTER-COUNTY	3,630	3,572	3,502	3,409	3,324	9.2
JACKSON ENERGY	5,652	5,621	5,597	5,552	5,486	3.0
LICKING VALLEY	2,020	2,014	2,006	2,002	1,991	1.5
NOLIN	2,917	2,841	2,841	2,802	2,763	5.6
OWEN	4,428	4,400	4,940	4,836	4,771	-7.2 **
SALT RIVER ELECTRIC	3,903	3,847	3,750	3,649	3,572	9.3
SHELBY ENERGY	2,065	2,025	2,008	1,978	1,952	5.8
SOUTH KENTUCKY	6,600	6,540	6,475	6,408	6,321	4.4
AYLOR COUNTY	<u>3,150</u>	<u>3,135</u>	<u>3,094</u>	<u>3,067</u>	<u>3,038</u>	<u>3.7</u>
<b>TOTAL EKPC</b>	<b>54,931</b>	<b>54,397</b>	<b>54,413</b>	<b>55,223</b>	<b>54,515</b>	<b>0.8 %</b>
JACKSON PURCHASE	3,271	3,244	3,213	3,180	3,142	4.1 %
KENERGY	6,974	6,944	6,915	6,859	6,801	2.5
MEADE COUNTY	<u>2,959</u>	<u>2,937</u>	<u>2,893</u>	<u>2,866</u>	<u>2,821</u>	<u>4.9</u>
<b>TOTAL BIG RIVERS</b>	<b>13,204</b>	<b>13,125</b>	<b>13,021</b>	<b>12,905</b>	<b>12,764</b>	<b>3.4 %</b>
HICKMAN-FULTON	688	685	683	682	685	0.4 %
PENNYRILE	5,047	5,022	4,997	4,986	4,977	1.4
TRI-COUNTY	5,450	5,427	5,388	5,358	5,331	2.2
WARREN	5,584	5,556	5,504	5,449	5,418	3.1
WEST KENTUCKY	<u>3,881</u>	<u>3,970</u>	<u>3,940</u>	<u>3,908</u>	<u>3,878</u>	<u>0.1</u>
<b>TOTAL TVA</b>	<b>20,650</b>	<b>20,660</b>	<b>20,512</b>	<b>20,383</b>	<b>20,289</b>	<b>1.8 %</b>
<b>OVERALL TOTAL</b>	<b>88,785</b>	<b>88,182</b>	<b>87,946</b>	<b>88,511</b>	<b>87,568</b>	<b>1.4 %</b>

\*NEW MAPPING SYSTEM INSTALLED IN 2005 - MORE ACCURATE COUNT

\*\*NEW MAPPING SYSTEM INSTALLED IN 2006 - MORE ACCURATE COUNT

**2007**  
**KENTUCKY ELECTRIC COOPERATIVES**  
**TOTAL AVERAGE NUMBER OF CONSUMERS BILLED**  
**STATISTICAL COMPARISONS**

<u>COOPERATIVE</u>	<u>2007</u>	<u>2006</u>	<u>2005</u>	<u>2004</u>	<u>2003</u>	<u>% CHANGE FROM 2003</u>
BIG SANDY	13,138	13,089	12,888	12,705	12,509	5.0 %
BLUE GRASS ENERGY	54,021	53,175	52,068	50,774	49,421	9.3
CLARK ENERGY COOP	25,801	25,508	25,151	24,796	24,376	5.8
CUMBERLAND VALLEY	23,487	23,303	23,029	25,224	24,499	-4.1
FARMERS	23,729	23,377	23,013	22,680	22,238	6.7
FLEMING-MASON	23,687	23,364	22,993	22,580	22,122	7.1
GRAYSON	15,631	15,517	15,302	15,113	14,827	5.4
INTER-COUNTY	25,185	24,869	24,501	24,059	23,672	6.4
JACKSON ENERGY	51,244	50,884	50,438	49,926	49,336	3.9
LICKING VALLEY	17,272	17,085	16,921	16,794	16,597	4.1
NOLIN	31,422	30,649	29,780	29,050	28,301	11.0
OWEN	56,290	55,141	53,598	51,811	49,940	12.7
SALT RIVER ELECTRIC	45,453	44,979	42,997	41,458	39,876	14.0
SHELBY ENERGY	14,990	15,053	14,725	14,087	13,728	9.2
SOUTH KENTUCKY	62,408	61,869	60,922	60,128	59,081	5.6
AYLOR COUNTY	<u>24,792</u>	<u>24,483</u>	<u>24,089</u>	<u>23,646</u>	<u>23,231</u>	<u>6.7</u>
<b>TOTAL EKPC</b>	<b>508,550</b>	<b>502,345</b>	<b>492,415</b>	<b>484,831</b>	<b>473,754</b>	<b>7.3 %</b>
JACKSON PURCHASE	28,747	28,461	28,105	27,704	27,343	5.1 %
KENERGY	54,337	53,860	53,264	52,592	51,869	4.8
MEADE COUNTY	<u>27,500</u>	<u>27,008</u>	<u>26,515</u>	<u>26,118</u>	<u>25,553</u>	<u>7.6</u>
<b>TOTAL BIG RIVERS</b>	<b>110,584</b>	<b>109,329</b>	<b>107,884</b>	<b>106,414</b>	<b>104,765</b>	<b>5.6 %</b>
HICKMAN-FULTON	3,770	3,736	3,739	3,752	3,766	0.1 %
PENNYRILE	46,393	45,877	45,367	44,653	44,028	5.4
TRI-COUNTY	50,223	49,561	49,308	48,867	48,483	3.6
WARREN	58,591	57,431	56,187	55,079	54,073	8.4
WEST KENTUCKY	<u>38,057</u>	<u>37,639</u>	<u>37,305</u>	<u>36,993</u>	<u>36,655</u>	<u>3.8</u>
<b>TOTAL TVA</b>	<b>197,034</b>	<b>194,244</b>	<b>191,906</b>	<b>189,344</b>	<b>187,005</b>	<b>5.4 %</b>
<b>OVERALL TOTAL</b>	<b>816,168</b>	<b>805,918</b>	<b>792,205</b>	<b>780,589</b>	<b>765,524</b>	<b>6.6 %</b>

2007  
**KENTUCKY ELECTRIC COOPERATIVES  
 AVERAGE EXPENSE PER MILE OF LINE  
 STATISTICAL COMPARISONS**

Exhibit M  
 Page 5 of 18

<u>COOPERATIVE</u>	<u>2007</u>	<u>2006</u>	<u>2005</u>	<u>2004</u>	<u>2003</u>	<u>% CHANGE FROM 2003</u>
BIG SANDY	\$3,676	\$3,221	\$3,590	\$3,508	\$3,211	14.5 %
BLUE GRASS ENERGY	3,240	2,939	2,861	2,138	2,147	50.9 *
CLARK ENERGY COOP	2,077	2,038	2,065	2,120	2,290	-9.3
CUMBERLAND VALLEY	2,360	2,404	2,186	2,065	1,986	18.8
FARMERS	1,749	1,499	1,588	1,660	1,597	9.5
FLEMING-MASON	1,905	1,987	2,004	1,754	1,719	10.8
GRAYSON	2,229	1,954	1,957	2,003	1,896	17.6
INTER-COUNTY	1,943	1,950	1,904	1,757	1,801	7.9
JACKSON ENERGY	2,730	2,715	2,425	2,474	2,285	19.5
LICKING VALLEY	2,224	2,121	2,126	1,980	1,858	19.7
NOLIN	3,684	3,528	3,208	3,639	3,452	6.7
OWEN	3,178	3,346	2,572	2,711	2,575	23.4 **
SALT RIVER ELECTRIC	2,282	2,187	2,190	2,443	2,244	1.7
SHELBY ENERGY	1,872	2,081	2,024	2,115	1,970	-5.0
SOUTH KENTUCKY	2,477	2,375	2,211	2,167	2,263	9.5
AYLOR COUNTY	<u>1,598</u>	<u>1,655</u>	<u>1,518</u>	<u>1,480</u>	<u>1,462</u>	<u>9.3</u>
<b>AVERAGE EKPC</b>	<b>\$2,451</b>	<b>\$2,374</b>	<b>\$2,277</b>	<b>\$2,251</b>	<b>\$2,172</b>	<b>12.8 %</b>
JACKSON PURCHASE	\$2,663	\$2,632	\$2,353	\$2,082	\$2,071	28.6 %
KENERGY	2,595	2,746	2,673	2,384	2,090	24.2
MEADE COUNTY	<u>2,334</u>	<u>2,300</u>	<u>2,264</u>	<u>2,233</u>	<u>2,028</u>	<u>15.1</u>
<b>AVERAGE BIG RIVERS</b>	<b>\$2,531</b>	<b>\$2,560</b>	<b>\$2,430</b>	<b>\$2,233</b>	<b>\$2,064</b>	<b>22.6 %</b>
HICKMAN-FULTON	\$2,373	\$2,509	\$2,250	\$2,157	\$2,029	17.0 %
PENNYRILE	2,334	2,147	2,052	2,114	2,070	12.8
TRI-COUNTY	2,248	2,192	2,179	2,180	2,010	11.8
WARREN	3,251	3,122	3,002	2,921	2,626	23.8
WEST KENTUCKY	<u>3,246</u>	<u>2,966</u>	<u>3,115</u>	<u>2,726</u>	<u>2,684</u>	<u>20.9</u>
<b>AVERAGE TVA</b>	<b>\$2,691</b>	<b>\$2,587</b>	<b>\$2,519</b>	<b>\$2,420</b>	<b>\$2,284</b>	<b>17.8 %</b>
<b>OVERALL AVERAGE</b>	<b>\$2,512</b>	<b>\$2,443</b>	<b>\$2,347</b>	<b>\$2,284</b>	<b>\$2,182</b>	<b>15.1 %</b>

NEW MAPPING SYSTEM INSTALLED IN 2005 - MORE ACCURATE COUNT  
 NEW MAPPING SYSTEM INSTALLED IN 2006 - MORE ACCURATE COUNT

**2007**  
**KENTUCKY ELECTRIC COOPERATIVES**  
**TOTAL RESIDENTIAL REVENUES**  
**STATISTICAL COMPARISONS**

<u>COOPERATIVE</u>	<u>2007</u>	<u>2006</u>	<u>2005</u>	<u>2004</u>	<u>2003</u>	<u>% CHANGE FROM 2003</u>
BIG SANDY	\$15,853,498	\$14,192,128	\$13,672,178	11,398,809	10,605,561	49.5 %
BLUE GRASS ENERGY	68,578,375	61,513,915	59,969,633	49,545,080	45,288,666	51.4
CLARK ENERGY COOP	29,717,098	27,327,922	26,203,306	22,143,145	20,514,937	44.9
CUMBERLAND VALLEY	27,983,567	24,948,723	22,940,517	19,173,225	18,027,748	55.2
FARMERS	26,450,827	23,743,770	22,712,747	19,208,242	17,815,396	48.5
FLEMING-MASON	23,419,768	20,907,145	20,393,262	18,430,538	15,570,174	50.4
GRAYSON	18,131,615	16,223,795	16,244,690	13,861,532	13,068,736	38.7
INTER-COUNTY	33,391,723	28,203,005	27,321,723	24,142,722	22,880,567	45.9
JACKSON ENERGY	66,382,819	60,198,185	61,806,841	51,653,862	48,569,903	36.7
LICKING VALLEY	18,876,065	18,373,586	16,742,467	14,263,281	13,170,886	43.3
NOLIN	39,672,514	33,591,739	34,383,316	28,076,279	25,415,952	56.1
OWEN	66,458,715	58,817,668	55,724,664	47,113,587	42,680,828	55.7
SALT RIVER ELECTRIC	57,330,349	49,796,107	48,015,562	39,732,157	36,031,040	59.1
CHELBY ENERGY	19,684,110	17,784,401	17,533,652	14,268,131	13,127,239	49.9
JUTH KENTUCKY	67,646,098	59,324,021	55,802,486	48,838,870	44,138,209	53.3
TAYLOR COUNTY	<u>25,472,592</u>	<u>22,725,012</u>	<u>22,031,517</u>	<u>19,056,126</u>	<u>18,004,463</u>	<u>41.5</u>
<b>TOTAL EKPC</b>	<b>\$605,049,733</b>	<b>\$537,671,122</b>	<b>\$521,498,561</b>	<b>440,905,586</b>	<b>404,910,305</b>	<b>49.4 %</b>
JACKSON PURCHASE	\$25,697,996	\$23,847,988	\$24,496,967	22,841,472	22,574,806	13.8 %
KENERGY	50,041,715	43,955,864	45,323,132	42,207,989	41,020,077	22.0
MEADE COUNTY	<u>21,982,113</u>	<u>20,297,372</u>	<u>20,436,215</u>	<u>18,944,590</u>	<u>18,213,337</u>	<u>20.7</u>
<b>TOTAL BIG RIVERS</b>	<b>\$97,721,824</b>	<b>\$88,101,224</b>	<b>\$90,256,314</b>	<b>83,994,051</b>	<b>81,808,220</b>	<b>19.5 %</b>
HICKMAN-FULTON	\$4,576,311	\$4,311,951	\$4,190,389	4,000,868	3,805,948	20.2 %
PENNYRILE	51,817,219	48,880,787	44,135,641	41,000,292	38,718,311	33.8
TRI-COUNTY	54,981,186	52,780,772	47,841,610	44,800,930	42,833,960	28.4
WARREN	69,955,053	64,825,495	60,315,980	55,933,218	52,358,896	33.6
WEST KENTUCKY	<u>45,691,877</u>	<u>41,190,556</u>	<u>38,609,978</u>	<u>35,207,258</u>	<u>34,117,587</u>	<u>33.9</u>
<b>TOTAL TVA</b>	<b>\$227,021,646</b>	<b>\$211,989,561</b>	<b>\$195,093,598</b>	<b>180,942,566</b>	<b>171,834,702</b>	<b>32.1 %</b>
<b>OVERALL TOTAL</b>	<b>\$929,793,203</b>	<b>\$837,761,907</b>	<b>\$806,848,473</b>	<b>705,842,203</b>	<b>658,553,227</b>	<b>41.2 %</b>

KENTUCKY ELECTRIC COOPERATIVES  
OPERATING EXPENSE AND STATISTICAL COMPARISONS  
2007 - 2006 ANNUAL COMPARISON

AVERAGE EXPENSE PER CONSUMER  
EKPC

	<u>2007</u>	<u>2006</u>	<u>CHANGE</u>
DISTRIBUTION OPERATION	\$ 60.00	\$ 57.00	\$ 3.00
DISTRIBUTION MAINTENANCE	\$ 81.00	\$ 80.00	\$ 1.00
ACCOUNTING	\$ 54.00	\$ 53.00	\$ 1.00
CONSUMER INFORMATION	\$ 11.00	\$ 10.00	\$ 1.00
ADMINISTRATION	\$ 63.00	\$ 62.00	\$ 1.00
<b>TOTAL PER CONSUMER</b>	<b>\$ 269.00</b>	<b>\$ 262.00</b>	<b>\$ 7.00</b>

AVERAGE EXPENSE PER CONSUMER  
TVA

	<u>2007</u>	<u>2006</u>	<u>CHANGE</u>
DISTRIBUTION OPERATION	\$ 77.00	\$ 72.00	\$ 5.00
DISTRIBUTION MAINTENANCE	\$ 114.00	\$ 114.00	\$ -
ACCOUNTING	\$ 50.00	\$ 49.00	\$ 1.00
CONSUMER INFORMATION	\$ 10.00	\$ 8.00	\$ 2.00
ADMINISTRATION	\$ 63.00	\$ 66.00	\$ (3.00)
<b>TOTAL PER CONSUMER</b>	<b>\$ 314.00</b>	<b>\$ 309.00</b>	<b>\$ 5.00</b>

OTHER STATISTICAL INFORMATION

NUMBER OF EMPLOYEES	1,218	1,221	(3)
MILES OF LINE	54,931	54,397	534
CONSUMERS BILLED	508,550	502,345	6,205
MILES OF LINE PER EMPLOYEE	45.2	44.7	0.5
CONSUMER PER EMPLOYEE	418	413	5
DENSITY CONSUMERS PER MILE	9.3	9.2	0.1

OTHER STATISTICAL INFORMATION

NUMBER OF EMPLOYEES	513	507	6
MILES OF LINE	20,650	20,660	(10)
CONSUMERS BILLED	197,034	194,244	2,790
MILES OF LINE PER EMPLOYEE	40.1	40.9	(0.8)
CONSUMER PER EMPLOYEE	383	385	(2)
DENSITY CONSUMERS PER MILE	9.5	9.4	0.1

AVERAGE EXPENSE PER CONSUMER  
BIG RIVERS

	<u>2007</u>	<u>2006</u>	<u>CHANGE</u>
DISTRIBUTION OPERATION	\$ 69.00	\$ 70.00	\$ (1.00)
DISTRIBUTION MAINTENANCE	\$ 118.00	\$ 121.00	\$ (3.00)
ACCOUNTING	\$ 45.00	\$ 44.00	\$ 1.00
CONSUMER INFORMATION	\$ 8.00	\$ 8.00	\$ -
ADMINISTRATION	\$ 55.00	\$ 58.00	\$ (3.00)
<b>TOTAL PER CONSUMER</b>	<b>\$ 295.00</b>	<b>\$ 301.00</b>	<b>\$ (6.00)</b>

AVERAGE EXPENSE PER CONSUMER  
OVERALL AVERAGE

	<u>2007</u>	<u>2006</u>	<u>CHANGE</u>
DISTRIBUTION OPERATION	\$ 65.00	\$ 62.00	\$ 3.00
DISTRIBUTION MAINTENANCE	\$ 92.00	\$ 92.00	\$ -
ACCOUNTING	\$ 52.00	\$ 51.00	\$ 1.00
CONSUMER INFORMATION	\$ 10.00	\$ 9.00	\$ 1.00
ADMINISTRATION	\$ 62.00	\$ 62.00	\$ -
<b>TOTAL PER CONSUMER</b>	<b>\$ 281.00</b>	<b>\$ 276.00</b>	<b>\$ 5.00</b>

OTHER STATISTICAL INFORMATION

NUMBER OF EMPLOYEES	301	301	0
MILES OF LINE	13,204	13,125	79
CONSUMERS BILLED	110,584	109,329	1,255
MILES OF LINE PER EMPLOYEE	44.0	43.8	0.2
CONSUMER PER EMPLOYEE	369	364	5
DENSITY CONSUMERS PER MILE	8.4	8.3	0.1

OTHER STATISTICAL INFORMATION

NUMBER OF EMPLOYEES	2,032	2,029	3
MILES OF LINE	88,785	88,182	603
CONSUMERS BILLED	816,168	805,918	10,250
MILES OF LINE PER EMPLOYEE	43.5	43.2	0.3
CONSUMER PER EMPLOYEE	400	395	5
DENSITY CONSUMERS PER MILE	9.2	9.1	0.1



2007  
 KENTUCKY ELECTRIC COOPERATIVES  
 OPERATING EXPENSE STATISTICAL COMPARISONS  
 AVERAGE ANNUAL BASIS

*Exhibit 17  
 Page 8 of 18*

COOPERATIVE NAME	DISTRIBUTION OPERATION PER CONSUMER	DISTRIBUTION MAINTENANCE PER CONSUMER	TOTAL OP. & MAINT. PER CONSUMER	CONSUMER ACCOUNTING PER CONSUMER	CONSUMER INFORMATION PER CONSUMER	ADM. & GEN. EXPENSE PER CONSUMER	TOTAL EXPENSE PER CONSUMER	NUMBER OF EMPLOYEES	MILES OF LINE	NUMBER OF CONSUMERS BILLED	MILES OF LINE PER EMPLOYEE	CONSUMERS PER EMPLOYEE	DENSITY CONSUMERS PER MILE
BIG SANDY RECC	45	83	128	50	7	101	288	44	1,022	13,138	23.2	298	12.8
BLUE GRASS ENERGY COOP	51	81	132	44	19	77	272	114	4,535	54,021	39.8	474	11.9
CLARK ENERGY COOP	57	73	130	52	7	51	240	51	2,982	25,801	58.5	506	8.7
CUMBERLAND VALLEY ELECTRIC	48	88	136	65	7	51	259	56	2,577	23,487	46.0	419	9.1
FARMERS RECC	35	95	130	49	12	68	259	68	3,513	23,729	52.0	349	6.8
FLEMING-MASON ENERGY	55	95	151	67	7	55	280	52	3,483	23,687	67.0	456	6.8
GRAYSON RECC	65	130	195	56	14	85	350	44	2,454	15,631	55.8	355	6.4
INTER-COUNTY ENERGY	73	55	128	65	19	68	280	62	3,630	25,185	58.6	406	6.9
JACKSON ENERGY COOP	71	88	159	63	9	70	301	130	5,852	51,244	43.5	394	9.1
LICKING VALLEY RECC	74	82	156	43	7	54	260	45	2,020	17,272	45.0	384	9.0
NOLIN RECC	88	97	185	59	20	78	342	92	2,917	31,422	31.7	342	10.8
OWEN EC	70	57	127	62	7	54	250	138	4,428	56,290	32.1	408	12.7
SALT RIVER ELECTRIC	45	45	90	44	8	54	196	75	3,803	45,453	52.0	506	11.7
SHELBY ENERGY COOP	76	78	154	51	9	44	258	31	2,065	14,990	66.6	484	7.3
SOUTH KENTUCKY RECC	52	88	140	55	12	55	262	157	6,600	62,408	42.0	398	9.5
TAYLOR COUNTY RECC	56	56	112	39	5	47	203	59	3,150	24,792	53.4	420	7.9
EKPC GROUP AVERAGE	60	81	141	54	11	63	269	76	3,433	31,784	45.2	418	9.3
JACKSON PURCHASE ENERGY	66	118	184	39	10	70	303	79	3,271	28,747	41.4	364	8.8
KENERGY CORP	72	150	222	52	6	53	333	156	6,974	54,337	44.7	348	7.8
MEADE COUNTY RECC	68	87	155	44	9	43	251	66	2,959	27,500	45.0	417	9.3
BIG RIVERS GROUP AVERAGE	69	118	187	45	8	55	295	100	4,401	36,861	44.0	369	8.4
HICKMAN-FULTON COUNTIES RECC	87	204	291	44	9	89	433	16	688	3,770	43.0	236	5.5
PENNYRILE RECC	75	70	145	43	9	57	254	123	5,047	46,393	41.0	377	9.2
TRI-COUNTY EMC	81	64	145	49	11	39	244	139	5,450	50,223	39.2	361	9.2
WARREN RECC	74	84	158	53	15	84	310	151	5,584	58,591	37.0	388	10.5
WEST KENTUCKY RECC	69	149	218	62	6	45	331	64	3,881	38,057	46.2	453	9.8
TVA GROUP AVERAGE	77	114	191	50	10	63	314	103	4,130	39,407	40.1	383	9.5
OVERALL AVERAGE	66	92	157	52	10	62	281	85	3,699	34,007	43.5	400	9.2

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**KENTUCKY ELECTRIC COOPERATIVES**  
**OPERATING EXPENSE STATISTICAL COMPARISONS**  
**AVERAGE ANNUAL BASIS**

*Exhibit 17*  
*Page 9 of 18*

COOPERATIVE NAME	DISTRIBUTION OPERATION PER MILE	DISTRIBUTION MAINTENANCE PER MILE	TOTAL OP. & MAINT. PER MILE	CONSUMER ACCOUNTING PER MILE	CONSUMER INFORMATION PER MILE	ADM. & GEN. EXPENSE PER MILE	TOTAL EXPENSE PER MILE	NUMBER OF EMPLOYEES	MILES OF LINE	RESIDENTIAL CONSUMERS BILLED	TOTAL RESIDENTIAL REVENUES	AVERAGE MONTHLY RES'L REV
BIG SANDY RECC	578	1,067	1,645	643	90	1,288	3,676	44	1,022	12,019	15,853,498	109.9
BLUE GRASS ENERGY COOP	608	985	1,573	524	226	917	3,240	114	4,535	51,794	68,578,375	110.3
CLARK ENERGY COOP	493	632	1,125	450	61	441	2,077	51	2,982	24,152	29,717,098	102.5
CUMBERLAND VALLEY ELECTRIC	437	802	1,239	592	64	465	2,360	56	2,577	22,021	27,983,567	105.9
FARMERS RECC	236	642	878	331	61	459	1,749	68	3,513	22,045	26,450,827	100.0
FLEMING-MASON ENERGY	374	653	1,027	456	48	374	1,905	52	3,483	17,627	23,419,768	110.7
GRAYSON RECC	414	828	1,242	357	89	541	2,229	44	2,454	14,342	18,131,615	105.4
INTER-COUNTY ENERGY	506	382	888	451	132	472	1,943	62	3,630	23,892	33,391,723	116.5
JACKSON ENERGY COOP	644	798	1,442	571	82	635	2,730	130	5,852	47,615	66,382,819	118.2
LICKING VALLEY RECC	633	701	1,334	368	60	462	2,224	45	2,020	16,125	18,876,065	97.6
NOLIN RECC	948	1,045	1,993	636	215	840	3,684	92	2,917	28,324	39,672,514	116.7
OWEN EC	890	725	1,615	788	89	666	3,178	138	4,428	54,003	66,458,715	102.6
SALT RIVER ELECTRIC	524	524	1,048	512	93	629	2,282	75	3,903	42,663	57,330,349	112.0
SHELBY ENERGY COOP	552	566	1,118	370	65	319	1,872	31	2,065	14,424	19,684,110	113.7
SOUTH KENTUCKY RECC	492	832	1,324	520	113	520	2,477	157	6,600	57,508	87,646,098	98.0
TAYLOR COUNTY RECC	441	441	882	307	39	370	1,598	59	3,150	22,031	25,472,592	96.4
<b>EKPC GROUP AVERAGE</b>	<b>548</b>	<b>725</b>	<b>1,273</b>	<b>492</b>	<b>97</b>	<b>589</b>	<b>2,451</b>	<b>76</b>	<b>3,433</b>	<b>29,412</b>	<b>37,815,608</b>	<b>107.1</b>
JACKSON PURCHASE ENERGY	580	1,037	1,617	343	88	615	2,663	79	3,271	25,782	25,697,996	83.1
KENERGY CORP	561	1,169	1,730	405	47	413	2,595	156	6,974	44,758	80,041,715	93.2
MEADE COUNTY RECC	632	809	1,441	409	84	400	2,334	66	2,859	25,453	21,982,113	72.0
<b>BIG RIVERS GROUP AVERAGE</b>	<b>591</b>	<b>1,005</b>	<b>1,596</b>	<b>386</b>	<b>73</b>	<b>476</b>	<b>2,531</b>	<b>100</b>	<b>4,401</b>	<b>31,998</b>	<b>32,573,941</b>	<b>84.8</b>
HICKMAN-FULTON COUNTIES RECC	477	1,118	1,595	241	49	488	2,373	16	688	2,954	4,576,311	129.1
PENNYRILE RECC	689	643	1,332	395	83	524	2,334	123	5,047	37,057	51,817,219	116.5
TRI-COUNTY EMC	746	590	1,336	452	101	359	2,248	139	5,450	40,763	54,981,188	112.4
WARREN RECC	776	881	1,657	556	157	881	3,251	151	5,584	48,774	69,955,053	119.5
WEST KENTUCKY RECC	677	1,461	2,138	608	59	441	3,246	84	3,881	30,694	45,691,877	124.1
<b>TVA GROUP AVERAGE</b>	<b>673</b>	<b>939</b>	<b>1,612</b>	<b>450</b>	<b>90</b>	<b>539</b>	<b>2,691</b>	<b>103</b>	<b>4,130</b>	<b>32,048</b>	<b>45,404,329</b>	<b>118.1</b>
<b>OVERALL AVERAGE</b>	<b>580</b>	<b>805</b>	<b>1,385</b>	<b>470</b>	<b>92</b>	<b>565</b>	<b>2,512</b>	<b>85</b>	<b>3,699</b>	<b>30,284</b>	<b>38,741,383</b>	<b>106.6</b>

2006  
KENTUCKY ELECTRIC COOPERATIVES  
TOTAL AVERAGE NUMBER OF CONSUMERS BILLED  
STATISTICAL COMPARISONS

<u>COOPERATIVE</u>	<u>2006</u>	<u>2005</u>	<u>2004</u>	<u>2003</u>	<u>2002</u>	<u>% CHANGE FROM 2002</u>
BIG SANDY	13,089	12,888	12,705	12,509	12,375	5.8 %
BLUE GRASS ENERGY	53,175	52,068	50,774	49,421	48,347	10.0
CLARK ENERGY COOP	25,508	25,151	24,796	24,376	23,977	6.4
CUMBERLAND VALLEY	23,303	23,029	25,224	24,499	23,776	-2.0
FARMERS	23,377	23,013	22,680	22,238	21,861	6.9
FLEMING-MASON	23,364	22,993	22,580	22,122	21,762	7.4
GRAYSON	15,517	15,302	15,113	14,827	14,673	5.8
INTER-COUNTY	24,869	24,501	24,059	23,672	23,220	7.1
JACKSON ENERGY	50,884	50,438	49,926	49,336	48,989	3.9
LICKING VALLEY	17,085	16,921	16,794	16,597	16,345	4.5
NOLIN	30,649	29,780	29,050	28,301	27,628	10.9
OWEN	55,141	53,598	51,811	49,940	47,741	15.5
SALT RIVER ELECTRIC	44,979	42,997	41,458	39,876	38,574	16.6
SHELBY ENERGY	15,053	14,725	14,087	13,728	13,395	12.4
SOUTH KENTUCKY	61,869	60,922	60,128	59,081	58,058	6.6
TAYLOR COUNTY	<u>24,483</u>	<u>24,089</u>	<u>23,646</u>	<u>23,231</u>	<u>22,802</u>	<u>7.4</u>
<b>TOTAL EKPC</b>	<b>502,345</b>	<b>492,415</b>	<b>484,831</b>	<b>473,754</b>	<b>463,523</b>	<b>8.4 %</b>
JACKSON PURCHASE	28,461	28,105	27,704	27,343	27,086	5.1 %
KENERGY	53,860	53,264	52,592	51,869	51,314	5.0
MEADE COUNTY	<u>27,008</u>	<u>26,515</u>	<u>26,118</u>	<u>25,553</u>	<u>25,084</u>	<u>7.7</u>
<b>TOTAL BIG RIVERS</b>	<b>109,329</b>	<b>107,884</b>	<b>106,414</b>	<b>104,765</b>	<b>103,484</b>	<b>5.6 %</b>
HICKMAN-FULTON	3,736	3,739	3,752	3,766	3,770	-0.9 %
PENNYRILE	45,877	45,367	44,653	44,028	44,021	4.2
TRI-COUNTY	49,561	49,308	48,867	48,483	48,290	2.6
WARREN	57,431	56,187	55,079	54,073	53,239	7.9
WEST KENTUCKY	<u>37,639</u>	<u>37,305</u>	<u>36,993</u>	<u>36,655</u>	<u>36,313</u>	<u>3.7</u>
<b>TOTAL TVA</b>	<b>194,244</b>	<b>191,906</b>	<b>189,344</b>	<b>187,005</b>	<b>185,633</b>	<b>4.6 %</b>
<b>OVERALL TOTAL</b>	<b>805,918</b>	<b>792,205</b>	<b>780,589</b>	<b>765,524</b>	<b>752,640</b>	<b>7.1 %</b>

**2006**  
**KENTUCKY ELECTRIC COOPERATIVES**  
**AVERAGE EXPENSE PER CONSUMER**  
**STATISTICAL COMPARISONS**

<u>COOPERATIVE</u>	<u>2006</u>	<u>2005</u>	<u>2004</u>	<u>2003</u>	<u>2002</u>	<u>% CHANGE FROM 2002</u>
BIG SANDY	\$250	\$282	\$277	\$257	\$234	6.8 %
BLUE GRASS ENERGY	248	244	249	254	240	3.3
CLARK ENERGY COOP	237	241	248	269	237	0.0
CUMBERLAND VALLEY	264	240	205	201	198	33.3
FARMERS	223	238	250	243	232	-3.9
FLEMING-MASON	294	298	263	260	258	14.0
GRAYSON	307	309	318	304	269	14.1
INTER-COUNTY	280	272	249	253	237	18.1
JACKSON ENERGY	300	269	275	254	235	27.7
LICKING VALLEY	250	252	236	223	225	11.1
NOLIN	327	306	351	337	291	12.4
OWEN	267	237	253	246	240	11.3
SALT RIVER ELECTRIC	187	191	215	201	179	4.5
SHELBY ENERGY	280	276	297	280	262	6.9
SOUTH KENTUCKY	251	235	231	242	232	8.2
TAYLOR COUNTY	<u>212</u>	<u>195</u>	<u>192</u>	<u>191</u>	<u>188</u>	<u>12.8</u>
<b>AVERAGE EKPC</b>	<b>\$262</b>	<b>\$255</b>	<b>\$256</b>	<b>\$250</b>	<b>\$235</b>	<b>11.5 %</b>
JACKSON PURCHASE	\$300	\$269	\$239	\$238	\$220	36.4 %
KENERGY	354	347	311	274	250	41.6
MEADE COUNTY	<u>250</u>	<u>247</u>	<u>245</u>	<u>224</u>	<u>211</u>	<u>18.5</u>
<b>AVERAGE BIG RIVERS</b>	<b>\$301</b>	<b>\$288</b>	<b>\$265</b>	<b>\$245</b>	<b>\$226</b>	<b>33.2 %</b>
HICKMAN-FULTON	\$460	\$411	392	\$369	\$382	20.4 %
PENNYRILE	235	226	236	234	248	-5.2
TRI-COUNTY	240	238	239	221	215	11.6
WARREN	302	294	289	263	257	17.5
WEST KENTUCKY	<u>313</u>	<u>329</u>	<u>288</u>	<u>284</u>	<u>276</u>	<u>13.4</u>
<b>AVERAGE TVA</b>	<b>\$309</b>	<b>\$300</b>	<b>\$289</b>	<b>\$274</b>	<b>\$276</b>	<b>12.0 %</b>
<b>OVERALL AVERAGE</b>	<b>\$276</b>	<b>\$270</b>	<b>\$264</b>	<b>\$255</b>	<b>\$242</b>	<b>14.0 %</b>

2006  
**KENTUCKY ELECTRIC COOPERATIVES**  
**MILES OF LINE**  
**STATISTICAL COMPARISONS**

Exhibit 17  
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<u>COOPERATIVE</u>	<u>2006</u>	<u>2005</u>	<u>2004</u>	<u>2003</u>	<u>2002</u>	<u>% CHANGE FROM 2002</u>
BIG SANDY	1,016	1,012	1,003	1,001	998	1.8 %
BLUE GRASS ENERGY	4,487	4,440	5,912	5,847	5,794	-22.6 *
CLARK ENERGY COOP	2,966	2,935	2,900	2,865	2,845	4.3
CUMBERLAND VALLEY	2,559	2,529	2,503	2,479	2,447	4.6
FARMERS	3,481	3,447	3,416	3,382	3,348	4.0
FLEMING-MASON	3,456	3,421	3,386	3,346	3,311	4.4
GRAYSON	2,437	2,416	2,400	2,377	2,358	3.4
INTER-COUNTY	3,572	3,502	3,409	3,324	3,276	9.0
JACKSON ENERGY	5,621	5,597	5,552	5,486	5,437	3.4
LICKING VALLEY	2,014	2,006	2,002	1,991	1,976	1.9
NOLIN	2,841	2,841	2,802	2,763	2,722	4.4
OWEN	4,400	4,940	4,836	4,771	4,690	-6.2 **
SALT RIVER ELECTRIC	3,847	3,750	3,649	3,572	3,497	10.0
SHELBY ENERGY	2,025	2,008	1,978	1,952	1,929	5.0
SOUTH KENTUCKY	6,540	6,475	6,408	6,321	6,234	4.9
TAYLOR COUNTY	<u>3,135</u>	<u>3,094</u>	<u>3,067</u>	<u>3,038</u>	<u>3,006</u>	<u>4.3</u>
<b>TOTAL EKPC</b>	<b>54,397</b>	<b>54,413</b>	<b>55,223</b>	<b>54,515</b>	<b>53,868</b>	<b>1.0 %</b>
JACKSON PURCHASE	3,244	3,213	3,180	3,142	3108	4.4 %
KENERGY	6,944	6,915	6,859	6,801	6739	3.0
MEADE COUNTY	<u>2,937</u>	<u>2,893</u>	<u>2,866</u>	<u>2,821</u>	<u>2792</u>	<u>5.2</u>
<b>TOTAL BIG RIVERS</b>	<b>13,125</b>	<b>13,021</b>	<b>12,905</b>	<b>12,764</b>	<b>12,639</b>	<b>3.8 %</b>
HICKMAN-FULTON	685	683	682	685	688	-0.4 %
PENNYRILE	5,022	4,997	4,986	4,977	4,971	1.0
TRI-COUNTY	5,427	5,388	5,358	5,331	5,299	2.4
WARREN	5,556	5,504	5,449	5,418	5,378	3.3
WEST KENTUCKY	<u>3,970</u>	<u>3,940</u>	<u>3,908</u>	<u>3,878</u>	<u>3,855</u>	<u>3.0</u>
<b>TOTAL TVA</b>	<b>20,660</b>	<b>20,512</b>	<b>20,383</b>	<b>20,289</b>	<b>20,191</b>	<b>2.3 %</b>
<b>OVERALL TOTAL</b>	<b>88,182</b>	<b>87,946</b>	<b>88,511</b>	<b>87,568</b>	<b>86,698</b>	<b>1.7 %</b>

.NEW MAPPING SYSTEM INSTALLED IN 2005 - MORE ACCURATE COUNT

\*\* NEW MAPPING SYSTEM INSTALLED IN 2006 - MORE ACCURATE COUNT

**2006  
KENTUCKY ELECTRIC COOPERATIVES  
DENSITY CONSUMERS PER MILE  
STATISTICAL COMPARISONS**

<u>COOPERATIVE</u>	<u>2006</u>	<u>2005</u>	<u>2004</u>	<u>2003</u>	<u>2002</u>	<u>% CHANGE FROM 2002</u>
BIG SANDY	13.0	12.7	12.7	12.5	12.4	4.8 %
BLUE GRASS ENERGY	11.9	11.7	8.6	8.5	8.3	43.4 *
CLARK ENERGY COOP	8.6	8.6	8.6	8.5	8.4	2.4
CUMBERLAND VALLEY	9.1	9.1	10.1	9.9	9.7	-6.2
FARMERS	6.7	6.7	6.6	6.6	6.5	3.1
FLEMING-MASON	6.8	6.7	6.7	6.6	6.6	3.0
GRAYSON	6.4	6.3	6.3	6.2	6.2	3.2
INTER-COUNTY	7.0	7.0	7.1	7.1	7.1	-1.4
JACKSON ENERGY	9.1	9.0	9.0	9.0	9.0	1.1
LICKING VALLEY	8.0	8.0	8.0	8.3	8.0	0.0
NOLIN	10.8	10.5	10.4	10.2	10.2	5.9
OWEN	12.5	10.8	10.7	10.5	10.2	22.5 **
SALT RIVER ELECTRIC	11.7	11.5	11.4	11.2	11.0	6.4
SHELBY ENERGY	7.0	7.0	7.0	7.0	7.0	0.0
SOUTH KENTUCKY	9.5	9.4	9.4	9.4	9.3	2.2
TAYLOR COUNTY	<u>7.8</u>	<u>7.8</u>	<u>7.1</u>	<u>7.7</u>	<u>7.6</u>	<u>2.6</u>
<b>AVERAGE EKPC</b>	<b>9.2</b>	<b>9.0</b>	<b>8.8</b>	<b>8.7</b>	<b>8.6</b>	<b>7.0 %</b>
JACKSON PURCHASE	8.8	8.8	8.7	8.7	8.7	1.1 %
KENERGY	7.8	7.7	7.7	7.6	7.6	2.6
MEADE COUNTY	<u>9.2</u>	<u>9.2</u>	<u>9.1</u>	<u>9.1</u>	<u>9.0</u>	<u>2.2</u>
<b>AVERAGE BIG RIVERS</b>	<b>8.3</b>	<b>8.3</b>	<b>8.2</b>	<b>8.2</b>	<b>8.2</b>	<b>1.2 %</b>
HICKMAN-FULTON	5.5	5.5	5.5	5.5	5.5	0.0 %
PENNYRILE	9.1	9.1	9.0	8.9	8.9	2.2
TRI-COUNTY	9.1	9.2	9.1	9.1	9.1	0.0
WARREN	10.3	10.2	10.1	10.0	9.9	4.0
WEST KENTUCKY	<u>9.5</u>	<u>9.5</u>	<u>9.5</u>	<u>9.5</u>	<u>9.4</u>	<u>1.1</u>
<b>AVERAGE TVA</b>	<b>9.4</b>	<b>9.4</b>	<b>9.3</b>	<b>9.2</b>	<b>9.2</b>	<b>2.2 %</b>
<b>OVERALL AVERAGE</b>	<b>9.1</b>	<b>9.0</b>	<b>8.8</b>	<b>8.7</b>	<b>8.7</b>	<b>4.6 %</b>

NEW MAPPING SYSTEM INSTALLED IN 2005 - MORE ACCURATE COUNT

NEW MAPPING SYSTEM INSTALLED IN 2006 - MORE ACCURATE COUNT

**2006**  
**KENTUCKY ELECTRIC COOPERATIVES**  
**AVERAGE EXPENSE PER MILE OF LINE**  
**STATISTICAL COMPARISONS**

<u>COOPERATIVE</u>	<u>2006</u>	<u>2005</u>	<u>2004</u>	<u>2003</u>	<u>2002</u>	<u>% CHANGE FROM 2002</u>
BIG SANDY	\$3,221	\$3,590	\$3,508	\$3,211	\$2,902	11.0 %
BLUE GRASS ENERGY	2,939	2,861	2,138	2,147	2,002	46.8 *
CLARK ENERGY COOP	2,038	2,065	2,120	2,290	1,998	2.0
CUMBERLAND VALLEY	2,404	2,186	2,065	1,986	1,924	24.9
FARMERS	1,499	1,588	1,660	1,597	1,515	-1.1
FLEMING-MASON	1,987	2,004	1,754	1,719	1,695	17.2
GRAYSON	1,954	1,957	2,003	1,896	1,674	16.7
INTER-COUNTY	1,950	1,904	1,757	1,801	1,679	16.1
JACKSON ENERGY	2,715	2,425	2,474	2,285	2,119	28.1
LICKING VALLEY	2,121	2,126	1,980	1,858	1,860	14.0
NOLIN	3,528	3,208	3,639	3,452	2,953	19.5
OWEN	3,346	2,572	2,711	2,575	2,443	37.0 **
SALT RIVER ELECTRIC	2,187	2,190	2,443	2,244	1,974	10.8
SHELBY ENERGY	2,081	2,024	2,115	1,970	1,818	14.5
SOUTH KENTUCKY	2,375	2,211	2,167	2,263	2,160	10.0
TAYLOR COUNTY	<u>1,655</u>	<u>1,518</u>	<u>1,480</u>	<u>1,462</u>	<u>1,426</u>	<u>16.1</u>
<b>AVERAGE EKPC</b>	<b>\$2,374</b>	<b>\$2,277</b>	<b>\$2,251</b>	<b>\$2,172</b>	<b>\$2,010</b>	<b>18.1 %</b>
JACKSON PURCHASE	\$2,632	\$2,353	\$2,082	\$2,071	\$1,918	37.2 %
KENERGY	2,746	2,673	2,384	2,090	1,904	44.2
MEADE COUNTY	<u>2,300</u>	<u>2,264</u>	<u>2,233</u>	<u>2,028</u>	<u>1,895</u>	<u>21.4</u>
<b>AVERAGE BIG RIVERS</b>	<b>\$2,560</b>	<b>\$2,430</b>	<b>\$2,233</b>	<b>\$2,064</b>	<b>\$1,905</b>	<b>34.4 %</b>
HICKMAN-FULTON	\$2,509	\$2,250	\$2,157	\$2,029	\$2,092	19.9 %
PENNYRILE	2,147	2,052	2,114	2,070	2,196	-2.2
TRI-COUNTY	2,192	2,179	2,180	2,010	1,960	11.8
WARREN	3,122	3,002	2,921	2,626	2,544	22.7
WEST KENTUCKY	<u>2,966</u>	<u>3,115</u>	<u>2,726</u>	<u>2,684</u>	<u>2,600</u>	<u>14.1</u>
<b>AVERAGE TVA</b>	<b>\$2,587</b>	<b>\$2,519</b>	<b>\$2,420</b>	<b>\$2,284</b>	<b>\$2,279</b>	<b>13.5 %</b>
<b>OVERALL AVERAGE</b>	<b>\$2,443</b>	<b>\$2,347</b>	<b>\$2,284</b>	<b>\$2,182</b>	<b>\$2,053</b>	<b>19.0 %</b>

NEW MAPPING SYSTEM INSTALLED IN 2005 - MORE ACCURATE COUNT

\*\* NEW MAPPING SYSTEM INSTALLED IN 2006 - MORE ACCURATE COUNT

**2006**  
**KENTUCKY ELECTRIC COOPERATIVES**  
**TOTAL RESIDENTIAL REVENUES**  
**STATISTICAL COMPARISONS**

<u>COOPERATIVE</u>	<u>2006</u>	<u>2005</u>	<u>2004</u>	<u>2003</u>	<u>2002</u>	<u>% CHANGE FROM 2002</u>
BIG SANDY	\$14,192,128	\$13,672,178	11,398,809	10,605,561	10,231,337	38.7 %
BLUE GRASS ENERGY	61,513,915	59,969,633	49,545,080	45,288,666	43,124,978	42.6
CLARK ENERGY COOP	27,327,922	26,203,306	22,143,145	20,514,937	19,972,264	36.8
CUMBERLAND VALLEY	24,948,723	22,940,517	19,173,225	18,027,748	17,538,916	42.2
FARMERS	23,743,770	22,712,747	19,208,242	17,815,396	17,159,247	38.4
FLEMING-MASON	20,907,145	20,393,262	18,430,538	15,570,174	16,016,228	30.5
GRAYSON	16,223,795	16,244,690	13,861,532	13,068,736	12,765,519	27.1
INTER-COUNTY	28,203,005	27,321,723	24,142,722	22,880,567	26,098,342	8.1
JACKSON ENERGY	60,198,185	61,806,841	51,653,862	48,569,903	47,136,342	27.7
LICKING VALLEY	18,373,586	16,742,467	14,263,281	13,170,886	12,863,499	42.8
NOLIN	33,591,739	34,383,316	28,076,279	25,415,952	24,859,471	35.1
OWEN	58,817,668	55,724,664	47,113,587	42,680,828	40,989,542	43.5
SALT RIVER ELECTRIC	49,796,107	48,015,562	39,732,157	36,031,040	34,606,956	43.9
SELBY ENERGY	17,784,401	17,533,652	14,268,131	13,127,239	12,741,343	39.6
SOUTH KENTUCKY	59,324,021	55,802,486	48,838,870	44,138,209	42,397,806	39.9
TAYLOR COUNTY	<u>22,725,012</u>	<u>22,031,517</u>	<u>19,056,126</u>	<u>18,004,463</u>	<u>16,954,626</u>	<u>34.0</u>
<b>TOTAL EKPC</b>	<b>\$537,671,122</b>	<b>\$521,498,561</b>	<b>440,905,586</b>	<b>404,910,305</b>	<b>395,455,416</b>	<b>36.0 %</b>
JACKSON PURCHASE	\$23,847,988	\$24,496,967	22,841,472	22,574,806	23,112,041	3.2 %
KENERGY	43,955,864	45,323,132	42,207,989	41,020,077	41,918,818	4.9
MEADE COUNTY	<u>20,297,372</u>	<u>20,436,215</u>	<u>18,944,590</u>	<u>18,213,337</u>	<u>18,036,885</u>	<u>12.5</u>
<b>TOTAL BIG RIVERS</b>	<b>\$88,101,224</b>	<b>\$90,256,314</b>	<b>83,994,051</b>	<b>81,808,220</b>	<b>83,067,744</b>	<b>6.1 %</b>
HICKMAN-FULTON	\$4,311,951	\$4,190,389	4,000,868	3,805,948	3,604,578	19.6 %
PENNYRILE	48,880,787	44,135,641	41,000,292	38,718,311	37,873,562	29.1
TRI-COUNTY	52,780,772	47,841,610	44,800,930	42,833,960	41,365,737	27.6
WARREN	64,825,495	60,315,980	55,933,218	52,358,896	51,327,632	26.3
WEST KENTUCKY	<u>41,190,556</u>	<u>38,609,978</u>	<u>35,207,258</u>	<u>34,117,587</u>	<u>34,460,472</u>	<u>19.5</u>
<b>TOTAL TVA</b>	<b>\$211,989,561</b>	<b>\$195,093,598</b>	<b>180,942,566</b>	<b>171,834,702</b>	<b>168,631,981</b>	<b>25.7 %</b>
<b>OVERALL TOTAL</b>	<b>\$837,761,907</b>	<b>\$806,848,473</b>	<b>705,842,203</b>	<b>658,553,227</b>	<b>647,155,141</b>	<b>29.5 %</b>



**KENTUCKY ELECTRIC COOPERATIVES  
OPERATING EXPENSE AND STATISTICAL COMPARISONS  
2006 - 2005 ANNUAL COMPARISON**

	AVERAGE EXPENSE PER CONSUMER EKPC				AVERAGE EXPENSE PER CONSUMER TVA		
	<u>2006</u>	<u>2005</u>	<u>CHANGE</u>		<u>2006</u>	<u>2005</u>	<u>CHANGE</u>
DISTRIBUTION OPERATION	\$ 57.00	\$ 57.00	\$ -	DISTRIBUTION OPERATION	\$ 72.00	\$ 72.00	\$ -
DISTRIBUTION MAINTENANCE	\$ 80.00	\$ 77.00	\$ 3.00	DISTRIBUTION MAINTENANCE	\$ 114.00	\$ 106.00	\$ 8.00
ACCOUNTING	\$ 53.00	\$ 50.00	\$ 3.00	ACCOUNTING	\$ 49.00	\$ 50.00	\$ (1.00)
CONSUMER INFORMATION	\$ 10.00	\$ 10.00	\$ -	CONSUMER INFORMATION	\$ 8.00	\$ 9.00	\$ (1.00)
ADMINISTRATION	\$ 62.00	\$ 61.00	\$ 1.00	ADMINISTRATION	\$ 66.00	\$ 63.00	\$ 3.00
<b>TOTAL PER CONSUMER</b>	<b>\$ 262.00</b>	<b>\$ 255.00</b>	<b>\$ 7.00</b>	<b>TOTAL PER CONSUMER</b>	<b>\$ 309.00</b>	<b>\$ 300.00</b>	<b>\$ 9.00</b>

	OTHER STATISTICAL INFORMATION				OTHER STATISTICAL INFORMATION		
NUMBER OF EMPLOYEES	1,221	1,204	17	NUMBER OF EMPLOYEES	507	518	(11)
MILES OF LINE	54,397	54,413	(16)	MILES OF LINE	20,660	20,512	148
CONSUMERS BILLED	502,345	492,415	9,930	CONSUMERS BILLED	194,244	191,906	2,338
MILES OF LINE PER EMPLOYEE	44.7	45.3	(0.6)	MILES OF LINE PER EMPLOYEE	40.9	39.4	1.5
CONSUMER PER EMPLOYEE	413	410	3	CONSUMER PER EMPLOYEE	385	369	16
DENSITY CONSUMERS PER MILE	9.2	9.0	0.2	DENSITY CONSUMERS PER MILE	9.4	9.4	0.0

	AVERAGE EXPENSE PER CONSUMER BIG RIVERS				AVERAGE EXPENSE PER CONSUMER OVERALL AVERAGE		
	<u>2006</u>	<u>2005</u>	<u>CHANGE</u>		<u>2006</u>	<u>2005</u>	<u>CHANGE</u>
DISTRIBUTION OPERATION	\$ 70.00	\$ 64.00	\$ 6.00	DISTRIBUTION OPERATION	\$ 62.00	\$ 61.00	\$ 1.00
DISTRIBUTION MAINTENANCE	\$ 121.00	\$ 116.00	\$ 5.00	DISTRIBUTION MAINTENANCE	\$ 92.00	\$ 88.00	\$ 4.00
ACCOUNTING	\$ 44.00	\$ 46.00	\$ (2.00)	ACCOUNTING	\$ 51.00	\$ 50.00	\$ 1.00
CONSUMER INFORMATION	\$ 8.00	\$ 8.00	\$ -	CONSUMER INFORMATION	\$ 9.00	\$ 10.00	\$ (1.00)
ADMINISTRATION	\$ 58.00	\$ 54.00	\$ 4.00	ADMINISTRATION	\$ 62.00	\$ 61.00	\$ 1.00
<b>TOTAL PER CONSUMER</b>	<b>\$ 301.00</b>	<b>\$ 288.00</b>	<b>\$ 13.00</b>	<b>TOTAL PER CONSUMER</b>	<b>\$ 276.00</b>	<b>\$ 270.00</b>	<b>\$ 6.00</b>

	OTHER STATISTICAL INFORMATION				OTHER STATISTICAL INFORMATION		
NUMBER OF EMPLOYEES	301	295	6	NUMBER OF EMPLOYEES	2,029	2,017	12
MILES OF LINE	13,125	13,021	104	MILES OF LINE	88,182	87,946	236
CONSUMERS BILLED	109,329	107,884	1,445	CONSUMERS BILLED	805,918	792,205	13,713
MILES OF LINE PER EMPLOYEE	43.8	44.3	(0.5)	MILES OF LINE PER EMPLOYEE	43.2	43.6	(0.4)
CONSUMER PER EMPLOYEE	364	367	(3)	CONSUMER PER EMPLOYEE	395	393	2
DENSITY CONSUMERS PER MILE	8.3	8.3	0.0	DENSITY CONSUMERS PER MILE	9.1	9.0	0.1

2006  
 KENTUCKY ELECTRIC COOPERATIVES  
 OPERATING EXPENSE STATISTICAL COMPARISONS  
 AVERAGE ANNUAL BASIS

*Exhibit 17  
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COOPERATIVE NAME	DISTRIBUTION OPERATION PER CONSUMER	DISTRIBUTION MAINTENANCE PER CONSUMER	TOTAL OP. & MAINT. PER CONSUMER	CONSUMER ACCOUNTING PER CONSUMER	CONSUMER INFORMATION PER CONSUMER	ADM. & GEN. EXPENSE PER CONSUMER	TOTAL EXPENSE PER CONSUMER	NUMBER OF EMPLOYEES	MILES OF LINE	NUMBER OF CONSUMERS BILLED	MILES OF LINE PER EMPLOYEE	CONSUMERS PER EMPLOYEE	DENSITY CONSUMERS PER MILE
BIG SANDY RECC	7	83	90	55	11	94	250	44	1,016	13,089	23.0	297	13.0
BLUE GRASS ENERGY COOP	45	66	111	47	16	74	248	115	4,487	53,175	39.0	462	11.9
CLARK ENERGY COOP	64	74	138	43	6	50	237	53	2,966	25,508	56.0	481	8.6
CUMBERLAND VALLEY ELECTRIC	52	89	141	59	8	56	264	52	2,559	23,303	49.2	448	9.1
FARMERS RECC	36	72	108	39	11	65	223	71	3,481	23,377	49.0	329	6.7
FLEMING-MASON ENERGY	53	124	177	63	4	50	294	52	3,456	23,364	68.5	449	6.8
GRAYSON RECC	58	105	163	53	11	80	307	44	2,437	15,517	55.4	352	6.4
INTER-COUNTY ENERGY	75	57	132	64	19	65	280	62	3,572	24,869	57.6	401	7.0
JACKSON ENERGY COOP	75	91	166	66	8	60	300	134	5,621	50,684	42.0	380	9.1
LICKING VALLEY RECC	72	74	146	37	6	61	250	44	2,014	17,085	48.0	388	8.0
NOLIN RECC	79	91	170	59	21	77	327	93	2,841	36,649	30.6	330	10.8
OWEN EC	74	70	144	65	5	53	267	135	4,400	55,141	33.0	408	12.5
SALT RIVER ELECTRIC	40	39	79	46	7	55	167	78	3,847	44,979	49.3	577	11.7
SHELBY ENERGY COOP	72	97	169	54	11	48	280	31	2,025	15,053	65.0	486	7.0
SOUTH KENTUCKY RECC	49	87	136	52	9	54	251	158	6,540	61,869	41.4	391	9.5
TAYLOR COUNTY RECC	62	57	119	40	5	48	212	55	3,135	24,483	57.0	445	7.8
EKPC GROUP AVERAGE	57	80	137	53	10	62	262	76	3,400	31,397	44.7	413	9.2
JACKSON PURCHASE ENERGY	62	120	182	38	10	70	300	79	3,244	28,461	41.1	360	8.8
KENERGY CORP	79	159	238	50	6	60	354	156	6,944	53,860	44.5	345	7.8
MEADE COUNTY RECC	68	85	153	44	8	45	250	66	2,837	27,008	45.0	409	9.2
BIG RIVERS GROUP AVERAGE	70	121	191	44	8	58	301	100	4,375	36,443	43.8	364	8.3
HICKMAN-FULTON COUNTIES RECC	85	202	287	45	4	124	460	13	685	3,736	52.7	287	5.5
PENNYRILE RECC	60	74	134	43	7	51	235	122	5,022	45,877	41.2	376	9.1
TRI-COUNTY EMC	81	65	146	47	11	36	240	137	5,427	49,561	39.6	362	9.1
WARREN RECC	69	93	162	50	14	76	302	149	5,556	57,431	37.0	385	10.3
WEST KENTUCKY RECC	65	138	203	61	5	44	313	86	3,970	37,639	46.2	438	9.5
TVA GROUP AVERAGE	72	114	186	49	8	66	308	101	4,132	38,849	40.9	385	9.4
OVERALL AVERAGE	62	92	154	51	9	62	276	85	3,674	33,580	43.2	395	9.1

KENTUCKY ELECTRIC COOPERATIVES  
OPERATING EXPENSE STATISTICAL COMPARISONS  
AVERAGE ANNUAL BASIS

Exhibit 17  
Page 18 of 18

COOPERATIVE NAME	DISTRIBUTION OPERATION PER MILE	DISTRIBUTION MAINTENANCE PER MILE	TOTAL OP. & MAINT. PER MILE	CONSUMER ACCOUNTING PER MILE	CONSUMER INFORMATION PER MILE	ADM. & GEN. EXPENSE PER MILE	TOTAL EXPENSE PER MILE	NUMBER OF EMPLOYEES	MILES OF LINE	RESIDENTIAL CONSUMERS BILLED	TOTAL RESIDENTIAL REVENUES	AVERAGE MONTHLY RES'L REV
BIG SANDY RECC	90	1,069	1,159	709	142	1,211	3,221	44	1,016	11,985	14,192,128	98.7
BLUE GRASS ENERGY COOP	533	782	1,315	557	190	877	2,939	115	4,487	51,011	61,513,915	100.5
CLARK ENERGY COOP	550	636	1,186	370	52	430	2,038	53	2,966	23,668	27,327,922	95.4
CUMBERLAND VALLEY ELECTRIC	474	810	1,284	537	73	510	2,404	52	2,559	21,861	24,946,723	95.1
FARMERS RECC	242	484	726	252	74	437	1,499	71	3,481	21,745	23,743,770	91.0
FLEMING-MASON ENERGY	358	838	1,196	426	27	338	1,987	52	3,456	17,424	20,907,145	100.0
GRAYSON RECC	369	669	1,038	337	70	509	1,954	44	2,437	14,239	16,223,795	95.0
INTER-COUNTY ENERGY	522	397	919	446	132	453	1,950	62	3,572	23,629	26,203,005	99.5
JACKSON ENERGY COOP	679	824	1,503	597	72	543	2,715	134	5,621	47,410	60,198,165	105.8
LICKING VALLEY RECC	611	628	1,239	314	51	517	2,121	44	2,014	15,961	18,373,586	95.9
NOLIN RECC	852	982	1,834	636	227	831	3,528	93	2,841	28,643	33,591,739	97.7
OWEN EC	927	877	1,804	815	63	664	3,346	135	4,400	52,935	58,817,668	92.6
SALT RIVER ELECTRIC	468	456	924	538	82	643	2,187	78	3,847	42,236	49,796,107	98.3
SHELBY ENERGY COOP	535	721	1,256	401	82	342	2,081	31	2,025	14,485	17,764,401	102.3
SOUTH KENTUCKY RECC	464	823	1,287	492	85	511	2,375	158	6,540	57,044	59,324,021	86.7
TAYLOR COUNTY RECC	484	445	929	312	39	375	1,655	55	3,135	21,774	22,725,012	87.0
EKPC GROUP AVERAGE	510	715	1,225	484	91	574	2,374	76	3,400	29,141	33,604,445	96.1
JACKSON PURCHASE ENERGY	544	1,053	1,597	333	88	614	2,632	79	3,244	25,608	23,847,968	77.6
KENERGY CORP	613	1,233	1,846	388	47	465	2,746	156	6,944	44,420	43,955,854	82.5
MEADE COUNTY RECC	625	782	1,407	405	74	414	2,300	66	2,937	25,001	20,297,372	67.7
BIG RIVERS GROUP AVERAGE	594	1,023	1,617	375	70	498	2,560	100	4,375	31,676	29,367,075	77.3
HICKMAN-FULTON COUNTIES RECC	464	1,102	1,566	245	22	676	2,509	13	685	2,972	4,311,951	120.9
PENNYRILE RECC	548	676	1,224	393	64	468	2,147	122	5,022	36,137	48,880,787	112.7
TRI-COUNTY EMC	740	594	1,334	429	100	329	2,192	137	5,427	40,263	52,780,772	109.2
WARREN RECC	713	961	1,674	517	145	788	3,122	149	5,556	47,977	64,825,495	112.6
WEST KENTUCKY RECC	616	1,308	1,924	578	47	417	2,966	86	3,970	30,568	41,180,556	112.3
TVA GROUP AVERAGE	616	928	1,544	432	76	535	2,567	101	4,132	31,583	42,397,912	111.9
OVERALL AVERAGE	543	798	1,341	460	85	557	2,443	85	3,674	29,967	34,906,746	97.1

REPORT NO. 168.1

BORROWER STATISTICAL PROFILE

12/13/07

KY 37 OWEN ELECTRIC COOPERATIVE INC

SUPPLIED BY: East Kentucky Power Coop, Inc (KY059)

ITEM	BORROWER DATA			MEDIAN VALUES			STATE VALUES					FLAG
	2004	2005	2006	U.S.	PEER GROUP	STATE	MAX	Q3	Q1	MIN		
FINANCIAL RATIOS												
1. TIER (ONE YEAR)	2.55	2.39	1.28	2.26	1.26	1.28	3.37	1.56	0.91	0.27		
2. AVERAGE TIER	4.42	3.42	2.47	2.42	1.58	1.68	3.68	1.92	1.27	0.83	HI	
3. OTIER (ONE YEAR)	2.38	2.24	1.20	1.75	1.09	1.14	3.02	1.41	0.73	0.02		
4. AVERAGE OTIER	2.43	2.43	2.31	1.94	1.31	1.51	3.43	1.74	0.99	0.78	HI	
5. MTIER (ONE YEAR)	2.46	2.31	1.20	1.90	1.18	1.23	3.27	1.52	0.87	0.23		
6. DSC (ONE YEAR)	2.91	2.72	2.04	1.97	1.47	1.47	3.06	1.77	1.10	0.82	HI	
7. AVERAGE DSC	3.92	3.38	2.82	2.14	1.58	1.65	3.16	2.02	1.40	1.21	HI	
8. ODSC (ONE YEAR)	2.82	2.63	1.99	1.70	1.36	1.36	2.85	1.80	1.06	0.33	HI	
9. AVERAGE ODSC	2.85	2.85	2.72	1.86	1.50	1.58	3.02	1.95	1.35	0.80	HI	
10. MDSC (ONE YEAR)	2.87	2.67	1.99	1.76	1.43	1.43	3.01	1.76	1.08	0.78	HI	
11. PRR (ONE YEAR)	5.99	6.10	6.51	6.39	6.59	6.58	7.89	7.17	5.98	5.63		
12. EQUITY RATIO %	38.01	38.80	36.48	41.64	35.76	36.02	61.43	38.51	28.69	24.76		
13. MODIFIED EQUITY %	24.53	25.62	23.95	32.83	22.88	24.21	47.31	33.81	19.50	12.06		
14. OPERATING REVENUE / MILE \$	22758.90	25505.57	29440.63	9056.65	14646.77	15544.25	46635.60	19129.31	11756.42	9292.12	HI	
15. GENERAL FUNDS/TOTAL PLANT %	3.34	1.07	1.03	4.45	1.22	2.25	10.40	6.01	1.13	0.11	LO	
16. CURRENT RATIO	0.59	0.84	0.59	1.34	1.01	1.01	3.04	1.66	0.72	0.49	LO	
17. OPERATING MARGINS/RATE BASE%	2.50	2.83	0.42	1.93	0.23	0.38	4.19	1.15	-1.11	-7.00		
18. RATE OF RETURN ON RATE BASE%	4.86	5.63	3.51	4.95	3.61	3.61	7.46	4.63	2.56	0.53		
19. PAT.CAP.RETIRED/ TOT P.CAP.%	23.75	24.40	25.98	23.34	14.30	13.14	33.51	24.49	0.00	0.00	HI	
20. PAT.CAP.RETIRED/NET MARGINS%	20.90	44.50	37.02	24.98	4.93	2.16	65.44	39.04	-0.02	-24.67		
CONSUMER RATIOS												
21. AVG. TOTAL CONSUMERS SERVED	51811.00	53598.00	55141.00	12203.00	24676.00	27734.50	61869.00	51456.75	23348.75	13089.00		
22. CONSUMERS / MILE (DENSITY)	10.82	10.98	12.64	5.85	9.12	9.17	12.89	10.49	7.84	6.38	HI	
23. CONSUMERS / EMPLOYEE	432.35	430.45	411.91	278.58	407.94	398.69	599.71	450.83	359.77	297.70		
24. LONG TERM DEBT / CONSUMER \$	1112.88	1238.94	1273.03	1788.94	1619.00	1589.40	2210.98	1826.00	1272.15	707.92		
25. DIST+GENERAL PLT/ CONSUMER \$	2629.10	2700.53	2837.27	3606.95	2856.70	2886.94	3830.04	3047.69	2644.68	2153.16		
26. NET MARGINS / AVG.CONSUMER \$	62.41	71.79	17.62	109.22	19.28	19.28	96.06	48.74	-7.46	-56.44		
27. AVG.MO.KWH/RESO CONS EX SEAS	1093.51	1127.24	1070.44	1160.92	1184.31	1222.56	1359.16	1262.84	1112.54	1042.95	LO	
28. AVG.MO.KWH/RESO CONS	1093.51	1127.24	1070.44	1114.36	1176.25	1194.86	1359.16	1262.84	1100.13	1042.95	LO	
29. CUST. ACCT. EXP. / AVG.CONS \$	56.28	56.23	65.31	52.61	53.51	51.44	65.53	59.94	43.24	37.49	HI	
30. ADM. & GEN. EXP. / AVG.CONS \$	51.67	48.10	53.19	103.59	57.88	57.88	93.76	70.92	49.76	44.30		
31. CUST SERV &INFO / AVG.CONS \$	7.34	5.65	5.23	10.38	8.72	8.31	21.12	10.49	4.11	0.96		
32. O+M+A&G+CUST ACCT/AVG.CONS \$	246.25	231.31	261.92	339.50	258.39	261.21	348.87	290.35	231.31	179.36		
33. PWR COST+TAX+DEP+INT/AVGCON\$	1807.02	2043.31	2065.38	1260.82	1342.09	1372.69	5704.14	1777.30	1200.73	749.41	HI	

ITEM	BORROWER DATA			MEDIAN VALUES			STATE VALUES				
	2004	2005	2006	U.S.	PEER GROUP	STATE	MAX	Q3	Q1	MIN	FLAG
<b>EMPLOYEE COSTS</b>											
34. NUMBER OF EMPLOYEES	121.00	126.00	135.00	44.00	58.50	74.50	158.00	125.00	52.00	31.00	
35. AVERAGE RATE PER HOUR \$	25.85	26.58	26.18	24.43	24.02	24.75	32.01	25.85	21.81	20.23	HI
36. OVERTIME HOURS/TOTAL HOURS %	9.15	11.08	8.61	5.03	6.07	6.30	10.57	8.77	4.88	3.32	
37. CAPITLZD PAYROLL/TOTAL PAY %	32.82	32.38	32.18	23.55	26.37	27.27	35.80	31.95	23.86	17.81	HI
<b>MWH SOLD</b>											
38. MWH SOLD / 1000	2008.54	2052.51	2076.64	237.94	498.63	686.54	9378.88	1129.27	431.69	249.71	
39. ANNUAL % CHANGE IN KWH SOLD%	5.06	2.19	1.18	1.60	-1.51	-1.34	5.26	0.71	-2.93	-4.34	HI
40. MWH / MILE OF LINE	415.33	415.49	471.96	99.74	181.89	193.60	1350.64	259.17	142.37	102.61	HI
41. REVENUE / MWH (RESID EX SEAS) \$	72.18	80.05	86.50	93.65	81.03	81.03	91.04	85.96	78.35	61.83	HI
42. OP.REV / MWH (TOTAL SALES) \$	54.80	61.39	62.38	87.15	78.61	78.09	90.55	83.35	71.19	34.53	LO
43. OP.REV LESS COST POWER/MWH \$	12.46	12.75	12.82	34.31	20.05	20.66	31.24	27.53	18.93	3.03	LO
44. COST OF POWER / MWH SOLD \$	42.33	48.63	49.56	55.93	57.33	57.33	61.66	59.09	54.10	31.50	LO
45. COMM+IND+IRR MWH/TOTAL MWH %	66.86	65.48	66.67	34.52	33.79	36.55	92.40	50.76	27.49	21.79	HI
46. O+M+A&G+CUST ACCT EXP /MWH \$	6.35	6.04	6.95	17.79	12.39	12.39	18.36	14.92	9.15	2.00	LO
<b>PLANT INVESTMENT</b>											
47. TOTAL PLANT / 1000	\$149986.75	159561.81	173365.62	50794.44	77543.44	87030.00	217727.31	162035.37	58176.50	36563.26	
48. TOTAL PLANT / MWH SOLD \$	74.67	77.74	83.48	220.51	141.18	141.18	214.29	180.21	111.49	23.21	LO
49. TOTAL PLANT / MILE OF LINE \$	31014.63	32299.84	39401.28	22102.83	27088.74	28240.59	39401.28	31875.08	24073.69	16796.30	HI
50. O+M EXP/ \$1000 TOTAL PLANT \$	47.77	42.65	45.62	43.67	46.47	47.52	67.00	53.31	42.65	33.05	
51. TAXES / \$1000 TOTAL PLANT \$	0.67	0.64	0.72	4.28	0.52	0.53	18.70	0.98	0.47	0.01	
52. ACCUM. DEPREC/PLANT IN SVC %	30.44	31.75	32.67	31.23	24.51	24.82	40.80	30.47	20.59	14.75	HI
53. NET NEW PLANT/TOTAL PLANT %	6.68	6.38	8.65	5.57	5.57	5.98	9.96	7.91	4.66	4.12	HI
54. GENERAL PLANT / CONSUMER \$	161.23	172.12	201.98	265.52	153.63	155.48	242.59	190.00	124.03	93.04	HI
55. HEADQTR PLANT / CONSUMER \$	195.40	190.20	185.51	129.33	104.33	112.68	308.14	143.06	62.77	21.14	HI
<b>LONG TERM DEBT</b>											
56. LONG TERM DEBT/TOTAL ASSETS%	41.56	46.67	46.59	46.61	51.52	51.52	61.53	56.73	47.67	30.92	LO
57. INTEREST L.T. /AVG L.T.DEBT%	3.61	4.42	5.04	5.26	5.29	5.29	6.13	5.48	5.06	4.56	LO
58. RUS DEBT / TOTAL L.T. DEBT %	45.33	55.90	60.63	80.67	83.68	80.61	92.87	87.22	66.58	49.14	LO
<b>REVENUE</b>											
59. INTEREST EXP. / OP.REVENUE %	1.89	2.20	2.68	5.16	4.96	4.95	7.65	6.84	3.06	1.60	LO
60. INT. EXP./OP.REV-POWER COST%	8.31	10.58	13.06	13.59	18.45	18.22	31.11	20.20	13.76	9.58	LO
61. COST OF POWER / OP.REVENUE %	77.25	79.22	79.44	60.87	74.05	74.05	91.24	75.09	66.85	56.80	HI
<b>OPERATING RATIOS</b>											
62. ELEC.INV. TURNOVER RATIO	3.24	2.29	2.43	1.69	2.36	2.35	7.19	2.72	1.89	0.95	
63. ELEC.INV. EOY /TOTAL PLANT %	0.51	0.65	0.67	1.24	0.71	0.71	2.16	0.82	0.55	0.31	
64. CONSTR W.I.P./PLT ADDITIONS%	19.80	25.60	40.34	25.41	14.95	17.99	70.92	26.59	6.68	-0.58	HI
65. NET NEW SERVICE/TOTAL SERV %	3.13	3.25	2.77	1.60	1.84	1.77	2.97	2.47	1.37	0.13	HI
66. IDLE SERVICE/TOTAL SERVICE %	8.86	7.36	6.92	8.02	9.07	8.87	17.63	13.61	5.72	1.96	
67. ANNUAL LOAD FACTOR	68.05	60.65	59.09	50.32	47.67	48.54	86.28	56.07	45.74	40.96	HI
<b>SYSTEM LOSS</b>											
68. SYSTEM LOSS %	1.86	2.20	2.61	5.95	4.61	4.61	6.51	5.38	3.01	-2.94	LO
69. TOT.HRS.OUTAGE PER CONS(1YR)	3.40	2.29	2.56	3.13	3.02	3.37	11.07	6.04	2.04	1.00	
70. AMT. OVER 60 DAYS/OPER.REV %	0.06	0.13	0.06	0.20	0.09	0.10	0.90	0.37	0.06	0.03	
71. AMT. WRITTEN OFF /OPER.REV %	0.17	0.16	0.27	0.18	0.39	0.31	0.63	0.43	0.23	0.06	
72. OTHER INTR INC-EXP/\$1000 PLT	-1.99	-0.70	-0.52	2.60	0.76	1.39	34.76	3.96	-0.56	-2.50	



United States Department of Agriculture  
Rural Development

Exhibit 18  
Page 3 of 5

NOV 27 2006

SUBJECT: Borrower Statistical Profile

TO: Electric Program Distribution Borrowers

FROM: JOSEPH S. BADIN  
Director  
Northern Regional Division  
Electric Programs

A handwritten signature in black ink that reads "Joseph S. Badin". The signature is written in a cursive style.

Enclosed is a copy of the current Borrower Statistical Profile (BSP) for your cooperative, along with an explanation of how the ratios were calculated.

If you have any questions concerning the BSP information, you can contact your local General Field Representative or the regional area office.

Enclosures

1400 Independence Ave, S W Washington DC 20250-0700  
Web: <http://www.rurdev.usda.gov>

Committed to the future of rural communities

"USDA is an equal opportunity provider, employer and lender."  
To file a complaint of discrimination, write USDA, Director, Office of Civil Rights,  
1400 Independence Avenue, S.W., Washington, DC 20250-9410 or call (800) 795-3272 (Voice) or (202) 720-6382 (TDD)

Exhibit 18  
Page 4 of 5  
10/12/06

REPORT NO. 168.1

BORROWER STATISTICAL PROFILE

KY 37 OWEN ELECTRIC COOPERATIVE INC

SUPPLIED BY: East Kentucky Power Coop, Inc (KY0059)

ITEM	BORROWER DATA			MEDIAN VALUES			STATE VALUES			MIN	FLAG
	2003	2004	2005	U.S.	PEER GROUP	STATE	MAX	Q3	Q1		
<b>FINANCIAL RATIOS</b>											
1. TIER (ONE YEAR)	4.30	2.55	2.39	2.19	1.45	1.71	182.60	2.06	1.24	0.31	HI
2. AVERAGE TIER	4.42	4.42	3.43	2.43	2.15	2.04	152.46	2.49	1.87	1.53	HI
3. OTIER (ONE YEAR)	2.48	2.38	2.24	1.79	1.27	1.45	156.56	1.97	0.85	0.39	HI
4. AVERAGE OTIER	2.36	2.43	2.43	2.01	1.47	1.60	131.05	1.95	1.35	0.89	HI
5. MTIER (ONE YEAR)	2.51	2.46	2.31	1.85	1.41	1.64	182.60	2.00	1.19	0.27	HI
6. DSC (ONE YEAR)	3.85	2.91	2.72	1.99	1.55	1.64	60.28	2.03	1.29	0.99	HI
7. AVERAGE DSC	3.93	3.93	3.38	2.15	2.02	2.01	57.18	2.36	1.72	1.43	HI
8. ODSC (ONE YEAR)	2.88	2.82	2.63	1.76	1.50	1.60	55.65	1.96	1.22	0.76	HI
9. AVERAGE ODSC	2.77	2.85	2.85	1.90	1.67	1.74	53.04	1.97	1.53	0.89	HI
10. MDSC (ONE YEAR)	2.89	2.87	2.67	1.80	1.53	1.63	60.28	2.02	1.27	0.97	HI
11. PRR (ONE YEAR)	5.97	5.99	6.10	6.43	6.64	6.20	7.78	7.00	5.69	4.73	
12. EQUITY RATIO %	39.01	38.01	38.80	41.81	35.39	36.14	87.57	41.35	30.81	26.87	
13. MODIFIED EQUITY %	24.66	24.53	25.62	33.11	22.38	25.73	87.57	35.41	21.09	14.90	
14. OPERATING REVENUE / MILE \$	20119.64	22756.60	25505.57	8525.94	14181.20	14332.05	41831.51	18636.92	11540.47	9316.93	HI
15. GENERAL FUNDS/TOTAL PLANT %	2.45	3.34	1.07	4.30	1.43	1.75	18.81	4.70	1.09	0.13	LO
16. CURRENT RATIO	0.58	0.59	0.84	1.28	1.10	1.12	3.80	1.67	0.84	0.62	
17. OPERATING MARGINS/RATE BASE%	2.82	2.50	2.83	1.97	0.74	1.21	5.27	2.83	-0.88	-1.84	
18. RATE OF RETURN ON RATE BASE%	5.05	4.86	5.63	4.85	4.38	4.46	7.03	5.51	2.71	1.16	HI
19. PAT.CAP.RETIRED/ TOT P.CAP.%	22.88	23.75	24.40	23.39	13.43	13.28	49.78	24.40	0.00	0.00	
20. PAT.CAP.RETIRED/NET MARGINS%	15.53	20.90	44.50	26.59	14.57	13.86	162.65	55.21	0.00	-12.83	
<b>CONSUMER RATIOS</b>											
21. AVG. TOTAL CONSUMERS SERVED	49940.00	51811.00	53598.00	11847.00	24295.00	26515.00	60922.00	50438.00	22993.00	3739.00	
22. CONSUMERS / MILE (DENSITY)	10.64	10.82	10.98	5.83	9.04	9.05	12.85	10.30	7.75	5.46	HI
23. CONSUMERS / EMPLOYEE	445.18	432.35	430.45	276.69	417.85	395.49	585.29	462.64	350.52	287.08	
24. LONG TERM DEBT / CONSUMER \$	1122.92	1112.88	1238.94	1687.57	1452.13	1403.67	2325.71	1769.06	1211.94	8.34	
25. DIST+GENERAL PLT/ CONSUMER \$	2544.84	2629.10	2700.53	3447.65	2709.68	2725.30	3706.47	2975.04	2588.36	2087.17	
26. NET MARGINS / AVG.CONSUMER \$	134.02	62.41	71.79	98.98	32.69	42.83	113.89	82.31	13.70	-38.51	
27. AVG.MO.KWH/RESD CONS EX SEAS	1080.82	1093.51	1127.24	1177.87	1248.71	1307.84	1412.03	1347.37	1139.73	1091.12	LO
28. AVG.MO.KWH/RESD CONS	1080.82	1093.51	1127.24	1131.92	1227.35	1298.50	1412.03	1347.37	1127.24	1091.12	
29. CUST. ACCT. EXP./ AVG.CONS \$	57.19	56.28	56.23	50.62	51.70	50.59	64.17	56.23	42.26	37.12	
30. ADM. & GEN. EXP./ AVG.CONS \$	47.29	51.67	48.10	98.60	59.13	57.02	106.39	71.05	48.10	41.65	
31. CUST SERV &INFO / AVG.CONS \$	9.72	7.34	5.65	9.65	8.47	6.83	20.86	8.90	3.70	1.19	
32. O+M+A&G+CUST ACCT/AVG.CONS \$	236.66	246.25	231.31	324.47	240.05	252.30	405.91	285.35	230.85	180.48	
33. PWR COST+TAX+DEP+INT/AVGCONS	1611.03	1807.02	2043.31	1202.99	1279.28	1297.65	5072.99	1594.97	1145.03	758.71	HI

ITEM	BORROWER DATA			MEDIAN VALUES			STATE VALUES			MIN	FLAG
	2003	2004	2005	U.S.	PEER GROUP	STATE	MAX	Q3	Q1		
EMPLOYEE COSTS											
34. NUMBER OF EMPLOYEES	114.00	121.00	126.00	43.00	58.00	71.00	161.00	122.00	48.00	13.00	
35. AVERAGE RATE PER HOUR \$	24.87	25.85	26.58	23.74	23.49	24.41	28.66	25.68	21.07	19.75	HI
36. OVERTIME HOURS/TOTAL HOURS %	8.21	9.15	11.08	5.81	6.57	6.82	13.05	8.96	4.70	2.82	HI
37. CAPITLZD PAYROLL/TOTAL PAY %	30.49	32.82	32.38	23.03	26.10	26.12	35.45	31.50	22.50	17.62	HI
MWH SOLD											
38. MWH SOLD / 1000	1911.74	2008.54	2052.51	226.72	508.71	648.36	9348.04	1133.47	428.77	99.14	
39. ANNUAL % CHANGE IN KWH SOLD%	1.47	5.06	2.19	4.49	6.04	5.94	9.43	6.84	1.66	-6.45	
40. MWH / MILE OF LINE	400.66	415.29	415.49	98.29	186.28	197.49	1351.85	258.71	145.76	108.22	HI
41. REVENUE / MWH(RESD EX SEAS)\$	68.69	72.18	80.05	87.80	75.80	75.76	88.20	80.06	72.89	61.88	
42. OP.REV / MWH(TOTAL SALES) \$	50.22	54.80	61.39	82.71	72.26	72.04	86.09	79.50	68.10	30.94	LO
43. OP.REV LESS COST POWER/MWH \$	12.32	12.46	12.75	33.35	18.62	19.60	30.85	25.81	17.68	3.13	LO
44. COST OF POWER / MWH SOLD \$	37.90	42.33	48.63	51.82	54.04	53.68	55.44	54.62	50.62	27.81	LO
45. COMM+IND+IRR MWH/TOTAL MWH %	66.84	66.86	65.48	33.46	33.00	36.22	92.15	50.07	27.86	20.93	HI
46. O+M+A&G+CUST ACCT EXP /MWH \$	6.18	6.35	6.04	17.25	11.10	11.20	17.39	14.10	8.71	1.94	LO
PLANT INVESTMENT											
47. TOTAL PLANT / 1000	\$140589.31	149986.75	159561.81	47814.01	71937.69	79833.25	209103.12	147346.69	54455.87	11844.18	
48. TOTAL PLANT / MWH SOLD \$	73.54	74.67	77.74	213.56	130.57	130.00	200.48	173.66	106.65	22.37	LO
49. TOTAL PLANT / MILE OF LINE \$	29464.70	31011.49	32299.84	21255.12	26015.14	26132.54	35277.77	30239.07	22757.90	16106.67	HI
50. O+M EXP / \$1000 TOTAL PLANT \$	46.95	47.77	42.65	44.11	46.60	46.96	79.68	55.46	42.65	36.95	
51. TAXES / \$1000 TOTAL PLANT \$	0.73	0.67	0.64	4.63	0.51	0.53	18.53	2.65	0.45	0.02	
52. ACCUM. DEPREC/PLANT IN SVC %	29.55	30.44	31.75	31.27	24.47	25.90	46.92	30.20	21.98	14.00	HI
53. NET NEW PLANT/TOTAL PLANT %	11.90	6.68	6.38	4.99	5.95	5.79	8.59	6.51	4.99	3.53	
54. GENERAL PLANT / CONSUMER \$	150.62	161.23	172.12	256.60	145.80	155.48	290.34	180.04	122.46	92.02	
55. HEADQTR PLANT / CONSUMER \$	192.22	195.40	190.20	126.70	78.77	80.26	294.54	116.74	62.43	20.19	HI
LONG TERM DEBT											
56. LONG TERM DEBT/TOTAL ASSETS%	43.41	41.56	46.67	46.35	52.66	50.16	59.67	55.91	46.41	0.33	
57. INTEREST L.T. /AVG L.T.DEBT%	3.70	3.61	4.42	5.10	4.46	4.77	6.42	5.05	4.25	3.80	
58. RUS DEBT / TOTAL L.T. DEBT %	41.00	45.33	55.90	78.90	81.90	78.12	100.00	85.70	66.03	42.73	LO
REVENUE											
59. INTEREST EXP. / OP.REVENUE %	2.11	1.89	2.20	4.90	4.25	4.09	6.51	5.43	2.80	0.03	LO
60. INT. EXP./OP.REV-POWER COST%	8.61	8.31	10.58	13.07	15.24	14.92	21.44	15.75	12.53	0.09	LO
61. COST OF POWER / OP.REVENUE %	75.47	77.25	79.22	60.11	73.94	73.23	89.88	74.54	67.14	57.52	HI
OPERATING RATIOS											
62. ELEC.INV. TURNOVER RATIO	3.05	3.24	2.29	1.58	2.25	2.21	6.07	3.02	1.68	-0.69	
63. ELEC.INV. EOY /TOTAL PLANT %	0.42	0.51	0.65	1.18	0.69	0.71	2.15	0.87	0.55	0.33	
64. CONSTR W.I.P./PLT ADDITIONS%	10.17	19.80	25.60	29.58	20.59	22.58	89.38	44.92	11.13	1.65	
65. NET NEW SERVICE/TOTAL SERV %	3.68	3.13	3.25	1.63	1.88	1.73	4.41	2.68	1.16	0.41	HI
66. IDLE SERVICE/TOTAL SERVICE %	8.70	8.86	7.36	8.13	8.21	8.34	17.38	13.30	5.50	1.03	
67. ANNUAL LOAD FACTOR %	65.64	68.05	60.65	51.12	48.83	50.18	86.60	55.97	45.92	42.86	HI
68. SYSTEM LOSS %	2.32	1.86	2.20	6.27	4.68	4.89	7.05	5.90	4.28	0.53	LO
69. TOT.HRS.OUTAGE PER CONS(1YR)	3.04	3.40	2.29	3.47	2.02	2.11	11.41	3.28	1.67	0.50	
70. AMT. OVER 60 DAYS/OPER.REV %	0.13	0.06	0.13	0.22	0.13	0.13	0.87	0.28	0.06	0.00	
71. AMT. WRITTEN OFF /OPER.REV %	0.11	0.17	0.16	0.18	0.30	0.26	3.21	0.36	0.20	0.07	LO
72. OTHER INTR INC-EXP/\$1000 PLT	-0.80	-1.99	-0.70	2.05	0.68	1.16	24.28	3.41	-0.45	-1.60	LO



Owen Electric Cooperative  
Case No. 2008-00154  
Capitalization Policies

Benefits  
Distribution

107.20	Construction work in progress	1,505,583
108.80	Retirement work in progress	127,277
143.00	AR, other	35,589
163.00	Stores	168,674
184.00	Transportation	70,119
242.51	Employee sick leave	6,291
426.00	Donations	722
580.00	Operations	63,912
582.00	Station	4,477
583.00	Overhead line	266,735
584.00	Underground	59,829
586.00	Meter	322,922
587.00	Constr Install Eqt	122,380
588.00	Miscellaneous distribution	118,743
590.00	Maintenance	19,514
593.00	Overhead line	253,364
593.10	Right of way	212,049
594.00	Underground	54,174
597.00	Meters	5,350
901.00	Supervision, customer accounts	52,273
902.00	Meter reading	72,984
903.00	Consumer records	609,910
907.00	Supervision customer assistance	16,050
908.00	Consumer assistance	54,617
913.00	Demonstration and selling	33,378
920.00	Administrative	519,396
926.00	Employee benefits	176,337
930.00	Miscellaneous	12,313
935.00	Maintenance general plant	<u>33,945</u>
	Total	<u>4,998,908</u>

Benefits include the following:

Medical insurance	1,461,351
Life insurance and disability	129,766
Retirement	1,145,323
Savings plan 401(k)	289,361
Employee vacation and sick leave	230,255
Postretirement benefits	919,125
Workers' compensation	195,760
Payroll taxes	<u>627,967</u>
	<u>4,998,908</u>

Owen Electric accumulates all benefits, then allocates these to accounts based on the labor distribution for the month. The above is the actual allocation for the test year for the above benefits

Number of employees	134
Average per employee	\$37,305

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**Owen Electric Cooperative  
Case No 2008-00154  
By - Law Changes**

Substantially all sections of the member By-Laws of Owen Electric Cooperative have changed or been reworded since the last general rate case was filed in 1982.

Attached are the current member By-Laws as well as as the By-Laws in effect at the time of the last general rate case filing.

# BYLAWS OF OWEN ELECTRIC COOPERATIVE, INC.

Revised March 2008

## ARTICLE I MEMBERSHIP

**SECTION 1. Requirements for Membership.** Any natural person, firm, association, corporation, body politic, or subdivision thereof, shall become a member of Owen Electric Cooperative, Inc., (hereinafter called the "Cooperative") upon the occurrence of either of the following:

- (a) Signing of an application for membership in the Cooperative and payment of the membership fee hereinafter specified; or
- (b) Payment of the first bill received from the Cooperative for electric energy and the membership fee hereinafter specified

Provided, however, the membership application or payment of the first electric bill shall be accompanied by the membership fee provided for in Section 4, together with any service security deposit, service connection deposit or fee, facility extension fee or contribution in aid of construction [hereinafter referred to as other deposits or fees] that may be required by the Cooperative. No member may hold more than one membership in the Cooperative, and no membership in the Cooperative shall be transferable, except as provided in these bylaws. A member shall comply with and be bound by all of the provisions of the Articles of Incorporation and Bylaws of the Cooperative and such rules, regulations and policies as may, from time to time, be adopted by the Cooperative Board of Directors.

**SECTION 2. Membership.** Membership in the Cooperative shall be evidenced in such form and shall contain such provisions as shall be determined by the board of directors.

**SECTION 3. Joint Membership.** A husband and/or wife that applies for membership in the Cooperative, regardless of whether one or both sign the Application for Membership as referred to in Section 1(a) of this Article, shall be considered to hold a joint membership and any provisions relating to the rights and liabilities of membership shall apply equally with respect to the holders of a joint membership. Without limiting the generality of the foregoing, the effect of the hereinafter specified actions by or in respect of the holders of a joint membership shall be as follows:

- (a) The presence at a meeting of either or both shall be regarded as the presence of one member and shall constitute a joint waiver of notice of the meeting;
- (b) The vote of either separately or both jointly shall constitute one joint vote;
- (c) A waiver of notice signed by either or both shall constitute a joint waiver;
- (d) Notice to either shall constitute notice to both;
- (e) Expulsion of either shall terminate the joint membership;
- (f) Withdrawal of either shall terminate the joint membership;
- (g) Either but not both, may be elected or appointed as an officer or board member, provided that both meet the qualifications for such office; and
- (h) Upon the death of either spouse, such membership shall be held solely by the survivor. Provided, however, the Estate of the deceased shall not be released of any debts due the Cooperative

**SECTION 4. Membership Fees.** The membership fee shall be TWENTY-FIVE DOLLARS (\$25.00), upon the payment of which, a member shall be eligible for any number of service connections

**SECTION 5. Purchase of Electric Power and Energy; Power Production by Member; Application of Payments to All Accounts.** The Cooperative shall use reasonable diligence to furnish its members with ade-

quate and dependable electric service, although it cannot and therefore does not guarantee an uninterrupted and/or distortion-free supply thereof; and each member, for so long as such premises are owned or directly occupied or used by him, shall purchase from the Cooperative all electric power and energy purchased for use on all premises to which electric service has been furnished by the Cooperative pursuant to his membership, unless and except to the extent that the board of directors may in writing waive such requirement, and shall pay therefor at the times, and in accordance with the rules, regulations, rate classifications and rate schedules (including any monthly minimum amount that may be charged without regard to the amount of electric power and energy actually used), established by the board of directors and Public Service Commission, and, if in effect, in accordance with the provisions of any supplemental contract that may have been entered into as provided for in Section 1

Production or use of electric energy on such premises, regardless of the source thereof, by means of facilities which shall be interconnected with the Cooperative facilities, shall be subject to appropriate regulations as shall be fixed from time to time by the Cooperative. Each member shall also pay all other amounts owed by the member to the Cooperative as and when they become due and payable. When the member has more than one service connection from the Cooperative, any payment by such member for service from the Cooperative may, unless directed in writing by the member to the contrary, be deemed to be allocated and credited on a pro rata basis to his outstanding accounts for all such service connections, notwithstanding that the Cooperative's actual accounting procedures do not reflect such allocation and proration

The Cooperative's monthly rates will be fixed by the Kentucky Public Service Commission and/or the board of directors

## SECTION 6. Termination of Memberships.

(a) Any member may withdraw from membership upon compliance with such uniform terms and conditions as the board of directors may prescribe

The board of directors may, by the affirmative vote of not less than two-thirds, expel any member who fails to comply with any of the provisions of the Articles of Incorporation, Bylaws, or rules or regulations adopted by the board of directors, but only if such member shall have been given written notice by the Cooperative that such failure makes the member liable to expulsion and such failure shall have continued for at least ten (10) days after such notice was given. Any expelled member may be reinstated by a two-thirds vote of the board of directors or by a two-thirds vote of the members at any annual or special meeting.

The membership of a member who for a period of six (6) months after service is available to the member has not purchased electric energy from the Cooperative, or of a member who has ceased to purchase energy from the Cooperative, may be canceled by resolution of the board of directors

(b) Upon the withdrawal, death, cessation of existence or expulsion of a member, the membership of such member shall thereupon terminate. Termination of membership in any manner shall not release a member or a member's estate from any debts due the Cooperative

(c) In case of withdrawal or termination of membership in any manner, the Cooperative shall repay to the member the amount of the membership fee paid by the member, provided, however, that the Cooperative shall deduct from the amount of the membership fee the amount of any debts or obligation owed by the member to the Cooperative

(d) Any member who withdraws, terminates or otherwise leaves the Cooperative's service owing an outstanding account to the Cooperative and thereafter wishes to re-apply for service must pay a new membership fee and any outstanding account plus accrued interest thereon at the Kentucky legal rate on judgments in effect when such account first became overdue, compounded annually.

**SECTION 7. Access to Lands and Premises.** Without being paid

**ARTICLE III  
MEETING OF MEMBERS**

compensation therefor, each member or patron shall grant, transfer, convey and give to the Cooperative a perpetual easement and right and privilege of free access over, under, above, across, and through the land and premises of the member or patron to erect, construct, place, locate and build and thereafter use, operate, inspect, repair, maintain, service, replace and move its electric distribution system, new or existing lines of any type, wire, poles, anchors or appurtenant parts thereof. The member or patron specifically grants to the Cooperative the right to connect to and hook up to any existing service and/or service line and/or service facility of any type that might be located on the member or patron's land or premises for the purpose of providing and/or extending electric service to another member or patron of the Cooperative. The member or patron grants to the Cooperative the right and privilege to cut down, trim and/or treat with herbicides any and all trees, vines, bushes and/or landscaping which are of such height and/or location in proximity to the Cooperative's distribution line and/or facilities that the trees, vines, bushes and/or landscaping may interfere with and/or create a hazard to the operation of said lines and facilities. All service lines supplying the applicant with the electric energy and all switches, meters and equipment constructed or installed by the Cooperative on said land or premises shall be the sole property of the Cooperative. The Cooperative shall have the right to remove its electric distribution system of any type and all appurtenant parts thereof, upon discontinuance of service for any reason. Provided, however, upon cancellation of the contract for electric service set forth herein, the perpetual easement and right and privilege of access and maintenance of said facilities granted by provisions of the paragraph shall remain in full force and effect

**SECTION 8. Service to Non-Members.** The Cooperative shall render service to its members only; provided, however, that service may be rendered with board approval upon the same terms and conditions as are applicable to members, to non-members of the Cooperative, including any federal agency, any other state, and any county, city or political subdivision thereof to the extent of not more than ten percent (10%) of the Cooperative's total business; and provided further, that should the Cooperative acquire any electric facilities dedicated or devoted to the public use it may, for the purpose of continuing service and avoiding hardship and to an extent which together with all other persons served by the Cooperative on a non-member basis shall not exceed forty (40) percent of the Cooperative's total business, continue to serve the persons served directly from such facilities at the time of such acquisition without requiring that such persons become members; and provided further such non-members shall have the right to become members upon nondiscriminatory terms.

**SECTION 9. Participation in Load Management.** Each member shall participate in any required program and comply with related rates and service rules and regulations that may be established by the Cooperative to enhance load management, to more efficiently utilize or conserve electric energy or to conduct load research

**ARTICLE II  
RIGHTS AND LIABILITIES OF MEMBERS**

**SECTION 1. Property Interest of Members.** Upon dissolution, after all debts and liabilities of the Cooperative shall have been paid, and all capital furnished through patronage shall have been retired as provided in these Bylaws, the remaining property and assets of the Cooperative shall be distributed among the members and former members in the proportion which the aggregate patronage of each bears to the total patronage of all members according to law, during the ten (10) years next preceding the date of the filing of the certificate of dissolution.

**SECTION 2. Non-Liability for Debts of the Cooperative.** The private property of the members shall be exempt from execution for the debts of the Cooperative and no member shall be individually liable or responsible for any debts or liabilities of the Cooperative

**SECTION 3. Contract with the Cooperative.** Each member or patron of the Cooperative, by dealing with the Cooperative, acknowledges that the terms and provisions of the Articles of Incorporation and Bylaws shall constitute and be a contract between the Cooperative and each member or patron, and both the Cooperative and the members or patrons are bound by such contract, as fully as though each member or patron had individually signed a separate instrument containing such terms and provisions.

**SECTION 4. Noncompliance with Bylaws/Articles of Incorporation.** In the event a member or patron fails to comply with any of the terms of these Bylaws or the Articles of Incorporation of the Cooperative, and legal action is taken by the Cooperative to enforce such terms, the Cooperative shall be entitled to collect in such proceedings its reasonable attorney's fees and court costs

**SECTION 1. Annual Meeting.** The annual meeting of the members shall be held each year at such place within a county served by the Cooperative and on such day and at such hour as may be selected by the board, and which shall be designated in the notice of the meeting, for the purpose of electing board members, passing upon reports for the previous fiscal year and transacting such other business as may come before the meeting. It shall be the responsibility of the board to make adequate plans and preparations for the annual meeting. Failure to hold the annual meeting at the designated time shall not work a forfeiture or dissolution of the Cooperative.

**SECTION 2. Special Meetings.** Special meetings of the members may be called by resolution of a majority of the board or by four hundred or more of all the members by filing with the Secretary a request in writing stating the purpose and signed by requesting member(s), which request and petition calls for a special member meeting, the stated purpose of which shall be to hear and act upon such matter(s) as stated. Each page of the petition shall, in the forepart thereof, state the name(s) and address(es) of such member(s) filing such request(s) and a verbatim statement of such request(s). The petition shall be signed by each member in the same name as the member is billed by the Cooperative and shall state the signatory's address as the same appears on such billings. Upon filing of the request, it shall thereupon be the duty of the Secretary to cause notice of such meeting to be given as hereinafter provided. The Secretary shall verify the signatures of the members requesting a special meeting, within thirty (30) days of receipt of the request, and the meeting shall be called not less than thirty (30) days nor more than ninety (90) days following the verification of members' signatures. Special meetings of the members may be held at any place within a county served by the Cooperative in the State of Kentucky, which shall be specified in the notice of the special meeting as determined by the board of directors

The Chairman of the said meeting shall be a licensed attorney appointed by the attorney to the board, and the Cooperative shall compensate him/her for such services

**SECTION 3. Notice of Members' Meetings.** Written or printed notice stating the place, day and hour of the meeting, and in case of a special meeting or an annual meeting at which business requiring special notice is to be transacted, the purpose or purposes for which the meeting is called shall be delivered not less than ten (10) days nor more than sixty (60) days before the date of the meeting, either personally or by mail, by or at the direction of the Secretary, or upon a default in duty by the Secretary, by persons calling the meeting, to each member. If mailed, such notice shall be deemed to be delivered when deposited in the United States Mail, addressed to the member at the member's address as it appears on the records of the Cooperative, with postage thereon prepaid. The failure of any member to receive notice of an annual or special meeting of the members shall not invalidate any action which may be taken by the members at any such meeting

**SECTION 4. Quorum.** Four hundred members present in person shall constitute a quorum. If less than a quorum is present at any meeting, a majority of those present in person may adjourn the meeting from time to time without further notice. The minutes of each meeting shall contain a list of the members present in person.

**SECTION 5. Voting.** Each member shall be entitled to only one vote upon each matter submitted to a vote at a meeting of the members. All questions shall be decided by a vote of a majority of the members voting thereon in person, except as otherwise provided by law, the Articles of Incorporation or these Bylaws. The vote of a member who is a firm, association, corporation or body politic, shall be cast by the ranking officer of such member, unless such member shall have elected another person to represent it at such meeting. Such officer or representative shall at said meeting present at the registration desk either credentials of his or her authority or sign a statement that he or she is the authorized officer or representative.

The board members shall, prior to any meeting of the members at which directors are to be elected, appoint such number of Assistant Secretaries as they may deem advisable for the purpose of checking registrations

Should the board of directors fail to appoint a sufficient number of Assistant Secretaries or should it develop that the number appointed is for any reason insufficient, then the Secretary may, at or before said meeting, appoint such number of Assistant Secretaries as he or she may deem necessary from among the employees of the Cooperative. Should the Secretary be absent or fail to act, then the Board Chairman may in like manner appoint Assistant Secretaries

**SECTION 6. Proxies.** Voting by proxy is prohibited by these Bylaws

**SECTION 7. Credentials and Election Committee.** The board of directors shall, not less than seventy-five (75) days before the annual meeting of the members, appoint a Credentials and Election Committee. The Committee shall consist of an uneven number of Cooperative members, not less than five (5) nor more than seven (7), who are not members of the Nominating Committee or existing Cooperative employees, agents, officers, directors or known candidates for director, and who are not close relatives as defined in Article XI, Section 5, or members of the same household thereof. In appointing the Committee, the board shall have regard for the equitable representation of the several areas served by the Cooperative. The Committee shall elect its own chairman and secretary prior to the member meeting. If a petition or petitions are received on behalf of a candidate for inclusion on the ballot, then the Credentials and Election Committee shall meet at least thirty (30) days prior to the annual meeting to certify signatures on the petition and to determine the eligibility of such person to serve if elected. It shall be the Committee's responsibility to establish or approve the manner of conducting member registration and any ballot or other voting, to pass upon all questions that may arise with respect to the registration of members in person, to count all ballots or other votes cast in any election or in any other matter, to rule upon the effect of any ballots or other vote irregularly or indecisively marked or cast, to rule upon all other questions that may arise relating to member voting and the election of directors (including but not limited to the validity of petitions of nomination or the qualifications of candidates and the regularity of the nomination and election of directors), and to pass upon any protest or objection filed with respect to any election or to conduct affecting the results of any election. In the exercise of its responsibility, the Committee shall have available to it the advice of counsel provided by the Cooperative. In the event a protest or objection is filed concerning any election, such protest or objection may be filed with the chairman of the Credentials and Election Committee or at the principal office of the Cooperative during, or within three (3) business days following the adjournment of, the meeting in which the voting is conducted. The Committee shall thereupon be reconvened, upon notice from its chairman, not less than seven (7) days after such protest or objection is filed. The Committee shall hear such evidence as is presented by the protestor(s) or objector(s) who may be heard in person, by counsel, or both, and any opposing evidence; and the Committee, by a vote of a majority of those present and voting, shall, within a reasonable time but not later than thirty (30) days after such hearing, render its decision, the result of which may be to affirm the election, to change the outcome thereof, or to set it aside. The Committee may not affirmatively act on any matter unless a majority of the Committee is present. The Committee's decision (as reflected by a majority of those actually present and voting) on all matters covered by this Section shall be final. The Committee shall be appointed for a one (1) year term and the Cooperative may compensate them for their services.

**SECTION 8. Agenda.** No proposal shall be voted upon, or board action taken upon any matter at the Annual Meeting, unless it has been placed on the agenda at least forty (40) days prior to such meeting. Any agenda item proposed by anyone other than the board of directors shall be submitted to the headquarters office of the Cooperative or to the Secretary at least seventy (70) days prior to annual meeting by filing with the Secretary a request in writing stating the purpose of the agenda item proposed, that it be submitted to the annual meeting for consideration and signed by the requesting member(s). Any proposal determined to be legitimate by the board of directors may be placed on the agenda of the members' annual meeting.

**SECTION 9. Order of Business.** The order of business at the annual meeting of the members, as established by the board, and so far as possible, at all other meetings of the members, shall be essentially as follows:

- 1 Report on the number of members present in person in order to determine the existence of a quorum;
- 2 Reading of the notice of the meeting and proof of the due publication or mailing thereof, or the waiver or waivers of notice of the meeting, as the case may be;
- 3 Reading of unapproved minutes of previous meetings of the members, the taking of necessary action thereon;
- 4 Presentation and consideration of reports of officers, trustees, and committees;
- 5 Election of board members;
- 6 Other business; and,
- 7 Adjournment.

## ARTICLE IV BOARD MEMBERS

**SECTION 1. General Powers.** The business and affairs of the Cooperative shall be managed by a board of seven (7) members which shall exercise all of the powers of the Cooperative except such as are by law or by the Cooperative's Articles of Incorporation or Bylaws conferred upon or reserved to the members.

**SECTION 2. Election and Tenure of Office.** Either two (2) or three (3) board members shall be elected at each annual meeting of the members for terms of three (3) years according to the following schedule:

2008	2009	2010
District 4	District 2	District 1
District 5	District 6	District 3
District 7		

All contested elections shall be by secret ballot. Board members shall serve until the annual meeting in the year during which their term expires or until their successors have been elected and qualified subject to the provisions of these Bylaws as to removal of directors.

If an election of board members shall not be held on the day designated herein for the annual meeting, or at any adjournment thereof, a special meeting of the members shall be held for the purpose of electing board members within a reasonable time thereafter. Board members shall be elected by a plurality of the votes cast.

**SECTION 3. Qualifications.** To be eligible to become or remain a board member of the Cooperative a person shall:

- (a) Be a member of the Cooperative whose permanent, principal residence is presently located and has been located for the five (5) immediate past years in the district served by the Cooperative where the vacancy exists;
- (b) Not be an employee of or financially interested in a competing enterprise or a business selling electric energy or supplies to the Cooperative, or a business primarily engaged in selling electrical or plumbing appliances, fixtures or supplies to the members of the Cooperative;
- (c) Any person who is a member of Owen Electric Cooperative, Inc. may seek membership on the board of directors if that person has the legal capacity to enter into a binding contract.
- (d) Not have been employed by the Cooperative during the past five years nor be the spouse of such former employee, nor a person/spouse thereof who is covered by any retirement or insurance benefit paid for partly or completely by the Cooperative, except those who receive these benefits for serving/having served as a director or spouse of a director.

No person shall take or hold office as a board member who is the incumbent of or candidate for an elective public office in connection with which a salary is paid.

Upon establishment of the fact that a board member is holding the office in violation of any of the foregoing provisions, the board shall remove such board member from office. Nothing contained in this section shall affect in any manner whatsoever the validity of any action taken at any meeting of the board.

**SECTION 4. Districts.** The territory served or to be served by the Cooperative shall be divided into seven (7) districts, giving due consideration to population density and geographical location. Each district shall be represented by one (1) board member. The present boundaries of said (7) districts is as follows:

**District 1.** includes all of Owen County

**District 2.** includes all of Carroll County and Gallatin County

**District 3.** includes all of Grant County and Scott County

**District 4.** includes all of Pendleton County and Campbell County

**District 5.** includes portions of Boone County found in map block numbers 316-317; 330-333; 345-348; 359-363; 373-377; 387-393; 403-409; 418-424; 433-435; 447-452 on the cooperative's system maps

**District 6.** includes all of Kenton County

**District 7.** includes portions of Boone County found in map block numbers 460-466; 471-477; 480-487; 488-495; 496-501; 502-505; 506-507 on the cooperative's system maps

Not less than sixty (60) days before any meeting of the members at which board members are to be elected, the board will review the composition of the several districts for any modification as deemed appropriate.

**SECTION 5. Nominations.** It shall be the duty of the board of directors to appoint, not less than sixty (60) days, nor more than one hundred and five (105) days before the date of the meeting of the members at which directors are to be elected, a committee on nominations consisting of not less than five (5) members nor more than seven (7) members, who shall be selected so that at least one member from each district from which a director is to be elected shall serve on the nominating committee

No officer or member of the board of directors shall be appointed a member of this committee. This committee shall prepare and post at the principal office of the cooperative at least forty-five (45) days before the meeting a list of nominations for directors. However, any forty (40) or more members may make other nominations in writing over their signatures not less than forty (40) days prior to the meeting and the Secretary shall post the same at the same place where the list of nominations made by the committee is posted. Any person or persons nominating a candidate by petition shall be a member from the same district

Any nomination by member(s) shall be submitted to the headquarters office of the Cooperative or to the Secretary at least forty (40) days prior to the annual meeting by filing with the Secretary a petition calling for the nomination signed by at least forty (40) members who reside in the same district as the person who is being nominated. Each page of the petition shall, in the forepart thereof, state the name(s) and address(es) of such member(s) filing such request(s) and a verbatim statement of such nomination(s). The petition shall be signed by each member in the same name as he/she is billed by the Cooperative and shall state the signatory's address as the same appears on such billings

The secretary shall mail with the notice of the meeting a statement of the number of directors to be elected and showing separately the nominations made by the committee on nominations and the nominations made by petition, if any. The nomination from the floor by members for the office of director is expressly prohibited. Notwithstanding the provisions contained in this section, failure to comply with any of such provisions shall not affect in any manner whatsoever the validity of any action taken by the board of directors after the election of directors.

**SECTION 6. Removal of Directors by Members.** (a) Any member(s) may bring one or more charges for cause against any one or more directors and may request the removal of such director(s) at a special meeting by reason thereof. Such filing with the Secretary such charge(s) in writing signed by said member(s), together with a petition signed by not less than four hundred (400) of the members, which petition calls for a special member meeting, the stated purpose of which shall be to hear and act upon such charge(s). Each page of the petition shall, in the forepart thereof, state the name(s) and address(es) of the member(s) filing such charge(s), a verbatim statement of such charge(s) and the name(s) of the director(s) against whom such charge(s) is(are) being made. The petition shall be signed by each member in the same name as the member is billed by the Cooperative and shall state the signatory's address as the same appears on such billings. A statement of such charge(s) verbatim, the name(s) of director(s) against whom the charge(s) have been made, of the member(s) filing the charge(s) and the purpose of the meeting shall be contained in the notice of the meeting. Such director(s) shall be informed in writing of the charge(s) after they have been validly filed and at least twenty (20) days prior to the meeting of the members at which the charge(s) are to be considered, and shall have an opportunity at the meeting to be heard in person, by witnesses, by counsel or any combination of such, and to present evidence in respect to the charge(s); and the person(s) bringing the charge(s) shall have the same opportunity, but must be heard first. The question of the removal of such director(s) shall, separately for each if more than one has been charged, be considered and voted upon at such meeting; PROVIDED, that the question of the removal of a director shall not be voted upon at all unless some evidence in support of the charge(s) against him or her shall have been presented during the meeting through oral statements, documents, or otherwise, with the ruling concerning same to be made by the chairman of the special meeting. The chairman of said meeting shall be a licensed attorney appointed by the attorney to the board, and the Cooperative shall compensate him or her for such services.

(b) Any member(s) may bring one or more charge(s) for cause against one or more director(s) and may request the removal of such director(s) at the annual meeting by reason thereof, by filing at the Cooperative's principal business office a copy of a petition in the format set forth in Section 6 (a) above, at least seventy (70) days prior to such annual meeting. The petition shall be added to the agenda of the annual meeting if all the requirements for filing are met. The procedures for notifying the director(s) of the charge(s), as well as the procedure for considering such charge(s) shall be the same as set forth in Section 6 (a) above, with the exception that the licensed attorney appointed by the attorney to the board shall preside over that portion of the annual meeting during which charge(s) made against director(s) are being considered

**SECTION 7. Removal of Directors for Absence.** Any board member who is absent from three consecutive regular meetings of the board, unless

excused by the affirmative vote of a majority of the other board members, shall be deemed to have vacated his office. After declaring the vacancy to exist, the remaining board members shall proceed to fill the vacancy.

**SECTION 8. Vacancies.** All vacancies occurring in the board of directors shall be filled by a majority vote of the board of directors. A director thus elected shall serve out the unexpired term of the director whose office was originally vacated and until a successor is elected and qualified; PROVIDED that such a director shall be from the same directorate district as was the director whose office was vacated and meet all qualifications as in Article IV, Section 3

**SECTION 9. Compensation.** Board members shall not receive any salary for their services as such, except that directors of the Cooperative may by resolution authorize a fixed sum which may include insurance coverage, for each day or portion thereof spent on Cooperative business, such as attendance at meetings, conferences and training programs, or performing committee assignments when authorized by the board. If authorized by the board, board members may also be reimbursed for expenses actually and necessarily incurred in carrying out such Cooperative business or granted a reasonable per diem allowance by the board in lieu of detailed accounting for some of these expenses. No board member shall receive compensation for serving the Cooperative in any other capacity, nor shall any close relative of a board member receive compensation for serving the Cooperative, unless the payment and amount of compensation shall be specifically authorized by a vote of the members or the service by the board member or his close relative shall have been certified by the board as an emergency measure.

**SECTION 10. Retirement, Cessation of Service from the Board.** Retirement means the cessation of active service for any reason. However, if a Director resigns because of inappropriate actions that has caused or may cause embarrassment to the Cooperative, or is removed for cause as provided by Article IV, Section 6, all insurance coverage and per diem allowances shall cease at that time

**ARTICLE V  
MEETINGS OF BOARD**

**SECTION 1. Regular Meetings.** A regular meeting of the board shall be held without notice, immediately before, and at the same place as the annual meeting of the members

A regular meeting of the board shall be held without notice, immediately after, and at the same place as, the annual meeting of the members

A regular meeting of the board shall also be held monthly at such time and place within one of the counties served by the Cooperative as designated by the board. Such regular monthly meeting may be held without notice other than such resolution fixing the time and place thereof

**SECTION 2. Special Meetings.** Special meetings of the board may be called by the Chairman or by any three board members, and it shall thereupon be the duty of the Secretary to cause notice of such meeting to be given as hereinafter provided. The Chairman or board members calling the meeting shall fix the time and place for the holding of the meeting, within the Cooperative area, unless all directors consent to its being held in some other place in Kentucky or elsewhere

**SECTION 3. Notice of Directors' Meetings.** Notice of the date, time, place, and purpose of any special meeting of the board shall be delivered to each board member either personally or by mail, by or at the direction of the Secretary, or upon a default in duty by the Secretary, by the Chairman or the board member calling the meeting. If mailed, such notice shall be deemed to be delivered when deposited in the United States Mail, addressed to the board member at his or her address as it appears on the records of the Cooperative, with postage thereon prepaid, at least five (5) days before the date set for the meeting

**SECTION 4. Quorum.** A majority of the board shall constitute a quorum, provided that if less than such majority of the board is present at said meeting, a majority of the board present may adjourn the meeting from time to time, and provided further, that the Secretary shall notify any absent board members of the time and place of such adjourned meeting. The act of a majority of the board members present at a meeting at which a quorum is present shall be the act of the board, except as otherwise provided in these bylaws.

**ARTICLE VI  
OFFICERS**

**SECTION 1. Number.** The officers of the Cooperative shall be a Chairman, Vice-Chairman, Secretary, Treasurer, and such other officers as may be

determined by the board from time to time. The offices of Secretary and Treasurer may be held by the same person.

**SECTION 2. Election and Term of Office.** *The officers shall be elected by ballot, annually by and from the board at the meeting of the board held immediately after the annual meeting of the members. If the election of officers shall not be held at such meeting, such election shall be held as soon thereafter as conveniently may be. Each officer shall hold office until the first meeting of the board following the next succeeding annual meeting of the members or until his or her successor shall have been elected and shall have qualified, provided however the maximum length of time that any board member can hold consecutive terms of office is three years. A vacancy in any office shall be filled by the board for the unexpired portion of the term.*

**SECTION 3. Removal.** Any officer, agent, or employee elected or appointed by the board may be removed by the board whenever, in its judgment, the best interests of the Cooperative will be served thereby. The principal against whom such charges have been brought shall be informed in writing of the charges at least ten days prior to the board meeting at which the charges are to be considered and shall have an opportunity at the meeting to be heard in person or by counsel and to present evidence in respect of the charges; and the person or persons bringing the charges against him or her shall have the same opportunity.

**SECTION 4. Vacancies.** A vacancy in any office elected or appointed by the board of directors shall be filled by the board for the unexpired portion of the term.

**SECTION 5. Chairman of the Board.** The Chairman of the Board shall:

(a) Be the principal officer of the Cooperative and, unless otherwise determined by the members or the board, shall preside at all meetings of the members and the board;

(b) Sign, with the Secretary, deeds, mortgages, deeds of trust, notes, bonds, contracts or other instruments authorized by the board to be executed, except in cases in which the signing and execution thereof shall be expressly delegated by the board or by these bylaws to some other officer or agent of the Cooperative, or shall be required by law to be otherwise signed or executed; and,

(c) In general perform all duties incident to the office of Chairman and such other duties as may be prescribed by the board from time to time.

(d) When the Chairman, while presiding at a meeting of the members or of the board of directors, chooses to vacate the chair, and the Vice-Chairman is absent or chooses not to preside, the Chairman shall designate another person as Chairman for any part or all of the remainder of the meeting.

**SECTION 6. Vice-Chairman.** In the absence of the Chairman, or in the event of his or her inability or refusal to act, the Vice-Chairman shall perform the duties of the Chairman, and when so acting shall have all the powers of and be subject to all the restrictions upon the Chairman. The Vice-Chairman shall also perform such other duties as from time to time may be assigned to him or her by the board.

When the Vice-Chairman, while presiding at any meeting of the members or board of directors, chooses to vacate the chair, he or she shall designate another person as Chairman for any part or all of the remainder of the meeting.

**SECTION 7. Secretary-Treasurer.** The Secretary function shall be:

(a) Keeping the minutes of the meeting of the members and of the board in books provided for that purpose;

(b) Seeing that all notices are duly given in accordance with these Bylaws or as required by law;

(c) The safekeeping of the corporate books and records and the seal of the Cooperative, and affixing the seal of the Cooperative to all documents, the execution of which on behalf of the Cooperative under its seal is duly authorized in accordance with the provisions of these Bylaws;

(d) Keeping a register of the names and post office addresses of all members;

(e) Signing, with the Chairman, all documents expressly authorized by the board or the members to be executed, as provided for in Section 5;

(f) Keeping on file at all times a complete copy of the Articles of Incorporation and Bylaws of the Cooperative containing all amendments thereto (which copy

shall always be open to the inspection of any member) and at the expense of the Cooperative, furnishing a copy of the bylaws and of all amendments thereto to each member upon request therefor; and,

(g) In general performing all duties incident to the office of Secretary and such other duties as from time to time may be assigned to him or her by the board.

The Treasurer function shall be:

(a) Custody of all funds and securities of the Cooperative;

(b) The receipt of and the issuance of receipts for all monies due and payable to the Cooperative and for the deposit and investment of all such monies in the name of the Cooperative in such bank or banks as shall be selected in accordance with the provisions of these Bylaws; and,

(c) The general performance of all the duties incident to the office of Treasurer, and such other duties as from time to time may be assigned to him or her by the board.

**SECTION 8. Delegation of Secretary's and Treasurer's Responsibilities.** Notwithstanding the duties, responsibilities and authorities of the Secretary and of the Treasurer hereinbefore provided in Section 7, the board of directors by resolution may, except as otherwise limited by law, delegate, wholly or in part, the responsibility and authority for, and the regular or routine administration of, one or more of each such officer's such duties to one or more agents, other officers or employees of the Cooperative who are not directors. To the extent that the board does so delegate with respect to any such officer, that officer as such shall be released from such duties, responsibilities and authorities.

**SECTION 9. President and Chief Executive Officer.** The President and Chief Executive Officer shall be the chief operating officer of the Cooperative. He or she is charged with the duties and obligations of managing the foreseeable business affairs of the Cooperative that shall include, but is not limited to, the Cooperative's approved budget and programs, and the formulation and preparation of the agenda for each regular meeting of the board of directors. Also, the President and Chief Executive Officer shall perform such other duties and have such other authority that the board may from time to time vest in him or her.

**SECTION 10. Bonds of Officers.** The Treasurer and any other officer or agent of the Cooperative charged with responsibility for the custody of any of its funds or property shall be bonded or insured in such sum and with such surety as the board shall determine. The board in its discretion may also require any other officer, agent or employee of the Cooperative to be bonded or insured in such amount and with such surety as it shall determine.

**SECTION 11. Indemnification of Officers, Directors, Employees and Agents.** The Cooperative shall indemnify any person who was or is a party, or is threatened to be made a party to, any threatened, pending or completed action, suit, or proceeding, whether civil, criminal, administrative or investigative (other than an action by, or in the right of, the Cooperative) by reason of the fact that such person is or was a director, officer, employee or agent of the Cooperative, or who is or was serving at the request of the Cooperative as a director, officer, employee or agent of another cooperative, association, corporation, partnership, joint venture, trust or other enterprise, against expenses (including attorneys' fees), judgments, fines and amounts paid in settlement actually and reasonably incurred by such person in connection with such action, suit or proceeding, if such person acted in good faith and in a manner such person reasonably believed to be in, or not opposed to, the best interests of the Cooperative, and with respect to any criminal action or proceeding, had no reasonable cause to believe the conduct of such person was unlawful. The termination of any action, suit or proceeding by judgment, order, settlement, conviction, or upon a plea of nolo contendere or its equivalent, shall not of itself, create a presumption that the person did not act in good faith and in a manner which such person reasonably believed to be in, or not opposed to, the best interests of the Cooperative, and with respect to any criminal action or proceeding, had reasonable cause to believe that the conduct of such person was unlawful.

The Cooperative shall indemnify any person who was or is a party, or is threatened to be made a party to, any threatened, pending or completed action or suit by, or in the right of, the Cooperative to procure a judgment in its favor by reason of the fact that such person is, or was, a director, officer, employee or agent of the Cooperative, or is, or was, serving at the request of the Cooperative as a director, officer, employee or agent of another cooperative, association, corporation, partnership, joint venture, trust or other enterprise, against expenses, (including attorneys' fees) actually and reasonably incurred by such person in

connection with the defense or settlement of such action or suit, if such person acted in good faith and in a manner such person reasonably believed to be in, or not opposed to the best interests of the Cooperative, and except that no indemnification shall be made in respect of any claim, issue or matter as to which such person shall have been adjudged to be liable for negligence or misconduct in the performance of the duty of such person to the Cooperative. unless and to the extent that the court in which such action or suit was brought shall determine upon application that, despite the adjudication of liability, but in view of all the circumstances of the case, such person is fairly and reasonably entitled to indemnity of such expenses as the court shall deem proper

To the extent that a director, officer, employee or agent of the Cooperative has been successful, on the merits or otherwise, in the defense of any action, suit or proceeding referred to in paragraphs 1 and 2, in defense of any claim, issue or matter therein, such person shall be indemnified against expenses (including attorney's fees) actually and reasonably incurred by such person in connection therewith

Any indemnification under paragraphs 1 and 2 (unless ordered by a court) shall be made by the Cooperative only as authorized in the specific case, upon a determination that indemnification of the director, officer, employee or agent is proper in the circumstances because such person has met the applicable standard of conduct set forth in paragraphs 1 and 2. Such determination shall be made (a) by the board of directors by a majority vote of a quorum consisting of directors who were not parties to such action, suit or proceeding or (b) if such a quorum is not obtainable, or even if obtainable, a quorum of disinterested directors so directs, by independent legal counsel in a written opinion, or (c) by the members

Expenses incurred in defending a civil or criminal action, suit or proceeding may be paid by the Cooperative in advance of the final disposition of such action, suit or proceeding, as authorized by the board of directors in the specific case, upon receipt of an undertaking by or on behalf of the director, officer, employee or agent to repay such amount, unless it shall ultimately be determined that he or she is entitled to be indemnified by the Cooperative as authorized in this Article

The indemnification provided by this Article shall not be deemed exclusive of any other rights to which those seeking indemnification may be entitled under any bylaw, agreement, vote of members or disinterested directors, or otherwise, both as to action in his or her official capacity and as to action in another capacity while holding such office, and shall continue as to a person who has ceased to be a director, officer, employee or agent, and shall inure to the benefit of his heirs, executors and administrators of such a person

The Cooperative may purchase and maintain insurance on behalf of any person who is or was a director, officer, employee or agent of the Cooperative, or who is or was serving at the request of the Cooperative as a director, officer, employee or agent of another cooperative, association, corporation, partnership, joint venture, trust or other enterprise, against any liability asserted against such person and incurred by such person in any such capacity, or arising out of the status of such person as such, whether or not the Cooperative would have the power to indemnify such person against such liability under the provisions of this Article.

**SECTION 12. Compensation.** The powers, duties and compensation of officers, agents, and employees of the Cooperative, except as provided in Article IV, Section 9, shall be fixed as follows:

- (a) The board of directors shall establish a wage and salary plan for all professional, technical, supervisory and clerical employees
- (b) It shall be the duty of the President & CEO with the assistance of his or her staff, to carry out the Wage and Salary Plan as previously approved by the board of directors;
- (c) The salary of the President & CEO shall be established by the board of directors
- (d) The compensation for employees represented by IBEW shall be determined by such contracts as may from time to time be agreed upon between the Cooperative and the IBEW group, which agreements shall be approved by the board of directors

**SECTION 13. Reports.** The officers of the Cooperative shall submit at each annual meeting of the members reports covering the business of the Cooperative for the previous fiscal year. Such reports shall set forth the condition of the Cooperative at the close of such fiscal year

**ARTICLE VII  
NON-PROFIT OPERATION**

**SECTION 1. Interest or Dividends on Capital Prohibited.** The

Cooperative shall at all times be operated on a Cooperative non-profit basis for the mutual benefit of its members and patrons. No interest or dividends shall be paid or payable by the Cooperative on any capital furnished by its members or patrons (Security Deposits are not to be construed as capital furnished for purposes of this Section )

**SECTION 2. Patronage Capital in Connection with Furnishing Electric Energy.** In the furnishing of electric energy, the Cooperative's operations shall be so conducted that all members and patrons alike will, through their patronage, furnish capital for the Cooperative. In order to induce patronage and to assure that the Cooperative will operate on a non-profit basis, the Cooperative is obligated to account on a patronage basis to all its members and patrons alike, for all amounts received and receivable from the furnishing of electric energy in excess of operating costs and expenses properly chargeable against the furnishing of electric energy. All such amounts in excess of operating costs and expenses at the moment of receipt by the Cooperative, are received with the understanding that they are furnished by the members and patrons alike, as capital. The Cooperative is obligated to pay by credits to a capital account for each member or patron all such amounts in excess of operating costs and expenses. The books and records of the Cooperative shall be set up and kept in such a manner that at the end of each fiscal year the amount of capital, if any, so furnished by each member or patron is clearly reflected and credited in an appropriate record to the capital account of each member or patron.

All such amounts credited to the capital account of any member or patron shall have the same status as though they had been paid to the member or patron in cash in pursuance of a legal obligation to do so and the member or patron had then furnished the Cooperative corresponding amounts for capital.

All other amounts received by the Cooperative from its operation in excess of costs and expenses shall, insofar as permitted by law, be (a) used to offset any losses incurred during the current or any prior fiscal year and (b) to the extent not needed for that purpose, allocated to its members or patrons on a patronage basis and any amount so allocated shall be included as part of the capital credited to the accounts of members or patrons, as herein provided. In the event of dissolution or liquidation of the Cooperative, after all outstanding indebtedness of the Cooperative shall have been paid, outstanding capital credits shall be retired without priority on a pro rata basis, before any payments are made on account of property rights of members. If, at any time prior to dissolution or liquidation, the board shall determine that the financial condition of the Cooperative will not be impaired thereby, the capital credited to members' or patrons' accounts may be retired in full or in part.

Capital credited to the account of each member or patron shall be assignable only on the books of the Cooperative pursuant to written instruction from the assignor and only to successors in interest or successors in occupancy in all or part of such member's or patron's premises served by the Cooperative unless the board, acting under policies of general application, shall determine otherwise. In the event that a non-member patron shall elect to become a member of the Cooperative, the capital credited to the account of such non-member patron may be applied by the Cooperative toward the payment of a membership fee on behalf of such non-member patron.

Notwithstanding any other provisions of these Bylaws, the board at its discretion shall have the power at any time, upon the death of any member or patron who was a natural person receiving electric services under a Schedule One (1) Farm/Home Account, if the legal representative(s) of his or her estate shall request in writing that the capital credited to said member's or patron's Schedule One (1) Farm/Home account be retired prior to the time such capital would otherwise be retired under the provisions of these bylaws, to retire capital credited to said member's or patron's Schedule One (1) Farm/Home account immediately upon such terms and conditions as the board, acting under the policies of general application and the legal representative's of such member's or patron's estate shall agree upon, provided however, that the financial condition of the Cooperative will not be impaired thereby; and further provided that no payment of capital credits to the estate of a deceased member or patron shall be made except to the extent said credits represent margins earned by the Cooperative from its own operations and amounts received in cash from margins distributed by organizations or other cooperatives of which this cooperative is a member. This shall be construed to exclude capital credits assigned, but not paid in cash by such other cooperatives. Separate records shall be kept of Patronage Capital received and receivable

Notwithstanding any other provisions of these Bylaws, the board at its discretion, shall have the power at any time, to declare a special retirement of patronage capital to school district members who desire to install or replace electric energy equipment of a higher efficiency rating or on an emerging technology basis. The patronage refund will be subject to discounting to its present value,



based on the current refund rotation schedule and the cooperative's estimated cost of capital over the same period. Such refunds shall be used exclusively for the cost of the purchase and installation of equipment that improves the member's electrical usage efficiency, the cooperative's overall operational cost or efficiency, and be in the general best interest of the cooperative membership and the community. Refunds shall not exceed the cost of the purchase and installation of the equipment

The Cooperative, before retiring any capital credits to any member's or patron's account, shall deduct therefrom any amount owing by such member or patron to the Cooperative, together with interest thereon at the Kentucky legal rate on judgments in effect when such amount became overdue, compounded annually.

**SECTION 3. Patronage Refunds in Connection with Furnishing Other Services.** In the event that the Cooperative should engage in the business of furnishing goods or services other than electric energy, all amounts received and receivable therefrom which are in excess of costs and expenses properly chargeable against the furnishing of such goods or services shall, insofar as permitted by law, be prorated annually on a patronage basis and returned to those members or patrons from whom such amounts were obtained at such time and in such order or priority as the board of directors shall determine. However, interest differential from deposits and margins on other goods and services shall be grouped with margins from electrical operations and allocated to members or patrons, consistent with Section 2.

**SECTION 4. Patronage Refunds in Connection with Joint Membership.** All capital credits as provided for in this Article shall be regarded as being held jointly with rights of survivorship between spouses holding a joint membership. Upon the death of either spouse, said capital credits shall become the sole property of the surviving spouse.

#### ARTICLE VIII

#### DISPOSITION AND PLEDGING OF PROPERTY; DISTRIBUTION OF SURPLUS ASSETS ON DISSOLUTION

**SECTION 1. Disposition and Pledging of Property.** Not inconsistently with Kentucky Revised Statute, Section 279.140 and paragraph 2 hereof, the Cooperative may authorize the sale, lease, lease-sale, exchange, transfer or other disposition of any of the Cooperative's properties and assets only upon the affirmative votes of two-thirds (2/3) of the then-total members of the Cooperative at a duly held meeting of the members. However, the board of directors shall have full power and authority:

(a) to borrow monies from any source and in such amounts as the board may from time to time determine;

(b) to mortgage or otherwise pledge or encumber any or all of the Cooperative's properties or assets as security therefor; and

(c) to lease, lease-sell, exchange, transfer or otherwise dispose of services and electric energy, property acquired for resale, merchandise, property not necessary or useful for the operation of the Cooperative: PROVIDED, that sales of such unnecessary property shall not in any one year exceed ten percent in value of all the property of the Cooperative other than merchandise and property acquired for resale.

Supplementary to the first sentence of paragraph 1, and any other applicable provisions of law or these bylaws, no sale, lease, lease-sale, exchange, transfer or other disposition of any of the Cooperative's properties and assets shall be authorized except in conformity with the following:

(1) If the board of directors looks with favor upon any proposal for such sale, lease, lease-sale, exchange, transfer or other disposition, it shall first cause three (3) independent, non-affiliated appraisers, expert in such matters, to render their individual opinions as to the value of the Cooperative with respect to such a sale, lease, lease-sale, exchange, transfer or other disposition and as to any other terms and conditions which should be considered. The three (3) such appraisers shall be designated by a Circuit Court Judge for the Judicial District in Kentucky in which the Cooperative's headquarters are located. If such judge refuses to make such designations, they shall be made by the board of directors.

(2) If the board of directors, after receiving such appraisals, (and other terms and conditions which are submitted, if any), determines that the proposal should be submitted for consideration by the members, it shall first give every other electric cooperative corporately sited and operating in Kentucky (which has not made such an offer for such sale, lease, lease-sale, exchange, transfer or other disposition) an opportunity to submit competing proposals. Such

opportunity shall be in the form of a written notice to such electric cooperative, which notice shall be attached to a copy of the proposal which the Cooperative has already received and copies of the respective reports of the three (3) appraisers. Such electric cooperative shall be given not less than thirty (30) days during which to submit competing proposals, and the actual minimum period within which proposals are to be submitted shall be stated in the written notice given to them.

(3) If the board then determines that favorable consideration should be given to the initial or any subsequent proposal which has been submitted to it, it shall first adopt by the affirmative vote of three-fourths of all directors a resolution recommending the sale and directing the submission of the proposal to a vote of the members at a duly held member meeting, and shall call a special meeting of the members for consideration thereof and action thereon, which meeting shall be held not sooner than ninety (90) days after the giving of such notice to the members; PROVIDED, that consideration and action by the members may be given at the next annual member meeting if the board so determines, and if such annual meeting is held not sooner than ninety (90) days after the giving of such notice.

(4) Any four hundred (400) or more members, by so petitioning the board not less than forty (40) days prior to the date of such special or annual meeting, may cause the Cooperative, with the cost to be borne by the Cooperative, to mail to all members any opposing or alternative positions which they may have to the proposals that have been submitted or any recommendations that the board has made.

(5) In connection with the exercise of its judgment in determining what is in the best interest of OEC and its members when evaluating any proposal for dissolution, merger, consolidation, sale of assets, lease, transfer, or other disposition of all or substantially all of the Cooperative's assets, the board of directors shall consider all of the following factors and other factors which it deems relevant:

- 1 The long-term as well as short-term interest of the Cooperative and its members, including the possibility that those interests may be best served by the continued existence of the Cooperative;
- 2 The societal and economic impact of the transaction upon the community and service territories; and
- 3 The societal and economic effects of the transaction upon the Cooperative's employees.

The provisions of this Section shall not apply to a sale, lease, lease-sale, exchange, transfer or other disposition to one or more other electric cooperatives or if the substantive or actual legal effect thereof is to merge or consolidate with such other one or more electric cooperatives.

**SECTION 2. Distribution of Surplus Assets on Dissolution.** Upon the Cooperative's dissolution, any assets remaining after all liabilities or obligations of the Cooperative have been satisfied and discharged shall, to the extent practicable as determined by the board of directors, be distributed without priority but on an equal basis among all persons who were active members on the last day of business of the Cooperative; PROVIDED HOWEVER, that, if in the judgment of the board, the amount of such surplus is too small to justify the expense of making such distribution, the board may, in lieu thereof, donate or provide for the donation of such surplus to one or more non-profit charitable or educational organizations that are exempt from Federal income taxation.

#### ARTICLE IX SEAL

The Corporate Seal of the Cooperative shall have inscribed thereon the name of the Cooperative and the words "Corporate Seal" and "Kentucky"

#### ARTICLE X FINANCIAL TRANSACTIONS

**SECTION 1. Contracts.** Except as otherwise provided in these Bylaws, the board may authorize any officer or officers, agent or agents to enter into any contract or execute and deliver any instrument in the name and on behalf of the Cooperative, and such authority may be general or confined to specific instances.

**SECTION 2. Checks, Drafts, etc.** All checks, drafts or other orders for the payment of money and all notes, bonds or other evidences of indebtedness issued in the name of the Cooperative, shall be signed and/or countersigned by such officer or officers, agent or agents, employee or employees of the Cooperative and in such manner as shall from time to time be determined by resolution of the board.

**SECTION 3. Deposits, Investments.** All funds of the Cooperative shall be deposited or invested from time to time to the credit of the Cooperative in such bank or banks or in such financial securities or institutions as the board of directors may select.

**SECTION 4. Change in Rates.** Written notice shall be given to the Administrator of the Rural Utilities Services of the United States of America and to National Rural Utilities Cooperative Finance Corporation, not less than ninety days prior to the date upon which any proposed change in the rates charged by the Cooperative for electric energy becomes effective. All rate changes shall be submitted to the Public Service Commission and other applicable regulatory agencies as required.

**SECTION 5. Fiscal Year.** The fiscal year of the Cooperative shall begin on the first day of January of each year and shall end on the thirty-first day of December of the same year.

**ARTICLE XI  
MISCELLANEOUS**

**SECTION 1. Waiver of Notice.** Any member or board member may waive in writing any notice of a meeting required to be given by these Bylaws. The attendance of a member or board member at any meeting shall constitute a waiver of notice of such meeting by such member or board member, except in case a member or board member shall attend a meeting for the express purpose of objecting to the transaction of any business on the ground that the meeting has not been lawfully called or convened.

**SECTION 2. Policies, Rules and Regulations.** The board shall have power to make and adopt such policies, rules and regulations, not inconsistent with law, the Articles of Incorporation or these Bylaws, as it may deem advisable for the management of the business and affairs of the Cooperative.

**SECTION 3. Accounting System and Reports.** The board shall cause to be established and maintained a complete accounting system which, among other things, and subject to applicable laws and rules and regulations of any regulatory body, shall conform to such accounting system as may from time to time be designated by the Administrator of the Rural Utilities Service of the United States of America. The board shall also after the close of each fiscal year cause to be made by certified public accountant a full and complete audit of the accounts, books and financial condition of the Cooperative as of the end of such fiscal year. A report of such audit shall be submitted to the members at the next following annual meeting.

**SECTION 4. Area Coverage.** The board shall make diligent effort to see that electric service is extended to all unserved persons within the Cooperative service area who (a) desire such service, and (b) meet all reasonable requirements established by the Cooperative as a condition of such service.

**SECTION 5. Close Relative Defined.** As used in these Bylaws, "close relative" means a person who, by blood or in-law, including half, foster, step and adoptive kin, is either a spouse, child, grandchild, parent, grandparent, brother, sister, aunt, uncle, nephew or niece of the principal.

**ARTICLE XII  
AMENDMENTS**

These Bylaws may be altered, amended, or repealed by a majority vote of the board of directors at any regular or special board meeting. The notice of the meeting shall contain a copy of the proposed alteration, amendment or repeal or an accurate summary explanation thereof. Upon the Bylaws being altered, amended or repealed, a copy of same shall be delivered to each member of the Cooperative within a reasonable time after such action has been taken, upon request therefore.

**ARTICLE XIII  
RULES OF ORDER**

Parliamentary procedure at all meetings of the members, of the board of directors, of any committee provided for in these Bylaws, and of any other committee of the members or board of directors which may from time to time be duly established, shall be governed by the most recent edition of Robert's Rules of Order, except to the extent such procedure is otherwise determined by law or by the Cooperative's Articles of Incorporation or Bylaws.

**OFFICE HOURS:**  
Monday - Friday 8:00 a.m. - 4:30 p.m.

**OWENTON OFFICE**  
8205 Hwy 127 N  
P.O. Box 400  
Owenton, KY 40359  
502-484-3471

**TOLL-FREE 1-800-372-7612**

**GRANT COUNTY OFFICE**  
300 Arbor Drive  
Suite 1  
Dry Ridge, KY 41035  
859-824-3020

**BOONE COUNTY OFFICE**  
Government Building  
8100 Ewing Blvd.  
Florence, KY 41042  
859-283-5800

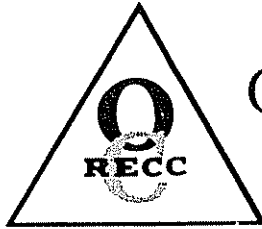
**PENDLETON COUNTY OFFICE**  
10599 Hwy 27 N  
Butler, KY 41006  
859-472-2600

**Statement of Nondiscrimination**

Owen Electric Cooperative, Inc. is the recipient of Federal financial assistance from the U.S. Department of Agriculture (USDA). The USDA prohibits discrimination in all its programs and activities on the basis of race, color, national origin, age, disability, and where applicable, sex, marital status, familial status, parental status, religion, sexual orientation, genetic information, political beliefs, reprisal, or because all or part of an individual's income is derived from any public assistance program. (Not all prohibited bases apply to all programs.) Persons with disabilities who require alternative means for communication of program information (Braille, large print, audiotape, etc.) should contact USDA's TARGET Center at (202) 720-2600 (voice and TDD). To file a complaint of discrimination, write to USDA, Director, Office of Civil Rights, 1400 Independence Avenue, S.W., Washington, D.C. 20250-9410, or call toll free (866) 632-9992 (voice) or (800) 877-8339 (TDD) or (866)377-8642 (relay voice users). USDA is an equal opportunity provider and employer.



# THE NORTHERN LIGHT



OWEN COUNTY  
RURAL ELECTRIC  
COOPERATIVE CORPORATION

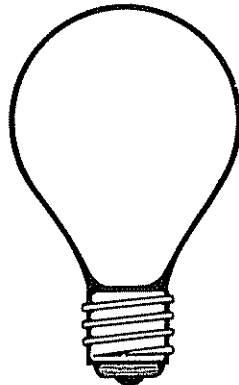
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MAY, 1982

## Bylaws

## Owen County

## R.E.C.C.



CONSERVATION WILL KEEP OUR LIGHTS ON LONGER

*Serving: Owen, Grant, Carroll, Gallatin, Scott, Pendleton, Campbell, Kenton, and Boone Counties*

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**NOTE: Read your meter on the 12th and pay by the 15th of each month.**

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**BYLAWS  
OF  
OWEN COUNTY RURAL ELECTRIC  
COOPERATIVE CORPORATION**

**ARTICLE I  
MEMBERSHIP**

**SECTION 1. Requirements for Membership.** Any person, firm, association, corporation, or body politic or subdivision thereof, will become a member of Owen County Rural Electric Cooperative Corporation (hereinafter called the "Cooperative") upon receipt of electric service from the Cooperative, provided that he or it has first:

- (a) Made a written application for membership therein;
- (b) Agreed to purchase from the Cooperative electric energy as hereinafter specified;
- (c) Agreed to comply with and be bound by the articles of incorporation and bylaws of the Cooperative and any rules and regulations adopted by the board of directors, and
- (d) Paid the membership fee hereinafter specified.

provided, however, that no person, firm, association, corporation or body politic shall become a member unless and until he or it has been accepted for membership by the board of directors of the members.

No member may hold more than one membership in the Cooperative, and no membership in the Cooperative shall be transferable, except as provided in these bylaws.

**SECTION 2. Membership Certificates.** Membership in the Cooperative shall be evidenced by a membership certificate which shall be in such form and shall contain such provisions as shall be determined by the board of directors. Such certificates shall be signed by the President and by the Secretary of the Cooperative.

No membership certificate shall be issued for less than the membership fee fixed in these bylaws, nor until such membership fee has been fully paid for.

**SECTION 3. Joint Membership.** A husband and wife may apply for a joint membership and, subject to their compliance with the requirements set forth in Section 1 of this Article, may be accepted for such membership. The term "member" as used in these bylaws shall be deemed to include a husband and wife holding a joint membership and any provisions relating to the rights and liabilities of membership shall apply equally with respect to the holders of a joint membership. Without limiting the generality of the foregoing, the effect of the hereinafter specified actions by or in respect of the holders of a joint membership shall be as follows:

- (a) The presence at a meeting of either or both shall be regarded as the presence of one member and shall constitute a joint waiver of notice of the meeting;
- (b) The vote of either separately or both jointly shall constitute one joint vote;
- (c) A waiver of notice signed by either or both shall constitute a joint waiver;
- (d) Notice to either shall constitute notice to both;
- (e) Expulsion of either shall terminate the joint membership;
- (f) Withdrawal of either shall terminate the joint membership;
- (g) Either but not both may be elected or appointed as an officer or board member, provided that both meet the qualifications for such office.

**SECTION 4. Conversion of Membership.**

- (a) A membership may be converted to a joint membership or a joint membership may be converted to a single membership upon the written request of the holder thereof and the agreement by such holder and/or his or her spouse to comply with the articles of incorporation, bylaws and rules and regulations adopted by the board of directors.
- (b) Upon the death of either spouse who is a party to the joint membership, such membership shall be held solely by the survivor. The estate of the deceased shall not be released from any debts due the Cooperative.

**SECTION 5. Membership Fees.** The membership fee shall be TWENTY-FIVE DOLLARS (\$25.00), upon the payment of which, a member shall be eligible for any number of service connections.

**SECTION 6. Purchase of Electric Energy.** Each member shall, as soon as electric energy shall be available, purchase from the cooperative

all electric energy purchased for use on the premises specified in his application for membership, and shall pay therefor at rates which shall from time to time be fixed by the board. Production or use of electric energy on such premises, regardless of the source thereof, by means of facilities which shall be interconnected with cooperative facilities, shall be subject to appropriate regulations as shall be fixed from time to time by the cooperative.

**SECTION 7. Termination of Membership.**

- (a) Any member may withdraw from membership upon compliance with such uniform terms and conditions as the board of directors may prescribe.

The board of directors may, by the affirmative vote of not less than two-thirds of all the members of the board of directors, expel any member who fails to comply with any of the provisions of the articles of incorporation, bylaws or rules or regulations adopted by the board of directors, but only if such member shall have been given written notice by the Cooperative that such failure makes him liable to expulsion and such failure shall have continued for at least ten days after such notice was given. Any expelled member may be reinstated by vote of the board of directors, or by vote of the members at any annual or special meeting.

The membership of a member who for a period of six (6) months after service is available to him, has not purchased electric energy from the Cooperative, or of a member who has ceased to purchase energy from the Cooperative, may be cancelled by resolution of the board of directors.

- (b) Upon the withdrawal, death, cessation of existence or expulsion of a member, the membership of such member shall thereupon terminate. Termination of membership in any manner shall not release a member or his estate from any debts due the Cooperative.
- (c) In case of withdrawal or termination of membership in any manner, the Cooperative shall repay to the member the amount of the membership fee paid by him, provided, however that the Cooperative shall deduct from the amount of the membership fee the amount of any debts or obligations owed by the member to the Cooperative.

**ARTICLE II**

**RIGHTS AND LIABILITIES OF MEMBERS**

**SECTION 1. Property Interest of Members.** Upon dissolution, after:

- (a) All debts and liabilities of the Cooperative shall have been paid, and
- (b) All capital furnished through patronage shall have been retired as provided in these bylaws, the remaining property and assets of the Cooperative shall be distributed among the members and former members in the proportion which the aggregate patronage of each bears to the total patronage of all members during the ten years next preceding the date of the filing of the certificate of dissolution, or, if the Cooperative shall not have been in existence for such period, during the period of its existence.

**SECTION 2. Non-Liability for Debts of the Cooperative.** The private property of the members shall be exempt from execution or other liability for the debts of the Cooperative and no member shall be liable or responsible for any debts or liabilities of the Cooperative.

**ARTICLE III**

**MEETING OF MEMBERS**

**SECTION 1. Annual Meeting.** The annual meeting of the members shall be held in the month of June or July of each year at such place within a county served by the Cooperative and on such day and at such hour as may be selected by the board and which shall be designated in the notice of the meeting, for the purpose of electing board members, passing upon reports for the previous fiscal year and transacting such other business as may come before the meeting. It shall be the responsibility of the board to make adequate plans and preparations for the annual meeting. Failure to hold the annual meeting at the designated time shall not work a forfeiture or dissolution of the Cooperative.

**SECTION 2. Special Meetings.** Special meetings of the members may be called by resolution of the board or upon a written request signed by any three board members, by the President, or by ten per centum or more of all the members, and it shall thereupon be the duty of the Secretary to

cause notice of such meeting to be given as hereinafter provided. Special meetings of the members may be held at any place within the County of Owen in the State of Kentucky which shall be specified in the notice of the special meeting.

**SECTION 3. Notice of Members' Meetings.** Written or printed notice stating the place, day and hour of the meeting and, in case of a special meeting or an annual meeting at which business requiring special notice is to be transacted, the purpose or purposes for which the meeting is called, shall be delivered not less than ten (10) days nor more than twenty-five (25) days before the date of the meeting, either personally or by mail, by or at the direction of the Secretary, or upon a default in duty by the Secretary, by the persons calling the meeting, to each member. If mailed, such notice shall be deemed to be delivered when deposited in the United States Mail, addressed to the member at his address as it appears on the records of the Cooperative, with postage thereon prepaid. The failure of any member to receive notice of an annual or special meeting of the members shall not invalidate any action which may be taken by the members at any such meeting.

**SECTION 4. Quorum.** Four hundred members present in person and by proxy shall constitute a quorum. If less than a quorum is present at any meeting, a majority of those present in person and by proxy may adjourn the meeting from time to time without further notice. The minutes of each meeting shall contain a list of the members present in person and by proxy.

**SECTION 5. Voting.** Each member shall be entitled to only one vote upon each matter submitted to a vote at a meeting of the members. All questions shall be decided by a vote of a majority of the members voting thereon in person and by proxy except as otherwise provided by law, the articles of incorporation or these bylaws. The vote of member who is a firm, association, corporation or body politic, shall be cast by the ranking officer of such member, unless such member shall have elected another person to represent it at such meeting. Such officer or representative shall at said meeting present at the registration desk either credentials of his authority or sign a statement that he is the authorized officer or representative.

**SECTION 6. Proxies.** At all meetings of members, a member may vote by proxy executed in writing by the member to another member. Such proxy shall be filed with the Secretary before or at the time of the meeting. No proxy shall be voted at any meeting of the members unless it shall designate the particular meeting at which it is to be voted, and no proxy shall be voted at any meeting other than the one so designated or any adjournment of such meeting. No member shall vote as proxy for more than three (3) members at any meeting of the members except where such person is exercising a proxy in connection with

(a) the borrowing of funds from United States of America or any agency or instrumentality thereof, and/or from National Rural Utilities Cooperative Finance Corporation (CFC) and/or other lending agencies or lending corporation, or (b) a sale, mortgage, lease of other disposition or encumbrances of property to United States of America or any agency or instrumentality thereof, and/or to National Rural Utilities Cooperative Finance Corporation (CFC) and/or other lending agencies or lending corporation, or (c) in connection with an amendment to the articles of incorporation of the Cooperative.

No proxy shall be valid after sixty (60) days from the date of its execution. The presence of a member at a meeting of the members shall revoke a proxy theretofore executed by him and such member shall be entitled to vote at such meeting in the same manner and with the same effect as if he had not executed a proxy. The presence of either husband or wife at a meeting shall revoke a proxy theretofore executed by either of them and such joint member or members shall be entitled to vote at such meeting in the same manner and with the same effect as if a proxy had not been executed.

The board members shall, prior to any meeting of the members at which directors are to be elected, appoint such number of Assistant Secretaries as they may deem advisable for the purpose of checking registrations and proxies.

Should the board of directors fail to appoint a sufficient number of Assistant Secretaries, or should it develop that the number appointed is for any reason insufficient, then the Secretary may, at or before said meeting, appoint such number of Assistant Secretaries as he may deem necessary, from among the employees of the Cooperative. Should the Secretary be absent or fail to act, then the President may in like manner appoint Assistant Secretaries.

**SECTION 7. Order of Business.** The order of business at the annual meeting of the members and, so far as possible, at all other meetings of

the members, shall be essentially as follows, except as otherwise determined by the members at such meeting:

1. Report on the number of members present in person and by proxy in order to determine the existence of a quorum.
2. Reading of the notice of the meeting and proof of the due publication or mailing thereof, or the waiver or waivers of notice of the meeting, as the case may be.
3. Reading of unapproved minutes of previous meetings of the members and the taking of necessary action thereon.
4. Presentation and consideration of reports of officers, trustees and committees.
5. Election of board members.
6. Unfinished business.
7. New business.
8. Adjournment.

#### ARTICLE IV BOARD MEMBERS

**SECTION 1. General Powers.** The business and affairs of the Cooperative shall be managed by a board of nine (9) members which shall exercise all of the powers of the Cooperative except such as are by law, the articles of incorporation or these bylaws conferred upon or reserved to the members.

**SECTION 2. Election and Tenure of Office.** Three (3) board members shall be elected at each annual meeting of the members for terms of three (3) years according to the following schedule:

1981	1979	1980
District 1	District 4	District 2
District 3	District 5	District 8
District 6	District 7	District 9

All contested elections shall be by secret ballot. Board members shall serve until the annual meeting in the year during which their term expires and until their successors have been elected and qualified subject to the provisions of these bylaws as to removal of directors.

If an election of board members shall not be held on the day designated herein for the annual meeting, or at any adjournment thereof, a special meeting of the members shall be held for the purpose of electing board members within a reasonable time thereafter. Board members may be elected by a plurality vote of the members.

**SECTION 3. Qualifications.** No person shall be eligible to become or remain a board member of the Cooperative who:

- (a) is not a member and bona fide resident in the area served or to be served by the Cooperative or a resident of the district for which he is elected; or
- (b) does not receive service from the Cooperative; or
- (c) is in any way employed by or financially interested in a competing enterprise or a business selling electric energy, or supplies to the Cooperative, or a business primarily engaged in selling electrical or plumbing appliances, fixtures or supplies to the members of the Cooperative.

No person shall take or hold office as a board member who is the incumbent of or candidate for an elective public office in connection with which a salary is paid.

Upon establishment of the fact that a board member is holding the office in violation of any of the foregoing provisions, the board shall remove such board member from office.

Nothing contained in this section shall affect in any manner whatsoever the validity of any action taken at any meeting of the board.

**SECTION 4. Districts.** The territory served or to be served by the Cooperative shall be divided into nine (9) districts, giving due consideration to roads, streams or other logical district lines, and other proper factors. Each district shall be represented by one (1) board member. The present boundaries of said nine (9) districts shall be as follows:

**DISTRICT #1.** Located partly in the Western part of Owen County and including all of Carroll County. It will include Routes 13, 14 and 17 in Owen County and Routes 91, 92, 93 and 94, which is all of Carroll

County and contains approximately 1,665 members and will be represented on the Board of Directors by Ruben Smoot.

**DISTRICT #2.** Located in Grant County. It will include Routes 21, 22, 24, 25, 26, 27, 28 and 29, which is all of Grant County and contains approximately 3,623 members and will be represented on the Board of Directors by Robert Arthur.

**DISTRICT #3.** Located in Pendleton County and in Southern Kenton County; will contain Routes 31, 32, 33, 34, 35, 36, 37, 38 and 39, which is all of Pendleton County, and Routes 78 and 79 in Kenton County. It contains approximately 2,393 members and will be represented on the Board of Directors by Chester Campbell.

**DISTRICT #4.** Located in the Northern part of Gallatin County and the Southern part of Boone County. It will include Routes 41, 42 and 43 in Gallatin County and Routes 66, 67, 68 and 69 in Boone County. It contains approximately 2,385 members and will be represented on the Board of Directors by William Oakley Noel.

**DISTRICT #5.** Located in Scott County and the Southern part of Owen County. It will include Routes 51, 52, 53, 54 and 55, which is all of Scott County, and Routes 18 and 19 in Owen County. It contains approximately 1,621 members and will be represented on the Board of Directors by Sam Penn.

**DISTRICT #6.** Located in the Northern part of Boone County and a small section of Southwestern Kenton County. It will include Routes 61, 62, 63, 64 and 65 in Boone County and Route 71 in Kenton County. It contains approximately 2,992 members and will be represented on the Board of Directors by Virgil Vice.

**DISTRICT #7.** Located in Kenton County. It will include part of Route 72 and all of Routes 73, 74, 75, 76 and 77 in Kenton County. It contains approximately 2,816 members and will be represented on the Board of Directors by Frank E. Jackson.

**DISTRICT #8.** Located in Campbell and in the extreme Northeast section of Kenton County. It will include Routes 81, 82, 83, 84, 85, 86, 87 and 88, which is all of Campbell County, and part of Route 72 in Kenton County. It will contain approximately 2,786 members and will be represented on the Board of Directors by Roy Gray.

**DISTRICT #9.** Located in Northeast Owen County and the Southern part of Gallatin County. It will include Routes 11, 12, 15 and 16 in Owen County and Routes 44, 45 and 46 in Gallatin County. It contains approximately 1,343 members and will be represented on the Board of Directors by Howard Greene.

Not less than sixty (60) days before any meeting of the members at which board members are to be elected, the board will review the composition of the several districts and, if it should find inequalities in representation which could be corrected by redelineation of districts, the board shall reconstitute the districts so that each shall contain approximately the same number of members.

**SECTION 5. Nominations.** It shall be the duty of the Board of Directors to appoint, not less than sixty (60) days nor more than ninety (90) days before the date of the meeting of the members at which directors are to be elected, a committee on nominations consisting of five (5) members who shall be selected so that at least one member from each district from which a director is to be elected will serve on the nominating committee.

No officer or member of the Board of Directors shall be appointed a member of this committee. This committee shall prepare and post at the principal office of the cooperative at least forty-five (45) days before the meeting a list of nominations for directors. However, any fifteen (15) or more members may make other nominations in writing over their signatures not less than forty (40) days prior to the meeting and the Secretary shall post the same at the same place where the list of nominations made by the committee is posted. The Secretary shall mail with the notice of the meeting a statement of the number of directors to be elected and showing separately the nominations made by the committee on nominations and the nominations made by petition, if any. Nothing contained herein shall, however, prevent additional nominations to be made from the floor by a member at the meeting of the members. The members may, at any meeting at which a director or directors shall be elected, as hereinbefore provided, elect a successor or successors thereto without compliance with the foregoing provisions with respect to procedure. Notwithstanding anything in this section contained failure to comply with any of the provisions of this section shall not affect any manner whatsoever the validity of any election of directors. Any person or persons nominating a candidate by petition or from the floor shall be a member from the same district.

**SECTION 6 Removal of Board Member by Members.** Any member may bring charges against a board member and, by filing with the Secretary such charges in writing together with a petition signed by at least ten per centum of the members or 300, whichever is the lesser, may request the removal of such board member by reason thereof. Such board member shall be informed in writing of the charges at least (10) ten days prior to the meeting of the members at which the charges are to be considered and shall have an opportunity at the meeting to be heard in person or by counsel and to present evidence in respect of the charges; and the person or persons bringing the charges against him shall have the same opportunity.

The question of the removal of such board member shall be considered and voted upon at the meeting of the members and any vacancy created by such removal may be filled by vote of the members at such meeting ~~without compliance with the foregoing provisions with respect to nominations.~~

**SECTION 7. Vacancies.** Subject to the provisions of these bylaws with respect to the filling of vacancies caused by the removal of board members by the members, a vacancy occurring in the board shall be filled by the affirmative vote of a majority of the remaining board members for the unexpired portion of the term.

**SECTION 8 Compensation.** Board members shall not receive any salary for their services as such, except that directors of the Cooperative may by resolution authorize a fixed sum for each day or portion thereof spent on Cooperative business, such as attendance at meetings, conferences, and training programs or performing committee assignments when authorized by the board. If authorized by the board, board members may also be reimbursed for expenses actually and necessarily incurred in carrying out such Cooperative business or granted a reasonable per diem allowance by the board in lieu of detailed accounting for some of these expenses. No board member shall receive compensation for serving the Cooperative in any other capacity, nor shall any close relative of a board member receive compensation for serving the cooperative, unless the payment and amount of compensation shall be specifically authorized by a vote of the members or the service by the board member or his close relative shall have been certified by the board as an emergency measure.

## ARTICLE V MEETINGS OF BOARD

**SECTION 1. Regular Meetings.** A regular meeting of the board shall be held without notice, immediately before, and at the same place as, the annual meeting of the members.

A regular meeting of the board shall be held without notice, immediately after, and at the same place as, the annual meeting of the members.

A regular meeting of the board shall also be held monthly at such time and place within one of the counties served by the Cooperative as designated by the board. Such regular monthly meeting may be held without notice other than such resolution fixing the time and place thereof.

**SECTION 2. Special Meeting.** Special meetings of the board may be called by the President or by any three board members, and it shall thereupon be the duty of the Secretary to cause notice of such meeting to be given as hereinafter provided. The President or board members calling the meeting shall fix the time and place for the holding of the meeting, within the Cooperative area.

**SECTION 3. Notice of Board Meetings.** Written notice of the time, place and purpose of any special meeting of the board shall be delivered to each board member either personally or by mail, by or at the direction of the Secretary, or upon a default in duty by the Secretary, by the President or the board member calling the meeting. If mailed, such notice shall be deemed to be delivered when deposited in the United States Mail addressed to the board member at his address as it appears on the records of the Cooperative, with postage thereon prepaid, at least five days before the date set for the meeting.

**SECTION 4. Quorum.** A majority of the board shall constitute a quorum, provided, that if less than such majority of the board is present at said meeting, a majority of the board present may adjourn the meeting from time to time; and provided further, that the Secretary shall notify any absent board members of the time and place of such adjourned meeting. The act of a majority of the board members present at a meeting at which a quorum is present shall be the act of the board, except as otherwise provided in these bylaws.

## ARTICLE VI OFFICERS

**SECTION 1. Number.** The officers of the Cooperative shall be a resident, Vice President, Secretary, Treasurer, and such other officers as may be determined by the board from time to time. The offices of Secretary and Treasurer may be held by the same person.

**SECTION 2. Election and Term of Office.** The officers shall be elected by ballot, annually by and from the board at the meeting of the board held immediately after the annual meeting of the members. If the election of officers shall not be held at such meeting, such election shall be held as soon thereafter as conveniently may be. Each officer shall hold office until the first meeting of the board following the next succeeding annual meeting of the members or until his successor shall have been elected and shall have qualified. A vacancy in any office shall be filled by the board for the unexpired portion of the term.

**SECTION 3. Removal of Officers and Agents by the Board.** Any officer or agent elected or appointed by the board may be removed by the board whenever in its judgment the best interests of the Cooperative will be served thereby. In addition, any member of the Cooperative may bring charges against an officer, and by filing with the Secretary such charges in writing together with a petition signed by ten percentum of the members or 300, whichever is the lesser, may request the removal of such officer. The officer against whom such charges have been brought shall be informed in writing of the charges at least ten days prior to the board meeting at which the charges are to be considered and shall have an opportunity at the meeting to be heard in person or by counsel and to present evidence in respect of the charges; and the person or persons bringing the charges against him shall have the same opportunity. In the event the board does not remove such officer, the question of his removal shall be considered and voted upon at the next meeting of the members.

**SECTION 4. President.** The President shall:

- (a) be the principal executive officer of the Cooperative and, unless otherwise determined by the members or the board, shall preside at all meetings of the members and the board;
- (b) sign, with the Secretary, certificates of membership, the issue of which shall have been authorized by the board or the members, and may sign deeds, mortgages, deeds of trust, notes, bonds, contracts or other instruments authorized by the board to be executed, except in cases in which the signing and execution thereof shall be expressly delegated by the board or by these bylaws to some other officer or agent of the Cooperative, or shall be required by law to be otherwise signed or executed; and
- (c) in general perform all duties incident to the office of President and such other duties as may be prescribed by the board from time to time.
- (d) When the President, while presiding at a meeting of the members or of the Board of Directors, chooses to vacate the chair, and the Vice President is absent or chooses not to preside, the President shall designate another person as Chairman for any part or all of the remainder of the meeting.

**SECTION 5. Vice President.** In the absence of the President, or in the event of his inability or refusal to act, the Vice President shall perform the duties of the President, and when so acting shall have all the powers of and be subject to all the restrictions upon the President. The Vice President shall also perform such other duties as from time to time may be assigned to him by the board.

When the Vice President, while presiding at any meeting of the members or Board of Directors, chooses to vacate the chair, he shall delegate another person as Chairman for any part or all of the remainder of the meeting.

**SECTION 6. Secretary.** The Secretary shall be responsible for:

- (a) keeping the minutes of the meeting of the members and of the board in books provided for that purpose;
- (b) seeing that all notices are duly given in accordance with these bylaws or as required by law;
- (c) the safekeeping of the corporate books and records and the seal of the Cooperative and affixing the seal of the Cooperative to all documents, the execution of which on behalf of the Cooperative under its seal is duly authorized in accordance with the provisions of these bylaws;
- (d) keeping a register of the names and post office addresses of all members;
- (e) signing, with the President, certificates of membership, the issue of which shall have been authorized by the board or the members;
- (f) keeping on file at all times a complete copy of the articles of

incorporation and bylaws of the Cooperative containing all amendments thereto (which copy shall always be open to the inspection of any member) and at the expense of the Cooperative, furnishing a copy of the bylaws and of all amendments thereto to each member upon request therefor; and

- (g) in general performing all duties incident to the office of Secretary and such other duties as from time to time may be assigned to him by the board.

**SECTION 7. Treasurer.** The Treasurer shall be responsible for:

- (a) custody of all funds and securities of the Cooperative;
- (b) the receipt of and the issuance of receipts for all monies due and payable to the Cooperative and for the deposit of all such monies in the name of the Cooperative in such bank or banks as shall be selected in accordance with the provisions of these bylaws; and
- (c) the general performance of all the duties incident to the office of Treasurer and such other duties as from time to time may be assigned to him by the board.

**SECTION 8. Manager.** The board may appoint a manager who may be, but who shall not be required to be, a member of the Cooperative. The manager shall perform such duties and shall exercise such authority as the board may from time to time vest in him.

**SECTION 9. Bonds of Officers.** The Treasurer and any other officer or agent of the Cooperative charged with responsibility for the custody of any of its funds or property shall be bonded in such sum and with such surety as the board shall determine. The board in its discretion may also require any other officer, agent or employee of the Cooperative to be bonded in such amount and with such surety as it shall determine.

**SECTION 10. Compensation.** The powers, duties and compensation of officers, agents and employees of the Cooperative, except as provided in Article IV, Section 8, shall be fixed as follows:

- 1 (a) The Board of Directors shall establish a wage and salary plan for all professional, technical, supervisory and clerical employees;
- 1 (b) It shall be the duty of the Manager, with the assistance of his staff, to carry out the Wage and Salary Plan as previously approved by the Board of Directors; and *— also PLAN*
- 1 (c) The salary of the Manager shall be established by the Board of Directors.
- 2 The compensation for maintenance and construction employees shall be determined by such contracts as may from time to time be agreed upon between the Cooperative and Trades and Crafts group, which agreement shall be approved by the Board of Directors.

**SECTION 11. Reports.** The officers of the Cooperative shall submit at each annual meeting of the members reports covering the business of the Cooperative for the previous fiscal year. Such reports shall set forth the condition of the Cooperative at the close of such fiscal year.

## ARTICLE VII NON-PROFIT OPERATION

**SECTION 1. Interest or Dividends on Capital Prohibited.** The Cooperative shall at all times be operated on a Cooperative non-profit basis for the mutual benefit of its patrons. No interest or dividends shall be paid or payable by the Cooperative on any capital furnished by its patrons.

**SECTION 2. Patronage Capital in Connection with Furnishing Electric Energy.** In the furnishing of electric energy the Cooperative's operations shall be so conducted that all patrons, members and nonmembers alike, will through their patronage furnish capital for the Cooperative. In order to induce patronage and to assure that the Cooperative will operate on a non-profit basis, the Cooperative is obligated to account on a patronage basis to all its patrons, members and non-members alike, for all amounts received and receivable from the furnishing of electric energy in excess of operating costs and expenses properly chargeable against the furnishing of electric energy. All such amounts in excess of operating costs and expenses at the moment of receipt by the Cooperative are received with the understanding that they are furnished by the patrons, members and non-members alike, as capital. The Cooperative is obligated to pay by credits to a capital account for each patron all such amounts in excess of operating costs and expenses. The books and records of the Cooperative shall be set up and kept in such a manner that at the end of each fiscal year the amount of capital, if any, so furnished by each patron is clearly reflected and credited in an appropriate record to the capital account of each patron.

All such amounts credited to the capital account of any patron shall have the same status as though they had been paid to the patron in cash in pursuance of a legal obligation to do so and the patron had then furnished the Cooperative corresponding amounts for capital.

If other amounts received by the Cooperative from its operations in excess of costs and expenses shall, insofar as permitted by law, be (a) used to offset any losses incurred during the current or any prior fiscal year and (b) to the extent not needed for that purpose, allocated to its patrons on a patronage basis and any amount so allocated shall be included as part of the capital credited to the accounts of patrons, as herein provided.

In the event of dissolution or liquidation of the Cooperative, after all outstanding indebtedness of the Cooperative shall have been paid, outstanding capital credits shall be retired without priority on a pro rata basis before any payments are made on account of property rights of members. If, at any time prior to dissolution or liquidation, the board shall determine that the financial condition of the Cooperative will not be impaired thereby, the capital credited to patrons' accounts may be retired in full or in part. Any such retirements of capital shall be made in order of priority according to the year in which the capital was furnished and credited, the capital first received by the Cooperative being first retired.

Capital credited to the account of each patron shall be assignable only on the books of the Cooperative pursuant to written instruction from the assignor and only to successors in interest or successors in occupancy in all or a part of such patron's premises served by the Cooperative unless the board, acting under policies of general application, shall determine otherwise. In the event that a non-member patron shall elect to become a member of the Cooperative, the capital credited to the account of such non-member patron may be applied by the Cooperative toward the payment of a membership fee on behalf of such non-member patron. Capital credits due a patron may be credited against an account owing by said patron to the Cooperative. *Consistent with REA & CFC Act. 1937.*

Notwithstanding any other provision of these bylaws, the board at its discretion, shall have the power at any time, upon the death of any patron who was a natural person, if the legal representatives of his estate shall request in writing that the capital credited to any such patron be retired prior to the time such capital would otherwise be retired under the provisions of these bylaws, to retire capital credited to any such patron immediately upon such terms and conditions as the board, acting under policies of general application, and the legal representatives of such patron's estate shall agree upon; provided, however, that the financial condition of the Cooperative will not be impaired thereby; and further provided that no payment of capital credits to the estate of a deceased member shall be made except to the extent said credits represent margins earned by the Cooperative from its own operations and amounts received in cash from margins distributed by organizations or other cooperatives of which this cooperative is a member. This shall be construed to exclude capital credits assigned, but not paid in cash by such other cooperatives. Separate records shall be kept of Patronage Capital received and receivable.

The patrons of the Cooperative, by dealing with the Cooperative, acknowledge that the terms and provisions of the articles of incorporation and bylaws shall constitute and be a contract between the Cooperative and each patron, and both the Cooperative and the patrons are bound by such contract, as fully as though each patron had individually signed a separate instrument containing such terms and provisions. The provisions of this article of the bylaws shall be called to the attention of each patron of the Cooperative by posting in a conspicuous place in the Cooperative's office.

#### ARTICLE VIII

##### DISPOSITION OF PROPERTY

The Cooperative may not sell, lease or otherwise dispose of any of its property other than:

- (a) a sale of property that is not necessary in operating and maintaining the system, but sales of such property shall not in any one (1) year exceed ten percent (10%) in value of all the property of the corporation other than merchandise and property acquired for resale;
- (b) services and electric energy;
- (c) property acquired for resale; and
- (d) merchandise;

unless the board of directors is authorized so to do by a majority vote of the total membership after due notice is given to all members of the proposed sale, lease or other disposition of such property

The board of directors, without authorization by the members, shall have full power and authority to authorize the execution and delivery of a mortgage or mortgages or a deed or deeds of trust upon, or the pledging or encumbering of any or all of, the property, assets, rights, privileges, licenses, franchises, and permits of the cooperative, whether acquired or to be acquired, and wherever situated, as well as the revenues and income therefrom, upon such terms and conditions as the board of directors shall determine, to secure any obligation of the cooperative, to United States of America or any instrumentality or agency thereof, or to a financing institution organized on a cooperative plan for the purpose of financing its members' programs, projects and undertakings, in which the Cooperative holds membership.

#### ARTICLE IX

##### SEAL

The corporate seal of the Cooperative shall have inscribed thereon the name of the Cooperative and the words "Corporate Seal" and "Kentucky."

#### ARTICLE X

##### FINANCIAL TRANSACTIONS

**SECTION 1. Contracts.** Except as otherwise provided in these bylaws, the board may authorize any officer or officers, agent or agents to enter into any contract or execute and deliver any instrument in the name and on behalf of the Cooperative, and such authority may be general or confined to specific instances.

**SECTION 2. Checks, Drafts, etc.** All checks, drafts or other orders for the payment of money, and all notes, bonds or other evidences of indebtedness issued in the name of the Cooperative shall be signed and/or countersigned by such officer or officers, agent or agents, employee or employees of the Cooperative and in such manner as shall from time to time be determined by resolution of the board.

**SECTION 3. Deposits.** All funds except petty cash of the Cooperative shall be deposited from time to time to the credit of the Cooperative in such bank or banks as the board may select.

**SECTION 4. Change in Rates.** Written notice shall be given to the Administrator of the Rural Electrification Administration of the United States of America not less than ninety days prior to the date upon which any proposed change in the rates charged by the Cooperative for electric energy becomes effective.

**SECTION 5. Fiscal Year.** The fiscal year of the Cooperative shall begin on the first day of January of each year and shall end on the thirty-first day of December of the same year.

#### ARTICLE XI

##### MISCELLANEOUS

**SECTION 1. Membership in Other Organizations.** The Cooperative shall not become a member of or purchase stock in any other organization without an affirmative vote of the members at a duly held meeting, the notice of which shall specify that action is to be taken upon such proposed membership or stock purchase, provided, however, that the Cooperative may upon the authorization of the board, purchase stock in, or become a member of any corporation or organization on a non-profit basis for the purpose of engaging in or furthering the cause of rural electrification, or with the approval of the Administrator of REA, of any other corporation for the purpose of acquiring electric facilities.

**SECTION 2. Waiver of Notice.** Any member or board member may waive in writing any notice of a meeting required to be given by these bylaws. The attendance of a member or board member at any meeting shall constitute a waiver of notice of such meeting by such member or board member, except in case a member or board member shall attend a meeting for the express purpose of objecting to the transaction of any business on the ground that the meeting has not been lawfully called or convened.

**SECTION 3. Policies, Rules and Regulations.** The board shall have power to make and adopt such policies, rules and regulations, not inconsistent with law, the articles of incorporation or these bylaws, as it may deem advisable for the management of the business and affairs of the Cooperative.

**SECTION 4. Accounting System and Reports.** The board shall cause to be established and maintained a complete accounting system which,



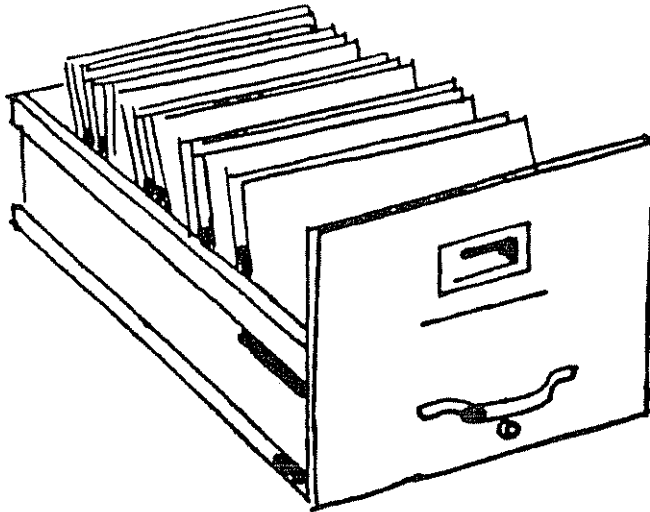
among other things, and subject to applicable laws and rules and regulations of any regulatory body, shall conform to such accounting system as may from time to time be designated by the Administrator of the Rural Electrification Administration of the United States of America. The Board shall also after the close of each fiscal year cause to be made by a certified public accountant a full and complete audit of the accounts, books and financial condition of the Cooperative as of the end of such fiscal year. A report of such audit shall be submitted to the members at the next following annual meeting.

**SECTION 5. Area Coverage.** The board shall make diligent effort to see that electric service is extended to all unserved persons within the Cooperative service area who (a) desire such service and (b) meet all

reasonable requirements established by the Cooperative as a condition of such service.

#### ARTICLE XII AMENDMENTS

These bylaws may be altered or amended by the affirmative vote of not less than two-thirds (2/3) of the members of the board at any regular or special meeting. A copy of such alteration or amendment shall be delivered to each member of the cooperative within a reasonable time after such action has been taken upon request therefor.



## YOUR ACCOUNT NUMBER

# Your Account Number Is Important

The staff and management of your cooperative are pledged to provide the best possible electric service to you. Your "account number" helps us to do just that.

It helps pinpoint the exact location of your home on our service maps, it tells the type of service you have at your home, it insures you proper credit when you pay your electric bill. It provides a definite identification of every member. And, it helps in many other ways.

You are not just an "account number" to your cooperative, but should you need to telephone the cooperative for information concerning your account, it would save a lot of time that otherwise would have to be used to determine your number from cooperative records, if you had your account number handy. For example, lots of people have the same name or similar names. Your account number tells us exactly which John Jones or Sam Smith you are. It's sort of like your social security number.

Come to think of it, your account number is just a "service security number."

Since we have gone to billing by computer, your account number is a must on all correspondence and contacts with our office.

It would help if you would jot down your account number someplace handy—right here for instance!



# STATEMENT OF NONDISCRIMINATION

Owen County Rural Electric Cooperative Corporation has filed with the Federal Government a Compliance Assurance in which it assures the Rural Electrification Administration that it will comply fully with all requirements of Title VI of the Civil Rights Act of 1964 and the Rules and Regulations of the Department of Agriculture issued thereunder, to the end that no person in the United States shall, on the ground of race, color, or national origin, be excluded from participation in, be denied the benefits of, or be otherwise subject to discrimination in the conduct of its program and the operation of its facilities. Under this Assurance, this organization is committed not to discriminate against any person on the ground of race, color or national origin in its policies and practices relating to application for service or any other policies and practices relating to applications for service or any other policies and practice relating to treatment of beneficiaries and participants including rates, conditions and extension of service, use of any of its facilities, attendance at and participation in any meetings of beneficiaries and participants or the exercise of any rights of such beneficiaries and participants in the conduct of the operations of this organization.

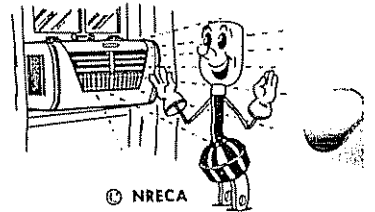
Any person who believes himself, or any specific class of individuals, to be subjected by this organization to discrimination prohibited by Title VI of the Act and the Rules and Regulations issued thereunder may, by himself or a representative, file with the Secretary of Agriculture, Washington, D.C. 20250, or the Rural Electrification Administration, Washington, D.C. 20250, or this organization, or all, a written complaint. Such complaint must be filed not later than 90 days after the alleged discrimination, or by such later date to which the Secretary of Agriculture or the Rural Electrification Administration extends the time for filing. Identity of complainants will be kept confidential except to the extent necessary to carry out the purposes of the Rules and Regulations.



## IT'S FREE!



## WE'LL AUDIT YOUR HOME



We want to help you, and it's absolutely free! You have nothing to lose, except higher Heating and Cooling bills. We're talking about doing a home weatherization audit of your house — old or new — and then telling you what can be done to make it ore comfortable and less expensive to heat and cool.

We'll personally come to your home, check it out thoroughly, and complete an audit form. You'll be told the practical improvements that need to be done and, if you're the do-it-yourself type, we'll recommend the materials you'll need to finish the job. There's no obligation to do anything after we complete the audit. Our only interests are saving you money and conserving all the energy we can.

The weatherization audit is available to any of OWEN COUNTY RECC members, and to apply, all you need to do is fill out the form below.

\*\*\*\*\*

I would like an OWEN COUNTY RECC representative to come by for a free home weatherization audit.

NAME \_\_\_\_\_

ADDRESS \_\_\_\_\_

ACCOUNT NUMBER \_\_\_\_\_

TELEPHONE NUMBER \_\_\_\_\_

(Please mail or bring this form to an OWEN COUNTY RECC OFFICE.)

Owen Electric Cooperative  
Bargaining Unit Contract  
2005

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**AGREEMENT**

**Revised through Amendments Effective**

**April 1, 2005**

This Agreement made and entered into this first day of April, 2005, by and between Owen Electric Cooperative, Inc., as the party of the first part, and hereinafter designated as the "COOPERATIVE" or the "EMPLOYER", and Local Union Number 2100, International Brotherhood of Electrical Workers, AFL-CIO, as party of the second part, and hereinafter designated as the "UNION".

**WITNESSETH:**

WHEREAS: A majority of the employees of the Cooperative have designated the Union as their collective bargaining agent as certified by the National Labor Relations Board election November 26, 1951, the employer herewith recognizes the Union as the sole and exclusive bargaining agent for all construction, service, and maintenance employees as set forth in the certification of the National Labor Relations Board, Case No. 9-RC-1388, but excluding office personnel, supervisors as defined in Section 2(11) of the act as amended, and technical engineers, and all other employees and common labor used for the clearance of rights of way and similar work done by members on a self-help plan.

Amended April 1, 1968, to exclude the classification of "Line Foreman" from the bargaining unit as set forth in the National Labor Relations Board Case No. 9-UC-15, dated January 24, 1968.

WHEREAS: The Parties hereto desire to establish a standard of conditions and procedures under which employees shall work for the Cooperative during the term of this Agreement any renewals thereof, and desire to regulate the mutual employment relations between the parties for the purpose of securing harmonious relations and cooperation in the settling of any disputes or differences, by peaceful means, that may arise in the employee/employer relationship.

NOW, THEREFORE: In consideration of the mutual promises and agreements herein contained, the parties agree as follows:

**PREAMBLE**

The Cooperative, acting herein as an employer or management and including its Board of Directors, President, Supervisory Employees and their designated Representatives, and the Union, acting herein on behalf of its members, employees of the Cooperative, both recognize that the purpose and function of the Cooperative is to furnish central station electric service to its members as residents of the area in the most efficient and

economical manner possible. They both recognize a paramount obligation to contribute to the best of their ability to the primary and justifying purposes and function of the Cooperative, having regard for both good business management and the welfare of workers engaged as employees as interrelated and mutual consideration in promoting the service which is the duty of the Cooperative to give.

The Cooperative agrees that the Collective Bargaining Agreement between the parties will remain in full force and effect for the specified duration regardless of any change in the ownership of the Cooperative. The Cooperative will include a provision, in any sales or merger agreement, with any successor or assign, that will affirm and make the continuation of the Collective Bargaining Agreement a condition of the sale or merger of the Cooperative.

## **ARTICLE I**

### **Effective Date, Termination and Amendments**

- A. Section 1. This Agreement shall take effect April 1, 2005, and shall remain in effect until August 31, 2012. It shall thereafter continue in effect from year to year, from August 1 through July 31, of each year, unless changed or terminated in the way later provided herein. The Union and Management will meet in June 2008 to discuss contributions to the medical insurance premium going forward. In June 2009, the Company and Union will meet to negotiate the salary adjustments for the remainder of the contract.

Section 2. Either party desiring to change or terminate this Agreement must notify the other in writing prior to June 1 of the year in which the Agreement expires. When notice for changed only is given, the nature of the changes desired must be specified in the notice.

Section 3. This Agreement shall be subject to amendment at any time by mutual consent of the parties hereto. Any such amendment agreed upon shall be reduced to writing, signed by the parties hereto, and approved by the International Office of the Union the same as this Agreement.

## **ARTICLE II**

### **Union Representation – Adjustment of Grievances**

Section 1. For the adequate representation of the employee group, there shall be a Chief Steward and as many assistant stewards as there are working units, whose names shall be furnished to the Management of the Cooperative, and it is agreed that the Cooperative will recognize these stewards as the official representatives of the employee group covered by the terms of this Agreement, (The right is reserved by the Union to change the stewards at will and to increase or decrease the number as the working force for the Cooperative warrants.)

Section 1(A). The Union Negotiating Committee shall consist of not to exceed four (4) members, at least one (1) of whom shall be a service technician or maintenance employee and at least one (1) of whom shall be a construction employee.

Section 2. Should differences arise between the Cooperative and the Union, as to the meaning and/or application or the observance and performance, by either party, of any of the provisions of this Agreement, or as to whether the wage or working condition of any individual member or group of members in the Cooperative is out of line with the wage rates or conditions that should apply to him or them, the following shall be the procedure for the adjustment and settlement thereof:

Section 3(A). The employee or his Steward shall first bring the grievance to his supervisor. A grievance must be filed within ten (10) working days of the date giving rise to the grievance or the date they knew or should have known the grievance arose, whichever is earlier.

Section 3(B). If the grievance is not settled, it shall be referred, in writing, to the Chief Steward, who will then present the matter to the Vice President of the Department involved.

Section 3(C). Then, if the matter is not satisfactorily disposed of within five (5) working days, the Cooperative President and the Union Business Manager or their designated representative shall make a thorough investigation and will meet with any official or group of officials of the Cooperative necessary to bring about a satisfactory settlement.

Section 3(D). If a fair and sincere effort is not made to reach a satisfactory adjustment or settlement of all matters so presented within ten (10) working days, the Cooperative Attorney will contact the Union's Business Manager within ten (10) days to set a meeting to take place within sixty (60) days.

Section 3(E). If the matter cannot be settled in the foregoing manner, it is agreed that the matter shall be referred to arbitration in the following manner:

First, the Arbitration Panel shall consist of one (1) person selected by the Cooperative and one (1) person selected by the Union.

Second, upon notice by either party to the other of the desire to arbitrate, both parties shall make their selection of their member of the panel within five (5) working days after notice has been received. Each party shall notify the other party of the name and address of their panel member.

Third, within ten (10) days after the selections have been made, the two panel members shall meet at a time and place convenient to themselves and select a third and neutral member, who will act as the Chairman of the Panel. Each party hereto shall bear the expense of their panel member and the expense of preparing and presenting their side of

the case and the expense of the third member of the panel and any incidental expenses shall be shared equally between the parties.

It is agreed that the findings and decisions of the arbitration panel shall be final and binding on all parties concerned.

Fourth, in case the two panel members are unable to agree upon the third and neutral member within ten (10) days from their initial meeting, the matter shall be referred to the Kentucky Secretary of Labor for the selection of the neutral member.

Section 4. The Union and Employee agree that they will not engage in or authorize a strike, including so called sympathy strikes, or work stoppage, slow-down or interference with work of any kind or nature and the Cooperative agrees that it will not engage in a lockout because of disputes over matters relating to this Agreement. The Union further agrees that it will take every reasonable means which are within its power to induce employees engaged in a strike or work stoppage in violation of this Agreement to return to work. All questions, disputes, or controversies under this Agreement shall be settled and determined solely and exclusively by the conciliation and arbitration procedures provided in this Agreement. The Cooperative shall have the right to discipline or discharge any employee who violates any of the provisions of this Section 4. Such discipline or discharge can only be overturned by an Arbitrator if the employee(s) are found not to have violated these provisions.

### **ARTICLE III**

#### **Seniority**

Section 1. Seniority is recognition only for length of uninterrupted service with the Cooperative and shall be calculated from the date of last employment by the Cooperative.

Section 2. When ability and adaptability, in the reasonable opinion of the Management of the Cooperative, is equal, seniority shall prevail in all promotions, demotions, layoffs, and recalls.

Section 3. In case of lay-off for lack of work, the laid-off employees shall hold and accumulate their seniority with the Cooperative, for a period of one (1) year and in case of an increased force, the laid-off employee shall be offered re-employment in line with their seniority before new employees are hired. It is agreed that laid-off members shall keep the Cooperative and the Chief Steward informed of their address and a letter by registered mail addressed to the last given address shall be sufficient notice of recall. Laid-off employees shall have seven (7) working days after the notice of recall to return to work.

Section 3(A). When there is to be a reduction in forces, the Cooperative will notify the Union as to the classifications and numbers of personnel to be affected. The least senior employee(s) in each designated classification shall be the first laid off. Such laid off

employee may bump laterally or downwardly. (For purposes of this section only, "downwardly" shall include a Service Technician or Maintenance employee bumping to a construction crew). He may displace the least senior employee in the next lower classification for which he is qualified, providing that he has more seniority than the employee to be bumped. Such bumped employee may thereafter bump in a similar fashion. An employee who bumps to a lower classification will be paid the rate of such classification. If a displaced employee does not have sufficient seniority to bump, he shall be laid off. This will continue until the required number are laid off. Probationary employees shall be the first laid off and shall have no bumping rights. The Cooperative will not utilize contractors for the purpose of causing a permanent lay-off of current employees or to affect recall of employees.

Section 4. Laid-off employees shall not be required to give up a regular job elsewhere to report to the Cooperative for a temporary job or a job of known short duration, but shall make known his position. Failure to do so shall forfeit all seniority rights with the Cooperative.

Section 5. On application to the President of the Cooperative and Chief Steward of the Union, a leave of absence in writing, for any justifiable cause, may be granted without loss of seniority. The same provision may apply in case of a laid-off employee who has been recalled, but for some justifiable cause cannot report at the time.

Section 6. All seniority rights shall be lost for any of the following reasons:

- (a) By the employee voluntarily leaving the employment of the Cooperative.
- (b) By discharge of any employee, if such discharge is not reversed through the grievance procedure.
- (c) By failure of any employee, after a layoff, to report back to work within seven (7) working days after being notified of recall or to give an excuse satisfactory to the Cooperative.
- (d) By the lay-off of an employee for a period of one year.
- (e) Any employee who is promoted or moved to a supervisory or other non-bargaining unit position with the Cooperative shall have their seniority frozen and shall not accrue seniority during the time outside the bargaining unit. After a period of five years their seniority in the bargaining unit returns to zero.

Section 7. Any and all employees who have quit, been justifiably discharged, failed to return to work within seven (7) days when called, or laid-off for a period in excess of one (1) year shall come under the above Section 6.

Section 7A. If the need should occur where a bargaining unit position would need to be filled for a period greater than one (1) consecutive day, it will be filled by other bargaining unit personnel.



(Section 8. Any employee may elect to waive his seniority in favor of another employee, provided qualifications are equal.)

Section 9. Promotion of any employee hired after April 1, 1971, shall be probationary for a period of six months to determine whether the employee has the adaptability and ability to satisfactorily perform his new duties. The Cooperative reserves the right to make the promotion permanent at the end of six months. If the promotion is not made permanent, the employee and all other employees affected shall revert to their former status.

Section 10. Bidding Capacity. Any employee may bid for any position where a vacancy exists. Such employees will be paid at the rate of the job to which he bids and is awarded. However, all journeymen positions are prohibited from bidding for any apprentice level position.

Section 11. Relieving upward into any bargaining unit position requiring to be relieved into for a period of one (1) week or more shall be offered by seniority and shall be paid at the rate of that position by work location.

#### **ARTICLE IV** **Vacations – Holidays**

Section 1. Annual vacations with pay shall be granted all employees on the following basis:

All employees of the Cooperative with six (6) months of service, but less than eighteen (18) months of service, six (6) days.

All employees of the Cooperative with eighteen (18) months of service, but less than ten (10) years of service, twelve (12) days.

All employees with ten (10) years of service, eighteen (18) days.

All employees with twenty (20) years of service, twenty (20) days.

Vacations are not cumulative and must be taken during the calendar year in which earned. An employee will, however, be permitted to carry over past December 31 of each year five (5) days of his vacation entitlement. Any such vacation which is carried over but has not been taken by December 31 of the following year shall be forfeited.

Section 1(A). Janitors who work a part-time schedule shall be allowed annual vacations with pay on a prorated basis.

Section 2. Any employee called back to work during his vacation period shall be reimbursed for actual out-of-pocket expenses incurred by him, i.e. prevailing Cooperative mileage rate, reasonable cost of meals and lodging, if required, and shall be given an

opportunity to complete the unexpired portion of his vacation period when his callback is over, at his discretion. The qualifying period for vacations shall begin with the effective date of employment by the Cooperative.

Section 3. The employee's vacation pay shall be given to him at the commencement of his vacation period, or in the last pay prior to the commencement of his vacation period.

Section 4. A maintenance employee may request in advance that he be permitted to take part or all of his vacation at a particular time. If employees having seniority agree, and if in the judgment of the employer, work permits, such request may be granted. Employees shall not be granted vacation time when it is their week for callout, unless approval is given by the employer.

Section 5. All employees covered by this Agreement with six (6) months of job service, but less than eighteen (18) months, shall be required to work a minimum of 110 days (including holidays as days worked) during the six calendar months preceding the vacation period. All employees with more than eighteen (18) months service shall be required to work a minimum of 220 days (including holidays as days worked) during the twelve calendar months preceding the vacation period. Time lost because of sickness or injury will not be used to disqualify employees from receiving vacation payment unless such time exceeds 30 days in any one year period.

Section 6. Notification of vacation period will be given by each employee at least two (2) weeks in advance whenever possible.

Section 7. Ten (10) full holidays with pay shall be granted annually as follows: New Year's Eve, New Year's Day, Memorial Day, Independence Day, Labor Day, Thanksgiving Day, Friday following Thanksgiving, Christmas Eve, Christmas Day, and beginning January 1, 1977, the employee's birthday.

"With pay" as set forth above, means employee will receive eight (8) hours pay at their straight-time rate. All employees shall receive time and one-half their regular straight-time rate of pay for all hours actually worked on the holidays set forth. All employees who actually work more than eight (8) hours on the holidays set forth shall receive two (2) times their regular straight-time rate for hours actually worked in excess of eight (8) hours. When any of the above holidays fall on Sunday, the following Monday shall be observed.

Section 8. Vacation time and holidays shall be considered work time for the purpose of determining overtime.

Section 9. Employees with twelve (12) or more days of vacation entitlement may elect to receive vacation pay in lieu of time off for a maximum of six (6) days of such vacation entitlement. Such vacation pay in lieu of time off will be paid to such employees with a check or by direct deposit.

**ARTICLE V**  
**Sick Leave and Work-Related Injuries**

Section 1. Sick leave, with pay at the regular straight-time rate, shall accumulate for each employee at the rate of one (1) day per month. At the end of each year, accumulated sick leave shall be carried forward into the new year, which carry-over, together with sick leave earned during the new year, may be used during said new years. Borrowing of unearned sick leave to be earned during the year shall not be permitted. No employee shall absent himself from duty without making every reasonable effort to notify his immediate supervisor and shall make every reasonable effort to give such notice in ample time before working hours but in no case less than ½ hour.

As a condition of receiving pay for sick leave taken under this Agreement, the employee will call his reporting headquarters a minimum of one-half (1/2) hour before work-time, unless the employee can prove extenuating circumstances as to why he did not call.

Each employee who has accumulated sick leave on May 3, 1984, will have such leave converted to hours and then to an equivalent dollar amount, based upon wage rate in effect on the last day before entering into this Agreement (May 2, 1984), and shall be carried in a sick leave account. Sick leave accumulated after May 2, 1984, will be converted to hours and then to an equivalent dollar amount, based upon the wage rate in effect when it was accrued. When sick leave is used, the employee will receive pay for each hour used at the wage rate in effect when it is used, and the amount will be deducted from the dollar amount accumulated in the sick leave account. There will be no limitation on the dollar amount which can be accrued in the employee's sick leave account.

When an employee takes early or disability retirement from the Cooperative, he shall receive the amount in his sick leave account up to a maximum of forty-five percent (45%) of the straight-time earnings for the year of retirement if he has this amount or more in his sick leave account. Any amount in such sick leave account in excess of forty-five percent (45%) will be forfeited.

When an employee takes normal retirement from the Cooperative (i.e. 30 years or age 62) or dies before retirement, he, or the beneficiary of such employee who dies before actually retiring shall receive one hundred percent (100%) of the accrued earned balance in their account.

An employee who retires from the Cooperative, or the beneficiary of such employee who dies before retirement, shall have the option of receiving any amounts to which he may be entitled in the sick leave account, in a lump sum, or paid out on a monthly basis, for a period not to exceed one (1) year.

If an employee voluntarily terminates his employment with the Cooperative, such employee shall be entitled to receive twenty percent (20%) of the straight-time earnings

for the year of his voluntary termination if he has this amount or more in his sick leave account. Any amount in such sick leave account in excess of twenty percent (20%) will be forfeited.

If an employee is discharged by the Cooperative, all funds in his sick leave account will be forfeited.

If an employee is absent from work in excess of seven (7) consecutive days, the employee must apply for Short-Term Disability (STD) insurance and has the option of (a) drawing STD payments and using accrued sick leave for the difference between the weekly insurance payment and the gross amount of the employee's regular base pay (40 hours per week) or (b) simply drawing disability insurance payments and "freezing" any sick leave accrual. Under no circumstances shall an employee receive "double payment."

If an employee is on a leave caused by an injury compensable under the Worker's Compensation statutes, such employee will continue for up to one (1) year to accrue sick leave and vacation benefits only. Such benefits shall not continue to accrue for any other absence of any kind.

Employees shall be required to furnish a verified statement as to the existence or continuance of illness, and may be required to furnish a doctor's certificate.

Section 2. Lost time due to accidents incurred in line of duty shall not be construed as sickness within the meaning of section 1. Lost time due to accidents incurred in the line of duty will be covered by the Kentucky Workers Compensation Statute, including any penalty to be assigned against the Cooperative or the employee, where applicable, for violating a safety rule or regulation.

Section 3. No employee shall lose any regularly-scheduled straight-time pay for forty (40) hours per week (except Service Technicians only, will receive overtime pay for the Saturday of their call-out week under Article VIII, Section 13) due to accidents incurred while on duty, unless such time lost exceeds one (1) year. When such accidents are compensable under the Worker's Compensation Law, or any other protective insurance carried by the Cooperative, the Cooperative shall be given credit for any such monies received by the employee during the time he is off due to such accident.

Section 4. Time off due to accidents or sick leave shall not be construed as vacation time.

Section 5. If an employee suffers a disabling accident while on duty and is permanently impaired from continuing his normal line of duty, effort shall be made for up to a maximum of thirty-six (36) months from the date of such disabling accident to find suitable work for the employee in a classification he can continue working in.

Neither the Cooperative nor the Union will discriminate against an employee because of such employee's race, sex, religion, national origin, age (forty and above) or disability as

such term is defined in the Americans With Disability Act and Regulations issued pursuant to it.

Section 6. In case of the death of the mother, father, husband, wife, child, sister, brother, grandparent, grand-child, father-in-law, mother-in-law, sister-in-law, brother-in-law, son-in-law, daughter-in-law, step-mother, step-father, step-sister, or step-brother of an employee, the employee shall be allowed up to three (3) days off with pay as required or needed.

Section 7. Sick leave shall be considered worked time for the purpose of determining overtime.

## **ARTICLE VI General Rules**

Section 1. The management of the Cooperative, the assigning of crews and men for duty, hiring and laying off of workers is the duty of the Employer. It is understood and agreed that the Employer shall be the sole judge of the qualifications and competency of all applicants for employment and shall have the sole right to hire and make work assignments. Subject to Article II (Adjustment of Grievances) of this Agreement, the Employer shall have the right to promote, suspend, discipline, discharge and lay off employees. These rights of the Employer shall not be exercised for the purpose of discriminating against any employee because of his membership in the Union or because of Union activities.

Section 1(A). The Cooperative and the Union agree that the provisions of this Agreement shall be applied to all employees without discrimination on the basis of age (over age 40), disability (as defined and provided for in the Americans with Disabilities Act of 1990), sex, race, color, religion or national origin.

As used throughout this Agreement, the term "he" as well as any other masculine pronoun, shall apply to and described the male and/or female gender.

Section 2. All established safety rules and regulations of the Cooperative shall be strictly complied with, provided such rules are posted in a conspicuous place or copies are provided each individual. Any employee committing an infraction of established safety rules shall be called before a safety committee consisting of two advisory union members appointed by the Union, and two advisory management employees appointed by Management, for the purpose of advising management concerning details of the infraction. Any decision for disciplinary action shall be the responsibility of management and shall be subject to the grievance procedure.

It is recognized that the employer has the exclusive responsibility to provide a safe and healthful workplace and conditions of employment and the employee(s) has the exclusive

responsibility to follow all rules, regulations and policies of the Cooperative and to wear all personal safety equipment provided by the Cooperative.

Any employee assigned to drive a service, maintenance or construction truck shall (a) see that the truck and equipment are kept in order; (b) transport any dangerous material in a safe manner; and (c) comply with all safety rules for transporting dangerous material. Each employee shall be notified of the time and place of all safety meetings, and shall attend, with the exception of outages and/or emergencies, or if an employee is on vacation, or in case of sickness.

Section 3. No employee covered by this Agreement shall use, in any way, any form of intoxicant on duty; no employee shall use any form of intoxicant while off duty to such an extent as to interfere with his reporting for duty at the time he is expected to report or to such an extent as to interfere with his performing his duties. No employee shall transport any form of intoxicant in an Employer-owned vehicle at any time.

No employee covered by this Agreement shall possess, use, exchange, or transfer illegal or unlawful drugs, in any way, while on duty, or while off duty to such an extent as to interfere with his reporting for duty at the time he is expected to report, or to such extent as to interfere with his performing his duties.

Section 3(A). No employee shall conduct himself while on duty in such a manner that would discredit the Cooperative in the eyes of the general public.

Section 3(B). No employee shall take any tools, material, or equipment from the Cooperative unless he has a purchase receipt or has written permission from his supervisor and/or superintendent.

Section 3(C). No employee of the Cooperative shall, during the course of any such employment, take another regular job that would substantially and regularly interfere with the performance of his duties as an employee of the Cooperative.

Section 4. Use of space on bulletin boards in service centers and offices, where workers assemble will be permitted for the posting of notices of Union meetings or other items of a general nature and interest to the workers.

Section 5. All types of tools and equipment now furnished to the employee shall be continued.

Section 6. No employee member of the Union shall be required to cross an established picket line of any other striking union, without first obtaining clearance from such striking union.

Section 7. Effective April 1, 2005 through July 31, 2008, Union employees will pay \$40 per pay period for 24 pay periods annually toward the cost of major medical insurance

premium cost. The Union and Management will meet in June 2008 to discuss contributions to the medical insurance premium going forward.

The Cooperative shall have the right to change insurance carriers for any of the group insurance programs as set forth in this Agreement, and in the policy Manual, at any time, and to modify and change coverages at any time. The Cooperative will, however, meet with the Union's stewards before any changes as described are considered and voted upon by the Plan Representatives. The Cooperative will also meet with the Union's stewards after any changes to the Plan are considered, voted upon by the Plan Representatives, and made.

Section 8. It is agreed between the Cooperative and the Union that new employees shall during the first one hundred and eighty (180) days of their employment, be upon probationary status, and may be discharged any time during such probationary period without resort to the grievance procedure, if in the discretion of the Employer, their work and progress is unsatisfactory.

Section 9. In the case of an extended lay-off, a thirty (30) days, notice will be given whenever possible.

Section 10. Except wage and progression steps within the same classification, all jobs which the Cooperative decides to fill, or new jobs created, when an employee quits, retires, dies, is discharged, transferred from one department to another, or from one location to another, shall be posted for bid on the Cooperative's bulletin boards for a period of ten (10) calendar days. Nothing contained in this Section shall interfere with the Cooperative's rights set forth in Article VI, Section 1. In case of emergency, jobs may be filled temporarily.

Section 11. The Cooperative will pay the full cost of uniform rental and laundry service (eleven (11) uniforms per man). All employees shall be required to wear uniforms furnished by the Cooperative.

Section 12. The Cooperative agrees to provide \$125 per year for Touchstone Energy Clothing Allowance.

Section 12A. The Cooperative agrees to allow eligibility to participate in OEC's Performance Incentive Plan.

Section 13. The Cooperative shall have the right to establish rules which requires an employee to live in an area that is critical to their work. These rules are as follows:

- A. All Service Technicians shall be required to live within ten (10) miles of their reporting location. The exception to this rule is due to the moving of the Owenton Service Center Location; any employee complying with this provision before 12/1/2003 will be grandfathered in and will be considered as meeting that requirement to the new location.

- B. All Field Service Representatives will be required to live within the boundaries of their callout area. These areas are described below, but may be subject to change in the future. However, no existing Field Service Representative will be required to move to meet these new boundaries.

Northern Area – Boone, Kenton, Campbell  
Central Area – Pendleton, Grant, Scott  
Southern Area – Owen, Carroll, Gallatin

## **ARTICLE VII**

### **Union Shop**

Section 1. All employees except those now employed, who are not now members, shall be required to remain members of the Union in good standing as a condition of employment during the term of this Agreement. New employees hired after the effective date of this section of the Agreement, and former employees who are nonmembers of the Union returning to work after such date, shall be required to become members of the Union as of the 181<sup>st</sup> day after the beginning of or return to employment.

Section 2. Subject to the provisions of this Agreement, there shall be no discrimination against any employee because of the employee's being or not being, a member of the Union, either on the part of the Employer, or on the part of the Union.

Section 3. The Union agrees that neither it nor any of its officers, representatives, or members will intimidate or coerce employees into membership in the Union.

Section 4. The Union agrees to and does hereby indemnify the Employer against any loss by reason of any back pay award by any court of Law or National Labor Relations Board that might be obtained by any employee discharged at the request of the Union.

Section 5. The Cooperative will deduct union dues from those employees who authorize such deductions.

Deductions shall be made from the first paycheck of the employee after receipt of the authorization, and also from the first paycheck each month thereafter. It is agreed employees may revoke this authorization by written notice to the Cooperative sixty (60) days prior to intent.



**ARTICLE VIII**  
**Hours of Work – Overtime Payment**

Section 1. A regular work day shall consist of eight (8) consecutive hours in any twenty-four (24) hour period (excluding lunch period).

Section 2. A regular work week shall consist of forty (40) hours of work, Monday through Saturday.

Section 3. All work performed in excess of eight (8) hours in any one day, exclusive of lunch time, or in excess of forty (40) hours in any one work week, shall be paid at one and one-half (1 ½) times the regular rate of pay, but such overtime shall not be paid more than once for the same hours worked.

Section 4. The regular work day shall be from 12:00 midnight to 12:00 midnight of the following day, but all time worked before 7:00 a.m. or after 5:00 p.m. shall be paid for at one and one-half (1 ½) times the regular rate of pay.

Section 4(A). The regular work day of janitors shall be from 12 noon until 12 midnight of one day. All time worked before or after the above schedule shall be compensated for at one and one-half (1 ½) times the regular rate of pay.

Section 4(B). See "Letter Agreement" attached hereto and hereby made a part of this Agreement.

Section 5. The regular work week shall be from 12:00 midnight, Sunday to 12:00 midnight the following Sunday.

Section 6. Employees having worked overtime shall not be required to lay off to offset their overtime compensation.

Section 7. The Cooperative will endeavor to divide overtime work equally among the employees as described below:

Limited Scheduled Overtime Opportunities: These are opportunities when only a portion of the service center is requested to work. The opportunity would be filled by seniority, if an employee refuses to work, that will be recorded as an opportunity. If the employee works that will be recorded as an opportunity. The next occurrence for an opportunity to work would begin with the senior person who has had no opportunity to work. If the entire service center personnel are asked to work, no recording will be necessary.

Out of Town Overtime Opportunities: These are opportunities, when all or a portion of the service center may be asked to go out of town to work. The opportunity would be filled by seniority; if an employee refuses to travel out of town to work that will be recorded as an opportunity. If the employee agrees to travel out of town to work, that will be recorded as an opportunity. The next occurrence for an opportunity to travel out

of town to work would begin with the senior person who has had no opportunity to travel out of town to work. These opportunities shall include Service Technicians from the area.

Section 7(A). Overtime on Monday/Friday for all employees except Service Technicians, shall be performed by the employee(s) on the job where the overtime exists. The decision to work overtime will be made by the Crew Leader or Supervisor. In the case of any emergency, all employees may be required to work overtime.

Section 7(B). When the Management of the Cooperative determines that overtime shall be performed on Saturday, it will be offered on a voluntary basis to all Construction Employees, by classification, in whichever Service Center the work to be performed is located. If a sufficient number of employees are not obtained, then selection shall be made from the crew on duty in the Service Center affected, starting with the least senior employee(s) in the classification needed from that crew and then, if necessary, the crew in the other Service Center for that week in the same manner as provided here. In the case of an emergency, all employees may be required to work overtime.

Section 8. All work performed on Sunday shall be paid for a 1 ½ times the regular rate of pay and shall be computed in determining weekly overtime. There will be no overtime on overtime.

Section 9. All holidays shall be counted as days worked for determining weekly overtime.

Section 10. Employees called out for emergency work shall be paid at 1 ½ times their regular rate with a minimum of three (3) hours pay at such rate and shall not be required to remain longer than the time required to perform the emergency work existing during the period of such callouts. However, there shall be no overlap of overtime pay.

Section 10(A). When an employee is required to work for two hours before or two hours after the regularly scheduled work day, the Cooperative may provide such a meal as can be reasonably obtained. The employee will be paid for the time to eat the meal, up to a maximum of thirty (30) minutes. During extended outages, employee will be allowed a meal every five (5) hours. The employee will be required to present a receipt in order to be reimbursed.

Section 10(B). All work performed after sixteen (16) consecutive hours shall be compensated for at double the straight-time rate. Following seventeen (17) hours of work, employee may take eight (8) hours of rest time, but if called back to work before eight (8) hours of rest time, employee will resume the rate of pay that prevailed before the rest period began.

Section 11. The Cooperative will furnish transportation reimbursement and pay for any additional travel time when any employee is asked to report to another work location.

Any employee, who is asked to report to another work location, if asked to begin travel early or travel late will be paid overtime pay at the rate of 1 ½ times the regular rate for the additional time (A minimum of ½ hour per day will be paid). If the employee is required to travel additional mileage to reach the reporting location, they will be paid for each additional mile driven at the standard rate.

Section 11A. All hours of work for out of state emergency work will be paid at the rate of one and one-half times (1 ½) regular hours pay. This includes travel to and from the out of state location.

Section 12. When employees report for work at their regularly scheduled meeting place and at the regular work time, but are unable to go to work for causes beyond their control, they shall be paid not less than eight (8) hours time for said day. They may be required to do any work needed to be done in or around the warehouse, garage, and office, whether such work falls within their job classification or not.

Section 13. Standby for Callout. Each employee required to standby for callout would be paid at the rate of Three and One-Half Hours (3 ½) times their hourly overtime rate.

Any employee on standby callout that does not respond to one callout will not forfeit any of the weekly standby premiums.

Any employee on standby callout that does not respond to two callouts will forfeit the entire weekly standby premium.

The callout process shall work as follows:

For callout purposes the Cooperative Service Area will be divided into trouble/callout areas. Each area will be assigned two (2) Service Technicians with one being the primary response person each week and the other the secondary response person. The trouble/callout areas will remain as they are at the present. Should the need arise to change these areas, the change will be negotiated with the bargaining unit.

The primary response Service Technician in the area where the trouble call originates shall be called first, if more help is required, the secondary response Service Technician shall be called next. If more help is required the Senior Journeyman on the standby crew shall be called. If additional help is required the Second Journeyman and the Apprentice Lineman (if there is one) shall be called. If additional help is required, the Senior Journeyman Lineman on the next week's standby list shall be called and then the Second Journeyman Lineman and the Apprentice Lineman. The System Operator shall continue with the process of going to the next Crew on standby until all the required personnel are obtained. If after going through the list for a given service center, the System Operator has the option of going to the other service center's list. Secondary Service Technicians have the right to pre-decline callout on their off-week. If assistance is required by the service technician then any crew working and available can be utilized before going to the callout process.

The standby crew will be the first crew considered for holdover at the end of a regular scheduled work day.

If possible employees should not schedule vacation or leave during their standby weeks. If this occurs the employee will not be eligible for standby pay. The swapping of standby weeks will not be allowed.

The standby week will begin and end at 8:00 a.m. on Friday.

Any dispute for loss of standby pay will be settled by the local supervisor and job steward.

This standby premium does not apply to Service Technicians.

Management reserves the right to call out specialty crews or employees in special situations as well as the right to utilize the construction contractor in special cases.

On holidays which fall on Friday, the Service Technician on call for Friday night will be responsible for emergency assignments beginning at 8:00 a.m. on such Friday.

Section 13(A). Connect, Reconnect or Disconnect of Existing Meters. Any request for a connect, reconnect or disconnect of an existing meter will be assigned to the position of Field Service Representative. If no employee is working and available to work the request after hours, the Field Service Representative in the area affected will be offered first. If the Field Service Representative is not available then the normal callout process will begin to handle the request. Field Service Representatives will be subject to call out every other week.

Section 14. Pay day for employees will be every other Friday. The Cooperative will first hold back one (1) week's pay.

Section 15. Each payday, all employees shall be paid by check in full or by direct deposit in accordance with Section 14 above.

Section 16. Each check shall have attached to it a detachable detailed statement of the earnings and deductions of the employees receiving pay for the pay period covered by said check.

Section 17. It is agreed by the Union and its members that all employees covered by this Agreement, regardless of his or their classification, shall assist his fellow workmen in any work that he is capable of doing or may be called on to perform that tends to expedite the business of the Employer and the particular job to which he or they have been assigned. This Section shall not be used to intimidate or reclassify men to their detriment.

Section 18. No employee working alone or after dark covered by this Agreement shall be required to do any work that would position the employee within reach of equipment or lines energized at more than 600 volts. Routine switching of circuits, work performed with live line tools that enables the employee to position themselves so that they are not within reach of or otherwise exposed to energized parts and emergency repairs necessary to safeguard the general public are excluded from this section. Management recognizes the fact that there will be situations that, after a careful investigation, the employee on site feels additional help is needed. Justification for requiring additional help will be the responsibility of the employee present. Employee will climb at his own discretion.

Section 19. When working directly with employees of the Cooperative, contractors who are performing work shall follow all safety rules set forth by the Cooperative.

### **ARTICLE IX Apprentice Training**

Section 1. The Apprentice Training Program is to be carried out as determined by the joint Union and Management Apprentice Committee as outlined in Schedule "B" which is a part of this Agreement.

### **ARTICLE X Job Descriptions – Wages**

Section 1. Employees acting as stewards of the Union shall not lose any time or compensation while so acting. Employees acting as contract negotiators shall be granted not to exceed four (4) days per calendar year while meeting with the Cooperative on official business.

Section 2. This Agreement will not prevent the Cooperative from employing specialists to supervise work of a special nature as long as such specialists shall not displace a regular employee.

Section 3. The job classifications and wage rates are outlined in Schedule "A" attached hereto and are hereby made a part of this Agreement.

Section 4. The parties hereto agree that each job is classified and a minimum pay schedule is as set forth in Schedule "A".

Section 5. The above referenced job. Descriptions are as contained in the Cooperative's Job Description Book and made a part of this Agreement by reference. This book is maintained by the Cooperative's Human Resources Department.

<b>Wage Scale</b>					
<b>Current Employees (Hired on or before March 31, 1987)</b>					
<b>Classification</b>	4/1/2005	8/1/2005	8/1/2006	8/1/2007	8/1/2008
	Rate 1.0%	Rate 0.5%	Rate 3.5%	Rate 3.5%	Rate 3.5%
Truck Driver - 1st Class	\$ 22.35	\$ 22.46	\$ 23.25	\$ 24.06	\$ 24.90
Truck Driver - 2nd Class	\$ 21.88	\$ 21.99	\$ 22.76	\$ 23.56	\$ 24.38
Laborer - 1st Class (over 1 yr)	\$ 18.06	\$ 18.15	\$ 18.79	\$ 19.45	\$ 20.13
Laborer - 2nd Class (2nd six months)	\$ 16.23	\$ 16.31	\$ 16.88	\$ 17.47	\$ 18.08
Laborer - 3rd Class (1st six months)	\$ 14.37	\$ 14.44	\$ 14.95	\$ 15.47	\$ 16.01
Janitor	\$ 17.45	\$ 17.54	\$ 18.15	\$ 18.79	\$ 19.45

\*The April 1, 2005 adjustment of one percent (1%) is in addition to the cooperative assuming payment of the employees' annual three percent (3%) contribution to the NRECA Defined Benefit Retirement Plan (effective the same date).

<b>Wage Scale</b>					
<b>Current Employees (Hired on or after April 1, 1987)</b>					
<b>Classification</b>	4/1/2005	8/1/2005	8/1/2006	8/1/2007	8/1/2008
	Rate 1.0%	Rate 0.5%	Rate 3.5%	Rate 3.5%	Rate 3.5%
Crew Leader	\$ 26.10	\$ 26.23	\$ 27.15	\$ 28.10	\$ 29.08
Service Technician	\$ 25.46	\$ 25.59	\$ 26.49	\$ 27.42	\$ 28.38
Journeyman Lineman	\$ 24.96	\$ 25.08	\$ 25.96	\$ 26.87	\$ 27.81
Apprentice Lineman - 1st Class	\$ 23.10	\$ 23.22	\$ 24.03	\$ 24.87	\$ 25.74
Apprentice Lineman - 2nd Class	\$ 21.28	\$ 21.39	\$ 22.14	\$ 22.91	\$ 23.71
Apprentice Lineman - 3rd Class	\$ 19.44	\$ 19.54	\$ 20.22	\$ 20.93	\$ 21.66
Apprentice Lineman - 4th Class	\$ 17.58	\$ 17.67	\$ 18.29	\$ 18.93	\$ 19.59
Truck Driver - 1st Class	\$ 19.44	\$ 19.54	\$ 20.22	\$ 20.93	\$ 21.66
Truck Driver - 2nd Class	\$ 17.58	\$ 17.67	\$ 18.29	\$ 18.93	\$ 19.59
Laborer - 1st Class	\$ 15.76	\$ 15.84	\$ 16.39	\$ 16.96	\$ 17.55
Laborer - 2nd Class	\$ 14.37	\$ 14.44	\$ 14.95	\$ 15.47	\$ 16.01
Warehouseman - 1st Class	\$ 21.91	\$ 22.02	\$ 22.79	\$ 23.59	\$ 24.42
Warehouseman - 2nd Class	\$ 15.76	\$ 15.84	\$ 16.39	\$ 16.96	\$ 17.55
Field Service Representative - 1st Class	\$ 19.16	\$ 19.26	\$ 19.93	\$ 20.63	\$ 21.35
Field Service Representative - 2nd Class	\$ 17.58	\$ 17.67	\$ 18.29	\$ 18.93	\$ 19.59
Field Service Representative - 3rd Class	\$ 16.73	\$ 16.81	\$ 17.40	\$ 18.01	\$ 18.64
Janitor	\$ 14.72	\$ 14.79	\$ 15.31	\$ 15.85	\$ 16.40
Meter Reader - 1st Class	\$ 11.00	\$ 11.06	\$ 11.45	\$ 11.85	\$ 12.26
Meter Reader - 2nd Class	\$ 9.00	\$ 9.05	\$ 9.37	\$ 9.70	\$ 10.04
Meter Reader - 3rd Class	\$ 8.00	\$ 8.04	\$ 8.32	\$ 8.61	\$ 8.91
Senior Meter Technician	\$ 23.00	\$ 23.12	\$ 23.93	\$ 24.77	\$ 25.64
Meter Technician - 1st Class	\$ 20.91	\$ 21.01	\$ 21.75	\$ 22.51	\$ 23.30
Meter Technician - 2nd Class	\$ 19.16	\$ 19.26	\$ 19.93	\$ 20.63	\$ 21.35
Meter Technician - 3rd Class	\$ 17.43	\$ 17.52	\$ 18.13	\$ 18.76	\$ 19.42
Meter Technician - 4th Class	\$ 15.70	\$ 15.78	\$ 16.33	\$ 16.90	\$ 17.49
Seasonal Employee (minimum rate, 5/15 - 9/15)	\$ 5.50	\$ 5.50	\$ 5.50	\$ 5.50	\$ 5.50

\*The April 1, 2005 adjustment of one percent (1%) is in addition to the cooperative assuming payment of the employees' annual three percent (3%) contribution to the NRECA Defined Benefit Retirement Plan (effective the same date).

Men assigned to do planned hot work shall be paid an additional twenty-five cents (\$.25) per hour for time actually worked with hot sticks out of a hot-stick trailer or bucket truck. Except in case of emergency, all hot work will be assigned by supervisor to hot stick or bucket truck. Disconnecting taps and transformers are not included in the definition of hot work. (Added April 1, 1990). Hot work does not constitute work for which bidding is required.

**ARTICLE XI**  
**Letters of Agreement**

Letter of Agreement – Extended Work Hour Rules

Letter of Agreement – Field Service Representative

Letter of Agreement – Staking Engineers

Letter of Agreement – Definition of Temporary Assignments

Letter of Agreement – Janitorial Work Hours

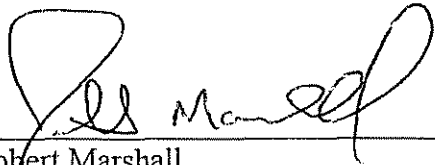
Letter of Agreement – Hot Work Clause



IN WITNESS WHEREOF, the Cooperative and the Union by their respective officers and representatives hereunto duly authorized have signed this Agreement on the day, month and year first set forth above.

**Owen Electric Cooperative, Inc.**

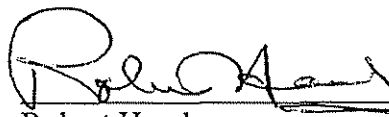
**Local 2100  
International Brotherhood of  
Electrical Workers, AFL-CIO**


  
\_\_\_\_\_  
Robert Marshall  
President/CEO


  
\_\_\_\_\_  
Elmer Satterly  
President/Business Manager

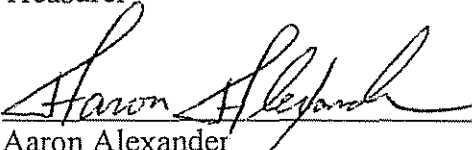
**Owen Electric Negotiating Committee**

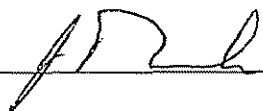
**Union Negotiating Committee**

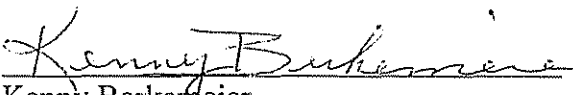
  
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Robert Hood  
Sr. VP of Engineering & Operations

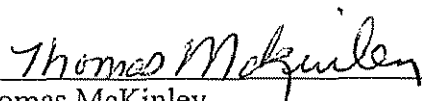
  
\_\_\_\_\_  
Curtis Stratton  
Treasurer


  
\_\_\_\_\_  
William Prather  
Sr. VP of Customer Service

  
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Aaron Alexander

  
\_\_\_\_\_  
Jim Bush

  
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Kenny Berkenmeier

  
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Thomas McKinley

  
\_\_\_\_\_  
Danny Clemons

  
\_\_\_\_\_  
Callen Cheesman

AGREEMENT

Between

OWEN ELECTRIC COOPERATIVE, INC.

Owenton, Kentucky

and

INTERNATIONAL BROTHERHOOD

of

ELECTRICAL WORKERS

Local Union 101

Somerset, Kentucky

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AGREEMENT

Revised through Amendments Effective  
April 1, 1999

This Agreement made and entered into this first day of April, 1999, by and between Owen Electric Cooperative, Inc., as the party of the first part, and hereinafter designated as the "COOPERATIVE" or the "EMPLOYER", and Local Union Number 101, International Brotherhood of Electrical Workers, AFL-CIO, as party of the second part, and hereinafter designated as the "UNION".

WITNESSETH:

WHEREAS: A majority of the employees of the Cooperative have designated the Union as their collective bargaining agent as certified by the National Labor Relations Board election November 26, 1951, the employer herewith recognizes the Union as the sole and exclusive bargaining agent for all construction, service, and maintenance employees as set forth in the certification of the National Labor Relations Board, Case No. 9-RC-1388, but excluding office personnel, supervisors as defined in Section 2(II) of the act as amended, and technical engineers, and all other employees and common labor used for the clearance of rights of way and similar work done by members on a self-help plan.

Amended April 1, 1968, to exclude the classification of "Line

Foreman" from the bargaining unit as set forth in the National Labor Relations Board Case No. 9-UC-15, dated January 24, 1968.

WHEREAS: The Parties hereto desire to establish a standard of conditions and procedures under which employees shall work for the Cooperative during the term of this Agreement and any renewals thereof, and desire to regulate the mutual employment relations between the parties for the purpose of securing harmonious relations and cooperation in the settling of any disputes or differences, by peaceful means, that may arise in the employee-employer relationship.

NOW, THEREFORE: In consideration of the mutual promises and agreements herein contained, the parties agree as follows:

PREAMBLE

The Cooperative, acting herein as an employer or management and including its Board of Directors, President, Supervisory Employees and their designated Representatives, and the Union, acting herein on behalf of its members, employees of the Cooperative, both recognize that the purpose and function of the Cooperative is to furnish central station electric service to its members as residents of the area in the most efficient and economical manner possible. They both recognize a paramount obligation to contribute to the best of their ability to the primary and justifying purposes and function of the Cooperative,

having regard for both good business management and the welfare of workers engaged as employees as interrelated and mutual consideration in promoting the service which is the duty of the Cooperative to give.

ARTICLE I

Effective Date, Termination and Amendments

Section 1. (As amended April 1, 1990, April 1, 1993 and April 1, 1999.) This Agreement shall take effect April 1, 1999, and shall remain in effect until March 31, 2005. It shall thereafter continue in effect from year to year, from April 1, through March 31, of each year, unless changed or terminated in the way later provided herein.

Section 2. (Amended April 1, 1967). Either party desiring to change or terminate this Agreement must notify the other in writing prior to February 1 of the year in which the Agreement expires. When notice for changes only is given, the nature of the changes desired must be specified in the notice.

Section 3. This Agreement shall be subject to amendment at any time by mutual consent of the parties hereto. Any such amendment agreed upon shall be reduced to writing, signed by the parties hereto, and approved by the International Office of the Union the same as this Agreement.

ARTICLE II

Union Representation - Adjustment of Grievances

Section 1. For the adequate representation of the employee group, there shall be a Chief Steward and as many assistant stewards as there are working units, whose names shall be furnished to the Management of the Cooperative, and it is agreed that the Cooperative will recognize these stewards as the official representatives of the employee group covered by the terms of this Agreement. (The right is reserved by the Union to change the stewards at will and to increase or decrease the number as the working force of the Cooperative warrants.)

Section 1. (A). (Amended April 1, 1999) The Union Negotiating Committee shall consist of not to exceed four (4) members, at least one (1) of whom shall be a serviceman or maintenance employee and at least one (1) of whom shall be a construction employee.

Section 2. Should differences arise between the Cooperative and the Union, as to the meaning and/or application or the observance and performance, by either party, of any of the provisions of this Agreement, or as to whether the wage or working condition of any individual member or group of members in the Cooperative is out of line with the wage rates or conditions that should apply to him or them, the following shall be the procedure for the adjustment and settlement thereof:

Section 3.(A). (Amended April 1, 1990 and April 1, 1999) The employee or his Steward shall first bring the grievance to his foreman. A grievance must be filed within ten (10) working days of the date giving rise to the grievance or the date they knew or should have known the grievance arose, whichever is earlier.

(Section 3 (B) (Amended April 1, 1990 and April 1, 1999) If the grievance is not settled, it shall be referred, in writing, to the Chief Steward, who will then present the matter to the Vice-President of the Department involved.

Section 3 (C) (Amended April 1, 1999) Then, if the matter is not satisfactorily disposed of within five (5) working days, the Cooperative President and the Business Manager shall make a thorough investigation and will meet with any official or group of officials of the Cooperative necessary to bring about a satisfactory settlement.

Section 3 (D) (Amended April 1, 1999). If a fair and sincere effort is not made to reach a satisfactory adjustment or settlement of all matters so presented within ten (10) working days, the Cooperative Attorney will contact the Union's Business Manager within ten (10) days to set a meeting to take place within sixty (60) days.

Section 3 (E). (Amended April 1, 1999) If the matter cannot be settled in the foregoing manner, it is agreed that the matter



shall be referred to arbitration in the following manner:

First, the Arbitration Panel shall consist of one (1) person selected by the Cooperative and one (1) person selected by the Union.

Second, upon notice by either party to the other of the desire to arbitrate, both parties shall make their selection of their member of the panel within five (5) working days after notice has been received. Each party shall notify the other party of the name and address of their panel member.

Third, within ten (10) days after the selections have been made, the two panel members shall meet at a time and place convenient to themselves and select a third and neutral member, who will act as the Chairman of the Panel. Each party hereto shall bear the expense of their panel member and the expense of preparing and presenting their side of the case and the expense of the third member of the panel and any incidental expenses shall be shared equally between the parties.

It is agreed that the findings and decisions of the arbitration panel shall be final and binding on all parties concerned.

Fourth, in case the two panel members are unable to agree upon the third and neutral member within ten (10) days from their initial meeting, the matter shall be referred to the Kentucky

Secretary of Labor for the selection of the neutral member.

Section 4. (As amended April 1, 1990 and April 1, 1999) The Union and Employees agree that they will not engage in or authorize a strike, including so called sympathy strikes, or work stoppage, slow-down or interference with work of any kind or nature and the Cooperative agrees that it will not engage in a lockout because of disputes over matters relating to this Agreement. The Union further agrees that it will take every reasonable means which are within its power to induce employees engaged in a strike or work stoppage in violation of this Agreement to return to work. All questions, disputes or controversies under this Agreement shall be settled and determined solely and exclusively by the conciliation and arbitration procedures provided in this Agreement. (Added April 1, 1999) The Cooperative shall have the right to discipline or discharge any employee who violates any of the provisions of this Section 4. Such discipline or discharge can only be overturned by an Arbitrator if the employee(s) are found not to have violated these provisions.

### ARTICLE III

#### Seniority

Section 1. (Amended April 1, 1999) Seniority is recognition only for length of uninterrupted service with the

Cooperative and shall be calculated from the date of last employment by the Cooperative.

Section 2. When ability and adaptability, in the reasonable opinion of the Management of the Cooperative, is equal, seniority shall prevail in all promotions, demotions, layoffs, and recalls.

Section 3. (Amended April 1, 1999) In case of lay-off for lack of work, the laid-off employees shall hold and accumulate their seniority with the Cooperative, for a period of one (1) year and in case of an increased force, the laid-off employee shall be offered re-employment in line with their seniority before new employees are hired. It is agreed that laid-off members shall keep the Cooperative and the Chief Steward informed of their address and a letter by registered mail addressed to the last given address shall be sufficient notice of recall. Laid-off employees shall have three (3) working days after the notice of recall to return to work.

Section 3 (A). (Added April 1, 1999) When there is to be a reduction in forces, the Cooperative will notify the Union as to the classifications and numbers of personnel to be affected. The least senior employee(s) in each designated classification shall be the first laid off. Such laid off employee may bump laterally or downwardly. (For purposes of this section only, "downwardly" shall include a Serviceman or Maintenance employee bumping to a

construction crew). He may displace the least senior employee in the next lower classification for which he is qualified, providing that he has more seniority than the employee to be bumped. Such bumped employee may thereafter bump in a similar fashion. An employee who bumps to a lower classification will be paid the rate of such classification. If a displaced employee does not have sufficient seniority to bump, he shall be laid off. This will continue until the required number are laid off. Probationary employees shall be the first laid off and shall have no bumping rights. The Cooperative will not utilize contractors for the purpose of causing a permanent lay-off of current employees or to affect recall of employees.

Section 4. Laid-off employees shall not be required to give up a regular job elsewhere to report to the Cooperative for a temporary job or a job of known short duration, but shall make known his position. Failure to do so shall forfeit all seniority rights with the Cooperative.

Section 5. (Amended April 1, 1999). On application to the President of the Cooperative and Chief Steward of the Union, a leave of absence in writing, for any justifiable cause, may be granted without loss of seniority. The same provision may apply in case of a laid-off employee who has been recalled, but for some justifiable cause cannot report at the time.

Section 6. Amended April 1, 1999) All seniority rights shall be lost for any of the following reasons:

(a) By the employee voluntarily leaving the employ of the Cooperative.

(b) By discharge of an employee, if such discharge is not reversed through the grievance procedure.

(c) By failure of an employee, after a layoff, to report back to work within three (3) days after being notified of recall or to give an excuse satisfactory to the Cooperative.

(d) By the lay-off of an employee for a period of one year.

(e) (Added April 1, 1999) Any employee who is promoted or moved to a supervisory or other non-unit position with the Cooperative.

Section 7. Any and all employees who have quit, been justifiably discharged, failed to return to work within three (3) days when called, or laid-off for a period in excess of one (1) year shall come under the above Section 6.

Section 8. (Added April 1, 1971). Any employee may elect to waive his seniority in favor of another employee, provided qualifications are equal.

Section 9. (Added April 1, 1971 and Amended April 1, 1999). Promotion of any employee hired after April 1, 1971, shall be

probationary for a period of six months to determine whether the employee has the adaptability and ability to satisfactorily perform his new duties. The Cooperative reserves the right to make the promotion permanent at the end of six months. If the promotion is not made permanent, the employee and all other employees affected shall revert to their former status.

Section 10. (Added April 1, 1990). Seniority. Only employees in the classifications of Journeyman Lineman, Assistant Line Foreman and Serviceman who have fifteen (15) or more years of service as a Journeyman Lineman, may bid down if there is a vacancy at the time. The employee will be paid the rate of the job to which he bids. This provision will not apply to employees, who as of April 1, 1990, are in the classifications of Journeyman Lineman, Serviceman or Assistant Line Foreman.

An employee may only bid laterally or to a higher classification, except that an employee with ten (10) years or more of service with the Cooperative may bid down if physically unable to continue performing the work involved and he is certified as being medically unable to perform the work by his attending physician, with the right of the Cooperative to confirm the disability and, further provided, a vacancy exists at the time to permit the employee to bid down. Such employee will be paid the rate of the job to which he bids.

ARTICLE IV

Vacations - Holidays

Section 1. (Amended April 1, 1971). Annual vacations with pay shall be granted all employees on the following basis:

All employees of the Cooperative with six (6) months of service, but less than eighteen (18) months of service, six (6) days.

All employees of the Cooperative with eighteen (18) months of service, but less than ten (10) years of service, twelve (12) days.

All employees with ten (10) years of service, eighteen (18) days.

All employees with twenty (20) years of service, twenty (20) days.

(Amended April 1, 1993). Vacations are not cumulative and must be taken during the calendar year in which earned. An employee will, however, be permitted to carry over past December 31 of each year five (5) days of his vacation entitlement. Any such vacation which is carried over but has not been taken by December 31 of the following year shall be forfeited.

Section 1 (A). (Amended April 1, 1967). Janitors who work a part-time schedule shall be allowed annual vacations with pay on a prorated basis.

Section 2. (Amended April 1, 1999) Any employee called back

to work during his vacation period shall be reimbursed for actual out-of-pocket expenses incurred by him, i.e. prevailing Cooperative mileage rate, reasonable cost of meals and lodging, if required, and shall be given an opportunity to complete the unexpired portion of his vacation period when his callback is over, at his discretion. The qualifying period for vacations shall begin with the effective date of employment by the Cooperative.

Section 3. The employee's vacation pay shall be given to him at the commencement of his vacation period, or in the last pay prior to the commencement of his vacation period.

Section 4. (Amended April 1, 1971 and April 1, 1999). A maintenance employee may request in advance that he be permitted to take part or all of his vacation at a particular time. If employees having seniority agree, and if in the judgement of the employer, work permits, such request may be granted. Employees shall not be granted vacation time when it is their week for call-out, unless approval is given by the employer.

Section 5. All employees covered by this Agreement with six (6) months of job service, but less than eighteen (18) months, shall be required to work a minimum of 110 days (including holidays as days worked) during the six calendar months preceding the vacation period. All employees with more than eighteen (18) months service shall be required to work a minimum of 220 days (including



holidays as days worked) during the twelve calendar months preceding the vacation period. Time lost because of sickness or injury will not be used to disqualify employees from receiving vacation payment unless such time exceeds 30 days in any one-year period.

Section 6. Notification of vacation period will be given each employee at least two (2) weeks in advance whenever possible.

Section 7. (Amended April 1, 1976). Ten (10) full holidays with pay shall be granted annually as follows: New Year's Eve, New Year's Day, Memorial Day, Independence Day, Labor Day, Thanksgiving Day, Friday following Thanksgiving, Christmas Eve, Christmas Day, and beginning January 1, 1977, the employee's birthday.

"With pay" as set forth above, means employee will receive eight (8) hours pay at their straight-time rate. All employees shall receive time and one-half (1½) their regular straight-time rate of pay for all hours actually worked on the holidays set forth. All employees who actually work more than eight (8) hours on the holidays set forth shall receive two (2) times their regular straight-time rate for hours actually worked in excess of eight (8) hours.

When any of the above holidays fall on Sunday, the following Monday shall be observed.

Section 8. (Amended April 1, 1958). Vacation time and

holidays shall be considered work time for the purpose of determining overtime.

Section 9. (Amended April 1, 1999) Employees with twelve (12) or more days of vacation entitlement may elect to receive vacation pay in lieu of time off for a maximum of six (6) days of such vacation entitlement. Such vacation pay in lieu of time off will be paid to such employees with a check or by direct deposit.

#### ARTICLE V

##### Sick Leave and Work-Related Injuries

Section 1. (Amended May 3, 1984 and April 1, 1999). Sick leave, with pay at the regular straight-time rate, shall accumulate for each employee at the rate of 1¼ days per month. At the end of each year, accumulated sick leave shall be carried forward into the new year, which carry-over, together with sick leave earned during the new year, may be used during said new years. Borrowing of unearned sick leave to be earned during the year shall not be permitted. No employee shall absent himself from duty without making every reasonable effort to notify his immediate supervisor and shall make every reasonable effort to give such notice in ample time before working hours but in no case less than ½ hour.

As a condition of receiving pay for sick leave taken under this Agreement, the employee will call his reporting headquarters

a minimum of one-half ( $\frac{1}{2}$ ) hour before work-time, unless the employee can prove extenuating circumstances as to why he did not call.

Each employee who has accumulated sick leave on May 3, 1984, will have such leave converted to hours and then to an equivalent dollar amount, based upon wage rate in effect on the last day before entering into this Agreement (May 2, 1984), and shall be carried in a sick leave account. Sick leave accumulated after May 2, 1984, will be converted to hours and then to an equivalent dollar amount, based upon the wage rate in effect when it was accrued. When sick leave is used, the employee will receive pay for each hour used at the wage rate in effect when it is used, and the amount will be deducted from the dollar amount accumulated in the sick leave account. There will be no limitation on the dollar amount which can be accrued in the employee's sick leave account.

When an employee takes early or disability retirement from the Cooperative, he shall receive the amount in his sick leave account up to a maximum of forty-five percent (45%) of the straight-time earnings for the year of retirement if he has this amount or more in his sick leave account. Any amount in such sick leave account in excess of forty-five percent (45%) will be forfeited.

(Added April 1, 1993 and Amended April 1, 1999). When an employee takes normal retirement from the Cooperative (i.e. 30

years or age 62) or dies before retirement, he, or the beneficiary of such employee who dies before actually retiring shall receive the amount in his sick leave account up to a maximum of fifty percent (50%) of the straight-time earnings for the year of retirement if he has this amount or more in his sick leave account. Any amount in such sick leave account in excess of fifty percent (50%) will be forfeited.

An employee who retires from the Cooperative, or the beneficiary of such employee who dies before retirement, shall have the option of receiving any amounts to which he may be entitled in the sick leave account, in a lump sum, or paid out on a monthly basis, for a period not to exceed one (1) year.

If an employee voluntarily terminates his employment with the Cooperative, such employee shall be entitled to receive twenty percent (20%) of the straight-time earnings for the year of his voluntary termination if he has this amount or more in his sick leave account. Any amount in such sick leave account in excess of twenty percent (20%) will be forfeited.

If an employee is discharged by the Cooperative, all funds in his sick leave account will be forfeited.

In the policy manual of the Cooperative, provision is made for short-term or long-term disability insurance. No short-term or long-term disability insurance payments will be made or entitlement

given until such time as the employee exhausts all funds in his sick leave account.

(Amended April 1, 1993) If an employee is on a leave caused by an injury compensable under the Worker's Compensation statutes, such employee will continue for up to one (1) year to accrue sick leave and vacation benefits only. Such benefits shall not continue to accrue for any other absence of any kind.

Employees shall be required to furnish a verified statement as to the existence or continuance of illness, and may be required to furnish a doctor's certificate.

Section 2. (Amended April 1, 1999). Lost time due to accidents incurred in line of duty shall not be construed as sickness within the meaning of section 1. Lost time due to accidents incurred in the line of duty will be covered by the Kentucky Workers Compensation Statute, including the fifteen percent (15%) penalty to be assigned against the Cooperative or the employee, where applicable, for violating a safety rule or regulation.

Section 3. (Amended April 1, 1993 and April 1, 1999). No employee shall lose any regularly-scheduled straight-time pay for forty (40) hours per week (except servicemen only, will receive overtime pay for the Saturday of their call-out week under Article VIII, Section 13) due to accidents incurred while on duty, unless

such time lost exceeds one (1) year. When such accidents are compensable under the Worker's Compensation Law, or any other protective insurance carried by the Cooperative, the Cooperative shall be given credit for any such monies received by the employee during the time he is off due to such accident.

Section 4. Time off due to accidents or sick leave shall not be construed as vacation time.

Section 5. (Amended April 1, 1974 and April 1, 1990). If an employee suffers a disabling accident while on duty and is permanently impaired from continuing his normal line of duty, effort shall be made for up to a maximum of thirty-six (36) months from the date of such disabling accident to find suitable work for the employee in a classification he can continue working in.

(Added April 1, 1993). Neither the Cooperative nor the Union will discriminate against an employee because of such employee's race, sex, religion, national origin, age (forty and above) or disability as such term is defined in the Americans With Disabilities Act and Regulations issued pursuant to it.

Section 6. (Added April 1, 1954). In case of death of the mother, father, husband, wife, or child of an employee, the employee shall be allowed three (3) days off with pay.

In case of death of a sister or brother of an employee, the employee shall be allowed one (1) day off with pay, and not to

exceed two (2) additional days to be charged against accumulated sick leave.

Section 7. (Added April 1, 1958). Sick leave shall be considered worked time for the purpose of determining overtime.

ARTICLE VI

General Rules

Section 1. The management of the Cooperative, the assigning of crews and men for duty, hiring and laying off of workers is the duty of the Employer. It is understood and agreed that the Employer shall be the sole judge of the qualifications and competency of all applicants for employment and shall have the sole right to hire and make work assignments. Subject to Article II (Adjustment of Grievances) of this Agreement, the Employer shall have the right to promote, suspend, discipline, discharge and lay off employees. These rights of the Employer shall not be exercised for the purpose of discriminating against any employee because of his membership in the Union or because of Union activities.

Section 1 (A). (Added April 1, 1999). The Cooperative and the Union agree that the provisions of this Agreement shall be applied to all employees without discrimination on the basis of age (over age 40), disability (as defined and provided for in the Americans with Disabilities Act of 1990), sex, race, color, religion or

national origin.

As used throughout this Agreement, the term 'he', as well as any other masculine pronoun, shall apply to and describe the male and/or female gender.

Section 2. (Amended April 1, 1971 and April 1, 1999). All established safety rules and regulations of the Cooperative shall be strictly complied with, provided such rules are posted in a conspicuous place or copies are provided each individual. Any employee committing an infraction of established safety rules shall be called before a safety committee consisting of two union members appointed by the Union, and two management employees appointed by the President, for the purpose of determining the penalty to be invoked. In case of a tie, it shall be broken by the President. Any decision shall be subject to the grievance procedure.

Any employee assigned to drive a service, maintenance or construction truck shall (a) see that the truck and equipment are kept in order; (b) transport any dangerous material in a safe manner; and (c) comply with all safety rules for transporting dangerous material. A regularly scheduled safety meeting shall be held monthly. Each employee shall be notified of the time and place of the monthly safety meeting, and shall attend, with the exception of outages and/or emergencies, or if an employee is on vacation, or in case of sickness.



Section 3. No employee covered by this Agreement shall use, in any way, any form of intoxicant on duty; no employee shall use any form of intoxicant while off duty to such an extent as to interfere with his reporting for duty at the time he is expected to report or to such an extent as to interfere with his performing his duties. No employee shall transport any form of intoxicant in an Employer-owned vehicle at any time.

Section 3 (A). (Added April 1, 1974). No employee shall conduct himself while on duty in such a manner that would discredit the Cooperative in the eyes of the general public.

Section 3 (B). (Added April 1, 1974). No employee shall take any tools, material, or equipment from the Cooperative unless he has a purchase receipt or has written permission from his supervisor and/or superintendent.

Section 3 (C). (Added April 1, 1982). No employee covered by this Agreement shall possess, use, exchange, or transfer illegal or unlawful drugs, in any way, while on duty, or while off duty to such an extent as to interfere with his reporting for duty at the time he is expected to report, or to such extent as to interfere with his performing his duties.

Section 4. (Amended April 1, 1999). Use of space on bulletin boards in service centers and offices, where workers assemble will be permitted for the posting of notices of Union meetings or other

items of a general nature and interest to the workers.

Section 5. All types of tools and equipment now furnished to the employee shall be continued.

Section 6. No employee member of the Union shall be required to cross an established picket line of any other striking union, without first obtaining clearance from such striking union.

Section 7. (Amended April 1, 1974 and April 1, 1999). Effective April 1, 1999, Union Employees will pay \$60.00 per month toward the cost of major medical insurance premium cost.

(Added April 1, 1987). The Cooperative shall have the right to change insurance carriers for any of the group insurance programs as set forth in this Agreement, and in the Policy Manual, at any time, and to modify and change coverages at any time. The Cooperative will, however, meet with the Union's stewards before any changes as described are considered and voted upon by the Plan Representatives. The Cooperative will also meet with the Union's stewards after any changes to the Plan are considered, voted upon by the Plan Representatives, and made.

Section 8. (Amended April 1, 1982). It is agreed between the Cooperative and the Union that new employees shall during the first one hundred and eighty (180) days of their employment, be upon probationary status, and may be discharged any time during such probationary period without resort to the grievance procedure, if

in the discretion of the Employer, their work and progress is unsatisfactory.

Section 9. In the case of an extended lay-off, a thirty (30) days' notice will be given whenever possible.

Section 10. (Amended April 1, 1982). Except wage and progression steps within the same classification, all jobs which the Cooperative decides to fill, or new jobs created, when an employee quits, retires, dies, is discharged, transferred from one department to another, or from one location to another, shall be posted for bid on the Cooperative's bulletin boards for a period of ten (10) calendar days. Nothing contained in this Section shall interfere with the Cooperative's rights set forth in Article VI, Section 1. In case of emergency, jobs may be filled temporarily.

Section 11. (Added April 1, 1972, Amended April 1, 1990). The Cooperative will pay the full cost of uniform rental and laundry service (eleven (11) uniforms per man). All employees shall be required to wear uniforms furnished by the Cooperative.

Section 12. (April 1, 1993, and April 1, 1999). The Cooperative will pay ten dollars (\$10.00) per month for Construction, maintenance and service employees' telephone bills. No other payments for telephone bills will be made.

Section 13. (Added April 1, 1990). The Cooperative shall have the right to establish rules which require that the employee live

within ten (10) miles of his reporting location. Current employees who live more than ten (10) miles from their reporting location shall not be covered by this provision until they subsequently change jobs, in which event they shall be required to live within ten (10) miles of their new reporting location.

## ARTICLE VII

### Union Shop

Section 1. All employees except those now employed, who are not now members, shall be required to remain members of the Union in good standing as a condition of employment during the term of this Agreement. New employees hired after the effective date of this section of the Agreement, and former employees who are non-members of the Union returning to work after such date, shall be required to become members of the Union as of the 181st day after the beginning of or return to employment.

Section 2. Subject to the provisions of this Agreement, there shall be no discrimination against any employee because of the employee's being or not being, a member of the Union, either on the part of the Employer, or on the part of the Union.

Section 3. The Union agrees that neither it nor any of its officers, representatives, or members will intimidate or coerce employees into membership in the Union.

Section 4. (Added April 1, 1954). The Union agrees to and

does hereby indemnify the Employer against any loss by reason of any back pay award by any court of Law or National Labor Relations Board that might be obtained by any employee discharged at the request of the Union.

Section 5. (Added April 1, 1964). The Cooperative will deduct union dues from those employees who authorize such deductions.

Deductions shall be made from the first paycheck of the employee after receipt of the authorization, and also from the first paycheck each month thereafter. It is agreed employees may revoke this authorization by written notice to the Cooperative sixty (60) days prior to intent.

#### ARTICLE VIII

##### Hours of Work - Overtime Payment

Section 1. A regular work day shall consist of eight (8) consecutive hours in any twenty-four (24) hour period (excluding lunch period).

Section 2. A regular work week shall consist of forty (40) hours of work, Monday through Saturday.

Section 3. All work performed in excess of eight (8) hours in any one day, exclusive of lunch time, or in excess of forty (40) hours in any one work week, shall be paid at one and one-half (1½) times the regular rate of pay, but such overtime shall not be paid

more than once for the same hours worked.

Section 4. (As amended December 1, 1951). The regular work day shall be from 12:00 midnight to 12:00 midnight of the following day, but all time worked before 7:00 A.M. or after 5:00 P.M. shall be paid for at one and one-half (1½) times the regular rate of pay.

Section 4 (A). (Added April 1, 1967). The regular work day of janitors shall be from 12 noon until 12 midnight of one day. All time worked before or after the above schedule shall be compensated for at one and one-half (1½) times the regular rate of pay.

Section 4 (B). (Added April 1, 1993). See "Letter Agreement" attached hereto and hereby made a part of this Agreement.

Section 5. (Amended December 1, 1952, and April 1, 1999). The regular work week shall be from 12:00 midnight, Sunday to 12:00 midnight the following Sunday.

Section 6. Employees having worked overtime shall not be required to lay off to offset their overtime compensation.

Section 7. (Amended April 1, 1999) The Cooperative will endeavor to divide overtime work equally among the employees regularly assigned to that kind of work.

Section 7 (A.) (Added April 1, 1993). Overtime on Monday-Friday for all employees except Servicemen, shall be performed by the employee(s) on the job where the overtime exists. The decision

to work overtime will be made by the Foreman of the crew or Superintendent. In the case of an emergency, all employees may be required to work overtime.

Section 7 (B.) (Added April 1, 1993). When the Management of the Cooperative determines that overtime shall be performed on Saturday, it will be offered on a voluntary basis to all Construction Employees, by classification, in whichever district the work to be performed is located (i.e. the Northern or Southern District). If a sufficient number of employees is not obtained, then selection shall be made from the crew on duty in the District affected, starting with the least senior employee(s) in the classification needed from that crew and then, if necessary, the crew in the other District for that week in the same manner as provided herein. In the case of an emergency, all employees may be required to work overtime.

Section 8. All work performed on Sunday shall be paid for at 1½ times the regular rate of pay and shall be computed in determining weekly overtime. There will be no overtime on overtime.

Section 9. All holidays shall be counted as days worked for determining weekly overtime.

Section 10. Employees called out for emergency work shall be paid at 1½ times their regular rate with a minimum of two (2) hours

pay at such rate and shall not be required to remain longer than the time required to perform the emergency work existing during the period of such callouts.

Section 10 (A). (Added April 1, 1999) When an employee is required to work for two hours before or two hours after the regularly scheduled work day, the Cooperative may provide such a meal as can be reasonably obtained. The employee will be paid for the time to eat the meal, up to a maximum of thirty (30) minutes. During extended outages, employee will be allowed a meal every five (5) hours. The employee will be required to present a receipt in order to be reimbursed.

Section 10 (B). (Amended April 1, 1999). All work performed after sixteen (16) consecutive hours shall be compensated for at double the straight-time rate. Following seventeen (17) hours of work, employee may take eight (8) hours of rest time, but if called back to work before four (4) hours of rest time, employee will resume the rate of pay that prevailed before the rest period began.

Section 11. (Amended April 1, 1973). The Cooperative will furnish transportation and pay for travel time from the normal place of assembly to the job, and return.

An employee whose regular place of reporting is either the Owenton Warehouse or the Northern District Service Center Warehouse, who is asked to report at the other district service



center, shall be paid transportation plus one hour's time at  $1\frac{1}{2}$  times the regular rate, except during regularly scheduled working hours.

Section 12. When employees report for work at their regularly scheduled meeting place and at the regular work time, but are unable to go to work for causes beyond their control, such as inclement weather or lack of material, etc., they shall be paid not less than four(4) hours time for said day. However, they may be required to remain at the meeting place for the four (4) hours, and may be required to do any work needed to be done in or around the warehouse, garage, and office, whether such work falls within their job classification or not.

Section 13. (Amended April 1, 1976, April 1, 1990 and April 1, 1999). On alternate weekends the service, maintenance and construction employees shall be divided into two crew lists at each service center for the purpose of callout for emergency and/or trouble assignments. Such list will be by seniority with highest being first on the list and descending. Dispatchers will attempt to call the first employee on the list in the specialty required (territory, overhead, underground or specialty equipment) and continue down the list until the required number of employees is contacted. The dispatchers will always start at the top of the list if no employees are working at the time the work is required.

The dispatcher will call the home number of the employee(s) first, unless specifically instructed by the employee(s) to call another number, and will use alternative means (cell phone, pager, truck alert) to contact said employee(s). OEC will not be held responsible for failure of these alternative means to work properly or for the employee(s) to respond. If the dispatcher goes through the list one time without contacting the needed number of employees, then the next week's list will be used, until the appropriate number of employees are contacted. Apprentice linemen will not be called out unless accompanied by a Journeyman Lineman, but will be placed on the callout list in the appropriate seniority position for callout if a Journeyman Lineman needs help and no Serviceman, Journeyman Lineman or Maintenance Employee has responded to the call. If after going through both lists for a given service center, the dispatcher has the option of going to the other service center's list. No such employee shall be required to stand by, but should leave word as to where he may be reached.

(Added April 1, 1999.) Servicemen of the off-week may be utilized if needed in special situations or if additional employees are needed. Management reserves the right to call out specialty crews or employees in special situations as well as the right to utilize the construction contractor in special cases.

As to servicemen, such work shall include the eight (8) hour Saturday of their callout week.

All calls after regular working hours shall be routed to the Serviceman on call nearest the difficulty and he will answer calls when available, but he shall not be required to stand by for hours beyond his regularly scheduled duty.

No employee of the Cooperative shall, during the course of any such employment, take another regular job that would substantially and regularly interfere with the performance of his duties as an employee of the Cooperative.

On holidays which fall on Friday, the Serviceman on call for Friday night will be responsible for emergency assignments beginning at 8:00 A.M. on such Friday.

Section 14. (Added May 3, 1984 and Amended April 1, 1999). Pay day for employees will be every other Friday. The Cooperative will first hold back one (1) week's pay.

Section 15. (Amended April 1, 1999). Each payday, all employees shall be paid by check in full or by direct deposit in accordance with Section 14 above.

Section 16. Each check shall have attached to it a detachable detailed statement of the earnings and deductions of the employees receiving pay for the pay period covered by said check.

Section 17. It is agreed by the Union and its members that

all employees covered by this Agreement, regardless of his or their classification, shall assist his fellow workmen in any work that he is capable of doing or may be called on to perform that tends to expedite the business of the Employer and the particular job to which he or they have been assigned. This Section shall not be used to intimidate or reclassify men to their detriment.

Section 18. (Amended April 1, 1999). No employee covered by this Agreement shall be required to do any work after dark that would position the employee within reach of equipment or lines energized at more than 600 volts. Routine switching of circuits, work performed with live line tools that enables the employee to position themselves so that they are not within reach of or otherwise exposed to energized parts and emergency repairs necessary to safeguard the general public are excluded from this section. Management recognizes the fact that there will be situations that, after a careful investigation, the employee on site feels additional help is needed. Justification for requiring additional help will be the responsibility of the employee present. Employee will climb at his own discretion.

Section 19. (Added April 1, 1979). When working directly with employees of the Cooperative, contractors who are performing work in replacing poles and installing regulator banks will be required to have their employees wear rubber gloves and hard hats, and

ground lines and trucks used in this construction.

ARTICLE IX

Apprentice Training

Section 1. (Amended April 1, 1990). The Apprentice Training Program is to be carried on as outlined in Schedule "B" which is a part of this Agreement.

ARTICLE X

Job Descriptions - Wages

Section 1. (Amended April 1, 1972). Employees acting as stewards of the Union shall not lose any time or compensation while so acting. Employees acting as contract negotiators shall be granted not to exceed four (4) days per calendar year while meeting with the Cooperative on official business.

Section 2. This Agreement will not prevent the Cooperative from employing specialists to supervise work of a special nature as long as such specialists shall not displace a regular employee.

Section 3. (Amended April 1, 1990). The job classifications and wage rates are outlined in Schedule "A" attached hereto and are hereby made a part of this Agreement.

Section 4. The parties hereto agree that each job is classified and a minimum pay schedule is as set forth in Schedule A.

Section 5. (Amended April 1, 1999). The above-referenced Job

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Descriptions are as contained in the Cooperative's Job Description Book and made a part of this Agreement by reference.

SCHEDULE A  
WAGE SCALE 1  
Current Employees (Hired on or before March 31, 1987)

Classification	4/1/99 Rate	4/1/00 Rate	4/1/01 Rate	4/1/02 Rate	4/1/03 Rate	4/1/04 Rate
Assistant Line Foreman** & Journeyman Lineman	\$21.93	\$22.37	\$22.82	\$23.28	\$23.75	\$24.23
Apprentice Lineman - 1st Class	20.59	21.00	21.42	21.85	22.29	22.74
Apprentice Lineman - 2nd Class	20.11	20.51	20.92	21.34	21.77	22.21
Apprentice Lineman - 3rd Class	19.65	20.04	20.44	20.85	21.27	21.70
Apprentice Lineman - 4th Class	19.24	19.62	20.01	20.41	20.82	21.24
Trk.Driver/Equip.Oper. After 1 Yr.	19.65	20.04	20.44	20.85	21.27	21.70
Trk.Driver/Equip.Oper. 1st Yr.	19.24	19.62	20.01	20.41	20.82	21.24
Groundman, Over 1 Yr.	18.86	19.24	19.62	20.01	20.41	20.82
Groundman, 2nd Class, Under 1 Yr.	18.21	18.57	18.94	19.32	19.71	20.10
Labor Foreman, 2nd Yr, & Over	18.18	18.54	18.91	19.29	19.68	20.07
Labor Foreman - 1st Yr.	17.78	18.14	18.50	18.87	19.25	19.64
Laborer - Over 1 Yr.	15.88	16.20	16.52	16.85	17.19	17.53
Laborer - 2nd 6 Months	14.27	14.56	14.85	15.15	15.45	15.76
Laborer - 1st 6 Months	12.64	12.89	13.15	13.41	13.68	13.95
Warehouseman - Over 6 Months	18.82	19.20	19.58	19.97	20.37	20.78
Warehouseman - 2nd 3 Months	17.83	18.19	18.55	18.92	19.30	19.69
Warehouseman - 1st 3 Months*	17.54	17.89	18.25	18.62	18.99	19.37
Sr. Staking Engineer	20.08	20.48	20.89	21.31	21.74	22.17
Staking Engineer - After 1 Yr.	18.82	19.20	19.58	19.97	20.37	20.78
Staking Engineer - 2nd 6 Months	17.00	17.34	17.69	18.04	18.40	18.77
Staking Engineer - 1st 6 Months	15.35	15.66	15.97	16.29	16.62	16.95
Janitor	15.34	15.65	15.96	16.28	16.61	16.94
Meterman - Non-Lineman, 3rd Yr/Over	15.20	15.50	15.81	16.13	16.45	16.78
Meterman - Non-Lineman, 2nd Yr.	17.93	18.29	18.66	19.03	19.41	19.80
Meterman - Non-Lineman, 1st Yr.	17.54	17.89	18.25	18.62	18.99	19.37

\* The apprentice steps and rates shall apply only to employees hired after April 1, 1982. Present employees with two (2) years of service as of April 1, 1987, who bid into the classifications of

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Warehouseman or Staking Engineer shall be paid the over 6 months rate.

\*\* Assistant Line Foreman Rate will be \$1.00 per hour more than Journeyman Lineman Rate

NOTE: "Current Employees" - Those on the payroll on or before March 31, 1987, in the Laborer or Apprentice Lineman classifications will remain in the progression of rates in the currently effective Agreement. All current employees, who on and after April 1, 1987, bid or are transferred to a lateral or downward job will be paid at the rate of the job in the currently effective Agreement.



SCHEDULE A  
WAGE SCALE 2  
Employees Hired on and after April 1, 1987

Classification	4/1/99 Rate	4/1/00 Rate	4/1/01 Rate	4/1/02 Rate	4/1/03 Rate	4/1/04 Rate
Assistant Line Foreman* & Journeyman Lineman	\$21.93	\$22.37	\$22.82	\$23.28	\$23.75	\$24.23
Apprentice Lineman - 1st Class	20.31	20.72	21.13	21.55	21.98	22.42
Apprentice Lineman - 2nd Class	18.72	19.09	19.47	19.86	20.26	20.67
Apprentice Lineman - 3rd Class	17.09	17.43	17.78	18.14	18.50	18.87
Apprentice Lineman - 4th Class	15.45	15.76	16.08	16.40	16.73	17.06
Truck Driver - 1st Class	17.09	17.43	17.78	18.14	18.50	18.87
Truck Driver - 2nd Class	15.45	15.76	16.08	16.40	16.73	17.06
Laborer - 1st Class	13.86	14.14	14.42	14.71	15.00	15.30
Laborer - 2nd Class	12.64	12.89	13.15	13.41	13.68	13.95
Warehouseman - 1st Class	15.45	15.76	16.08	16.40	16.73	17.06
Warehouseman - 2nd Class	13.86	14.14	14.42	14.71	15.00	15.30
Sr. Staking Engineer	20.08	20.48	20.89	21.31	21.74	22.17
Staking Engineer - 1st Class	18.82	19.20	19.58	19.97	20.37	20.78
Staking Engineer - 2nd Class	17.00	17.34	17.69	18.04	18.40	18.77
Staking Engineer - 3rd Class	15.35	15.66	15.97	16.29	16.62	16.95
Janitor	12.95	13.21	13.47	13.74	14.01	14.29
Meter Reader - 1st Class	11.21	11.43	11.66	11.89	12.13	12.37
Meter Reader - 2nd Class	10.43	10.64	10.85	11.07	11.29	11.52
Meter Reader - 3rd Class	9.65	9.84	10.04	10.24	10.44	10.65
Meter Technician - 1st Class	18.38	18.75	19.13	19.51	19.90	20.30
Meter Technician - 2nd Class	16.85	17.19	17.53	17.88	18.24	18.60
Meter Technician - 3rd Class	15.32	15.63	15.94	16.26	16.59	16.92
Meter Technician - 4th Class	13.80	14.08	14.36	14.65	14.94	15.24
Seasonal Employee (Minimum Rate), May 15 - Sept. 15 - Added 4/1/90)	5.50	5.50	5.50	5.50	5.50	5.50

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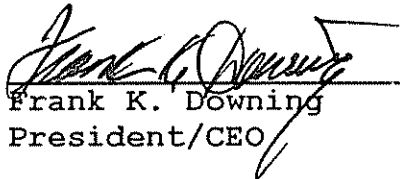
\* Assistant Line Foreman will be paid \$1.00 per hour more than Journeyman Lineman Rate.

NOTE: "Current Employees" - Those on the payroll on or before March 31, 1987, in the Laborer or Apprentice Lineman classifications will remain in the progression or rates in the currently effective Agreement. All current employees, who on and after April 1, 1987, bid or are transferred to a lateral or downward job will be paid at the rate of the job in the currently effective Agreement.

IN WITNESS WHEREOF, the Cooperative and the Union by their respective officers and representatives hereunto duly authorized have signed this Agreement on the day, month and year first set forth above.

OWEN ELECTRIC  
COOPERATIVE, INC.

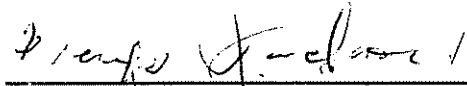
LOCAL 101  
INTERNATIONAL BROTHERHOOD  
OF ELECTRICAL WORKERS,  
AFL-CIO

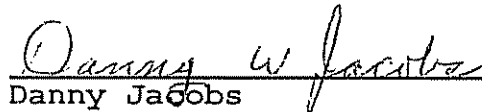
  
\_\_\_\_\_  
Frank K. Downing  
President/CEO

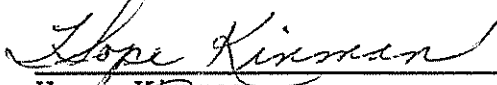
\_\_\_\_\_  
Brenda Steele  
Business Manager

BOARD OF DIRECTORS


UNION NEGOTIATING COMMITTEE


  
\_\_\_\_\_  
Frank Jackson, Chairman

  
\_\_\_\_\_  
Danny Jacobs

  
\_\_\_\_\_  
Hope Kinman

  
\_\_\_\_\_  
Thomas McKinley

  
\_\_\_\_\_  
Robert True

  
\_\_\_\_\_  
Jerry Ellis

  
\_\_\_\_\_  
Kenneth Berkemeier

HOT WORK CLAUSE

Men assigned to do planned hot work shall be paid an additional twenty-five cents (\$.25) per hour for time actually worked with hot sticks out of a hot-stick trailer or bucket truck. Except in case of emergency, all hot work will be assigned by supervisor to hot stick or bucket truck. Disconnecting taps and transformers are not included in the definition of hot work. (Added April 1, 1990). *Hot work does not constitute work for which bidding is required.*

Bruce J. Gosney  
Robert E. Arthur  
Ruben Smoot  
Frank K. Downing

Philip Keith  
Danny W. Jacobs  
Rickey Hopperton  
William D. Sams  
James H. Steele

Negotiation Committee  
for Owen County  
RECC.

For Local Union  
No. 101, I.B.E.W.

Approved:  
May 22, 1990

International Office: I.B.E.W.  
J.J. Barry, President

LETTER AGREEMENT

This letter agreement is entered into by and between Owen Electric Cooperative, Inc. (The "Cooperative"), International Brotherhood of Electrical Workers, Local Union 101 (the "Union"), and \_\_\_\_\_ for the purpose of modifying Article VIII, Section 4. (A). of the Agreement effective from April 1, 1993 through March 31, 1999, concerning hours of work by the janitors.

It is agreed by the Cooperative, the Union and \_\_\_\_\_ that if \_\_\_\_\_ requests the right to work on Saturday and/or Sunday and/or a holiday instead of working between 12:00 noon and 12:00 midnight on a regularly scheduled workday, such hours worked will be at the straight time rate.

OWEN ELECTRIC COOPERATIVE, INC.

By: \_\_\_\_\_

\_\_\_\_\_  
Employee

Date: \_\_\_\_\_

INTERNATIONAL BROWHTERHOOD OF  
ELECTRICAL WORKERS, LOCAL UNION 101

By: \_\_\_\_\_

Date: \_\_\_\_\_