# RICHARDSON, GARDNER, BARRICKMAN & ALEXANDERCE VED

ATTORNEYS-AT-LAW

117 E. WASHINGTON STREET

GLASGOW, KENTUCKY 42141-2696

E-MAIL: attorneys@rgba-law.com

OCT 3 I 2008

PUBLIC SERVICE COMMISSION

(270) 651-2116 FAX (270) 651-3662

BOBBY H. RICHARDSON
WOODFORD L. GARDNER, JR.
UHEL O. BARRICKMAN
(1920-2005)
T. RICHARD ALEXANDER II

JOHN B. GARDNER

October 31, 2008

Ms. Stephanie Stumbo Executive Director Public Service Commission 211 Sower Boulevard Frankfort, KY 40602

Re: Farmers Rural Electric Cooperative Pass-Through of East Kentucky Power Cooperative, Inc. Wholesale Rate Adjustment- PSC Case No. 2008-00414

Dear Ms. Stumbo:

Farmers Rural Electric Cooperative hereby submits to the Public Service Commission (the "Commission"), its Proposed Tariffs and other information required by 807 KAR 5:007 in regard to the pass-through of any wholesale rate adjustment granted to East Kentucky Power Cooperative, Inc., ("EKPC") in PSC Case No. 2008-00409. This filing includes the following:

- 1. Farmers Rural Electric Cooperative's Proposed Tariffs are attached as Exhibit 1.
- 2. The name and filing address of the filing cooperative is:

  Farmers Rural Electric Cooperative Corporation

  504 South Main Street

  P.O. Box 1298

  Glasgow, Kentucky 42141
- 3. In accordance with the provisions of KRS 278.455(2), Farmers Rural Electric Cooperative hereby states that the effects of the increase in rates from its wholesale supplier, EKPC, are being passed through to its retail tariffs on a proportional basis and that the rate design structure proposed for each retail rate schedule does not change the rate design currently in effect.
- 4. A comparison of the current and proposed rates of Farmers Rural Electric Cooperative is attached as Exhibit 2.
- 5. Attached as Exhibit 3 is a billing analysis which shows the existing and proposed rates for each rate class.

Ms. Stephanie Stumbo Page 2 October 31, 2008

- 6. Farmers Rural Electric Cooperative recognizes that this pass-through will only apply to rates effective dated December 1, 2008, and does not apply to any future EKPC rate design changes that may be approved by the Commission.
- 7. A certification that an original and five (5) copies of this filing have been filed with the Office of Rate Intervention, Office of the Attorney General, is attached as Exhibit 4.
- 8. Notice of the proposed rate change has been given, not more than thirty (30) days prior to October 31, 2008, by publication in a newspaper of general circulation in the affected area of Farmers Rural Electric Cooperative. A copy of this notice is attached as Exhibit 5.

Farmers Rural Electric Cooperative hereby requests that the Commission accept this filing and allow the pass-through to its retail rates of the wholesale rate adjustment granted to EKPC as of the effective date of such adjustment.

Respectfully submitted,

FARMERS RURAL ELECTRIC COOPERATIVE CORPORATION

Woodford Gardner, Jr.

Attorney

cc Farmers Rural Electric Co-op Corp. 504 S. Broadway Street Glasgow, KY 42141



#### EXHIBIT 1 Page 1 of 10

		FORAI	L TERRITORY SE Community, Town	***************************************
		P.S.C. KY. NO.	99_	·
		20 <sup>th</sup> Revised	SHEET NO	1
FARMERS RURAL ELECTRIC COOPERATIVE CORPORATION		CANCELLING 1	P.S.C. KY. NO	9
(Name of Utility)		19 <sup>th</sup> Revised	SHEET NO	1
	RATES AND C	CHARGES		
<u>SCHEDU</u>	LE R – RESID	ENTIAL SERVIC	<u>CE</u>	
<u>APPLICABLE</u> : In all territory served	by the seller.			
AVAILABILITY: Available to resider consumers using single-phase service be repair shops, garages and service station subject to the established rules and regular provided to consumers located within 1	pelow 50 kW for ns, schools, chu ulations of the se	ordinary merchand rches and communication. Three-phase	lising establishme ity buildings, all service may be	
TYPE OF SERVICE: Single-phase, or secondary voltages.	three-phase wh	ere available, 60 cy	cles, at available	
RATES PER MONTH:				
First 50 kWh All Remaining kWh	@ : @	\$0.16145 0.07484		(I) (I)
FUEL ADJUSTMENT CLAUSE: All may be increased or decreased by an ark Wh as billed by the Wholesale Power allowance for line losses will not exceed average of such losses. This Fuel Clausin 807 KAR 5:056.	mount per kWh Supplier plus a ed 10 percent an	equal to the fuel ad n allowance for line d is based on a twe	justment amount e losses. The lve-month movin	per g
DATE OF ISSUE  DATE EFFECTIVE  Service Rendered Beging  Month / Date  ISSUED BY	e / Year inning December 1, 2 e / Year	.008		
(Signature of Office	ser)			
TITLE President & CEO				

## EXHIBIT 1 Page 2 of 10

	FOR	LL TERRITORY SERVED Community, Town or City			
	P.S.C. KY. NO	9			
	20th Revised	_SHEET NO	2		
FARMERS RURAL ELECTRIC COOPERATIVE CORPORATION	CANCELLING	P.S.C. KY. NO	9		
(Name of Utility)	19 <sup>th</sup> Revised	SHEET NO	2		
RATES A	AND CHARGES				
SCHEDULE R – R  MINIMUM CHARGES: The minimum monthly rate shall be \$8.07 for single-phase service. Payr consumer to the use of the number of kWh corre with the foregoing rate. The minimum monthly per kVA of installed transformer capacity.  TERMS OF PAYMENT: The above rates are not more than \$5.00 on the unpaid amount. If the	ment of the minimum charponding to the minimu charge for three-phase set, the gross rates are 10	illed under the about the shall entitle method con charge in accordervice shall be \$0 percent higher, but	the (I) dance .75		
of the month following the meter reading date, the payment charge shall be applicable to schools, classified and the schools of the month following the meter reading date, the payment charge shall be applicable to schools, classified and the schools of the month following the meter reading date, the payment charge shall be applicable to schools, classified and the schools of the schools.			u		
DATE OF ISSUE October 31, 2008 Month / Date / Year  DATE EFFECTIVE Service Rendered Beginning Decem Month / Date / Year	nber 1, 2008				
ISSUED BY(Signature of Officer)					
TITLE President & CEO	tut				

## EXHIBIT 1 Page 3 of 10

				FOR	ALL TERRITORY	
					Community, To	•
FARMERS RURAL ELECTRIC					10.	
			20th Revised	SHEET NO	3	
COOPERATIVE COR (Name of Utility	<u>PORATION</u>			CANCELLIN	NG P.S.C. KY. NO.	9
(Name of Guin,	,,			19th Revised	SHEET NO	3
		RA	TES AND CHA	RGES		
<u>S</u>	CHEDULE C	<u>– COM</u>	MERCIAL &	INDUSTRI	AL SERVICE	
APPLICABLE: In a	all territory serv	ed by th	ne seller.			
AVAILABILITY: A						
ncluding lighting, houles and regulations		er, inclu	ıding oil well s	ervices, all s	ubject to the esta	blished
•						
<u> </u>	∃: Single-phase	e, or thre	ee-phase where	available, 60	0 cycles at availa	ble
		RATI	ES PER MONT	H		
I. For all consumers	s whose kilowa	att dema	nd is less than :	50 kW.		
Kilowatt Demand	d Charge:	None				
First	50 kWh	@	\$0.16145 per	kWh		(I)
All Remaining	kWh	@	0.07836 per	kWh		(I)
2. For all consumer	s whose kilowa	att dema	nd is 50 kW or	above.		
Kilowatt Demand	d Charge:	\$5.46	per kW			(I)
Energy Charge:						
All	kWh@	\$0.06	5133 per kWh			(I)
DATE OF ISSUE	October 3	21 2008			(12.7 Mar All Angles Area - Angles -	
	Month	/ Date / Yea		<del></del>		
DATE EFFECTIVE		Beginning   Date   Yea	z December 1, 2008 ar			
ISSUED BY	(Signature o	f Officer)		······································		
TITLE	President & Cl	ЕО				

#### **EXHIBIT** Page 4 of 10

	FOR ALL TERRITORY SERVED  Community, Town or City
	P.S.C. KY. NO9
	19 <sup>th</sup> Revised SHEET NO. 4
FARMERS RURAL ELECTRIC COOPERATIVE CORPORATION	CANCELLING P.S.C. KY. NO. 9
(Name of Utility)	18 <sup>th</sup> Revised SHEET NO. 4
RAT	TES AND CHARGES

#### SCHEDULE C - COMMERCIAL & INDUSTRIAL SERVICE

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

POWER FACTOR ADJUSTMENT: The consumer agrees to maintain unity power factor as nearly as practicable. Power factor may be measured at any time. Should such measurements indicate that the power factor at the time of maximum demand is less than 85 percent, the demand for billing purposes shall be the demand as indicated or recorded by the demand meter multiplied by 85 percent and divided by the per cent power factor.

MINIMUM MONTHLY CHARGE: The minimum monthly charge under the above rates shall be \$8.07 for single-phase service. Payment of the minimum charge shall entitle the consumer to the use of the number of kilowatt hours corresponding to the minimum charge in accordance with the foregoing rate.

**(I)** 

The minimum monthly charge for three-phase service shall be \$0.75 per kVA of installed transformer capacity or the minimum monthly charge stated in the service contract. Where it is necessary to extend or re-enforce existing distribution facilities, the minimum monthly charge may be increased to assure adequate compensation for the added facilities. Where the minimum charge is increased in accordance with the terms of this section, additional energy shall be included in accordance with the foregoing rate schedule.

DATE OF ISSUE	October 31, 2008
	Month / Date / Year
DATE EFFECTIVE	Service Rendered Beginning December 1, 2008
	Month / Date / Year
ISSUED BY	
-	(Signature of Officer)
TITLE	President & CEO

# EXHIBIT 1 Page 5 of 10

	FOR <u>ALL TERRITORY SERVED</u> Community, Town or City
	P.S.C. KY. NO. 9
	20 <sup>th</sup> Revised SHEET NO. 6
FARMERS RURAL ELECTRIC COOPERATIVE CORPORATION	CANCELLING P.S.C. KY. NO. 9
(Name of Utility)	19 <sup>th</sup> Revised SHEET NO. 6
RATE	S AND CHARGES

# SCHEDULE OL – OUTDOOR LIGHTING SERVICE

APPLICABLE: In all territory served by the seller.

<u>AVAILABILITY</u>: To individuals, towns, villages and others for controlled single and multiple outdoor lighting from dusk to dawn. Service under this schedule is for a term of not less than one year and is subject to the rules and regulations of the seller as approved by the Kentucky Public Service Commission.

#### RATE PER FIXTURE:

		Monthly	Monthly Charge	
Type of Lamp	<u>Watts</u>	kWh Usage	Per Lamp	
Mercury Vapor	175	70	\$ 7.53	(I)
Mercury Vapor	250	98	8.58	(I)
Mercury Vapor	400	156	13.02	(I)
Mercury Vapor	1000	378	22.76	(I)
Sodium Vapor	100	42	7.89	(I)
Sodium Vapor	150	63	9.15	(I)
Sodium Vapor	250	105	12.40	(I)
Sodium Vapor	400	165	15.90	(I)
Sodium Vapor	1000	385	34.40	(I)

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

#### **CONDITIONS OF SERVICE:**

- 1. Outdoor lighting, including lamps, fixture, other necessary facilities and electric energy, will be furnished by the Cooperative.
  - 2. Above service is limited to one existing wood pole per fixture.
- 3. Lamp replacements will be furnished and made by the Cooperative except in cases of vandalism or willful destruction.
- 4. Service required other than the above shall be paid for by the consumer according to the initial cost of such installation.

DATE OF ISSUE	October 31, 2008
- Annahaman Annahaman Innahaman	Month / Date / Year
DATE EFFECTIVE	Service Rendered Beginning December 1, 2008
	Month / Date / Year
ISSUED BY	
	(Signature of Officer)
TITLE	President & CEO

		EXHIBIT 1 Page 6 of 10			
		FOR	ALL TERRITORY S	ERVED	
				or City	
		P.S.C. KY. N	O. <u>9</u>		
		11 <sup>th</sup> Revised	SHEET NO	6L	
FARMERS RURAL ELECTRIC COOPERATIVE CORPORATION		CANCELLIN	IG P.S.C. KY. NO	9	
(Name of Utility)		10 <sup>th</sup> Revised	SHEET NO	6L	
	RATES AND C	CHARGES			
	E SL – STREET	LIGHTING SI	ERVICE		
APPLICABLE: In all territory served by the	e Cooperative.				
<u>AVAILABILITY</u> : Available to federal, stat subject to established rules and regulations.	e and local governme	ntal agencies for du	sk to dawn street lighti	ng	
TYPE OF SERVICE: Automatic dusk to de secondary voltages.	awn lighting systems,	single-phase, 60 cy	cles, at available		
MONTHLY RATE:					
Energy Charge: The monthly energy charge as determined from Table I below:	for each type of lam	p shall be \$0.04976	per rated kWh per mor	nth (I)	
	TABLE I				
	Lamr	Size	Rated		
Type of Lamp	Watts	<u>Lumens</u>	kWh		
Mercury Vapor	175	7,650	70		
Mercury Vapor	250	10,400	98		
Mercury Vapor	400	19,100	156		
High Pressure Sodium	100	8,550	42		
High Pressure Sodium	250	23,000	105		
High Pressure Sodium	400	45,000	165		
High Pressure Sodium	1,000	126,000	385		
	,	•			
Facility Charge: The books of the Cooperat investment in facilities for each specific age facility charge for a given agency shall be 1	ncy receiving service	under this tariff. T	ve's total he monthly		

DATE OF ISSUE	October 31, 20008 Month / Date / Year	
DATE EFFECTIVE	Service Rendered Beginning December 1, 2008  Month / Date / Year	
ISSUED BY	(Signature of Officer)	
TITLE	President & CEO	

## EXHIBIT 1 Page 7 of 10

			FOR	ALL TERRITORY SE	RVED
				Community, Town	or City
			P.S.C. KY. NO	9	
			16 <sup>th</sup> Revised	_SHEET NO	6N
FARMERS RURAL ELEC COOPERATIVE CORPOR (Name of Utility)			CANCELLING	6 P.S.C. KY. NO	9
(Nume of Contry)			15 <sup>th</sup> Revised	SHEET NO	6N
	Į.	RATES AND CH	ARGES		
SCHED		E COMMERC NAL TIME-O		RIAL SERVICE	
APPENDATE A 11.					
APPLICABLE: In all to	erritory served by	the seller.			
AVAILABILITY: Available demand is 50 kW or about established rules and reg	ove for all uses in	cluding lighting			
TYPE OF SERVICE: S voltages.	Single-phase, or t	hree-phase wher	e available, 60	cycles at available	
	RA	TES PER MON	<u>TH</u>		
Kilowatt Demand Charg	ge:	\$5.47 per k	W		(I)
Energy Charge:					
All	kWh	@	\$0.06133 per	kWh	(I)
DETERMINATION OF kilowatt demand establi during the on-peak hour month for which the bil for power factor as prov	shed by the cons is specified by th l is rendered, as i	umer for any per e seller in the co	riod of fifteen consumer's servic	onsecutive minutes e contract during t	s he
DATE OF ISSUE	October 31, 200 Month / Date /				
DATE EFFECTIVE Se	rvice Rendered Beginr Month / Date /		8		
ISSUED BY	(Signature of Officer	·)	<b>п</b> редуржания		
TITLE	President & CEO	,			
TITE	rresident & CEO		***************************************		

## EXHIBIT 1 Page 8 of 10

		FOR ALL TERRITORY S	
		Community, Tow	n or City
		P.S.C. KY. NO.	9
FARMERS RURAL ELECTRIC		13 <sup>th</sup> Revised SHEET NO.	6Q
COOPERATI	VE CORPORATION e of Utility)	CANCELLING P.S.C. KY, NO	9
(1,401)(	of Ganty)	12 <sup>th</sup> Revised SHEET NO.	6Q
	RATES AND C	HARGES	
	SCHEDULE E – LARGE I	NDUSTRIAL RATE	
APPLICABI	LE: In all territory served by the seller.		
ΔΥΔΗ ΔΡΗ	LITY: Available to all consumers who are	or shall be members of the Seller	where
	contract demand is 1,000 to 4,999 kW with		
greater than regulations of	425 hours per kW of billing demand, all su of the Seller.	bject to the established rules and	
MONTHLY		_	-
	sumer Charge: \$593.45 per Mont	h	(I)
	and Charge: 5.98 per kW gy Charge: 0.04597 per kWh		(I) (I)
	NATION OF BILLING DEMAND: The m or (b) listed below:	onthly billing demand shall be the	
(a)	The contract demand,		
(b)	The consumer's highest demand during to		
	months coincident with the load center's demand is the highest average rate at wh	~	
	minute interval in the below listed hours	<del></del>	
	factor as provided herein:	HOURS APPLICABLE FOR	,
	<u>MONTHS</u>	DEMAND BILLING - EST	•
	October through April	7:00 A.M. to 12:00 Noon	
	<b>.</b>	5:00 P.M. to 10:00 P.M.	
	May through September	10:00 A.M. to 10:00 P.M.	
DATE OF ISSU	JE October 31, 2008		
	Month / Date / Year		
DATE EFFECT	TVE Service Rendered Beginning December 1, 20 Month / Date / Year	8008	
ISSUED BY	(Signature of Officer)		
TITLE	President & CEO		

### EXHIBIT 1 Page 9 of 10

	FORALL TERRITORY SERVED	
	Community, Town or City	
	P.S.C. KY. NO. 9	
EVDINEDO DAIDAY EX ESCENAS	14 <sup>th</sup> Revised SHEET NO. 6T	
FARMERS RURAL ELECTRIC COOPERATIVE CORPORATION (Name of Utility)	CANCELLING P.S.C. KY. NO. 9	
, , , , , ,	13 <sup>th</sup> Revised SHEET NO. 6T	<del>_</del>
RAT	TES AND CHARGES	
SCHEDULE RM – RES	IDENTIAL OFF-PEAK MARKETING	
APPLICABLE: In all territory served by th	e seller.	
electric power and energy furnished under T		
RATES:		
Energy Charge:	\$0.04491 per kWh	(I)
SCHEDULE OF HOURS: This rate is only	applicable for the below listed off-peak hours:	
MONTHS	OFF-PEAK HOURS - EST	
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 October 31, 2008 Month / Date / Year		
DATE EFFECTIVE Service Rendered Beginning Month / Date / Year	December 1, 2008	
ISSUED BY (Signature of Officer)		
TITLE President & CEO		

## EXHIBIT 1 Page 10 of 10

	FOR <u>ALL TERRITORY SERVED</u> Community, Town or City
	P.S.C. KY. NO. 9
	14 <sup>th</sup> Revised SHEET NO. 6V
FARMERS RURAL ELECTRIC COOPERATIVE CORPORATION (Name of Utility)	CANCELLING P.S.C. KY. NO. 9
(Traine of Carry)	13 <sup>th</sup> Revised SHEET NO. 6V
RA	TES AND CHARGES
SCHEDULE CM – SMALL	COMMERCIAL OFF-PEAK MARKETING
APPLICABLE: In all territory served by the	e seller.
kW. The electric power and energy furnish Marketing Rate, shall be separately metered contract between the member and the Cooperately	l consumers whose kilowatt demand is less than 50 ed under Tariff CM, Small Commercial Off-Peak for each point of delivery and requires an executed erative. A sample contract is shown following this rgy furnished will be billed under Schedule C-1.
RATES:	
Energy Charge:	\$0.04701 per kWh (I)
SCHEDULE OF HOURS: This rate is only	applicable for the below listed off-peak hours:
<u>MONTHS</u>	OFF-PEAK HOURS - EST
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 October 31, 2008  Month / Date / Year	
DATE EFFECTIVE Service Rendered Beginning Month / Date / Year	
ISSUED BY(Signature of Officer)	
TITLE President & CEO	

•		

EXHIBIT 2 Page 1 of 1

The present and proposed rates structures of Farmers RECC are listed below:

	Rate Class	Existing Rates	Proposed Rates
R	Schedule R – Residential Service		
	Minimum Monthly Charge	\$7.48	\$8.07
	Energy First 50 kWh per Month	\$0.14963	\$0.16145
	Energy All Over 50 kWh per Month	\$0.06936	\$0.07484
RM	Off-Peak Retail Marketing Rate		
	Energy - All kWh	\$0.04162	\$0.04491
C-1	Commercial & Industrial – Demand Less Than 50 kW		
	Minimum Monthly Charge	\$7.48	\$8.07
	Energy Charge First 50 kWh	\$0.14963	\$0.16145
	Energy Charge All Over 50 kWh	\$0.07262	\$0.07836
C-2	Commercial & Industrial – Demand 50 kW or Above		
	Minimum Monthly Charge	\$7.48	\$8.07
	Demand Charge per kW	\$5.06	\$5.46
	Energy Charge per kWh	\$0.05684	\$0.06133
CM	Commercial Off-Peak Retail Marketing Rate		
	Energy – All kWh	\$0.04357	\$0.04701
OL	Outdoor Lighting Service		
	Mercury Vapor 175 Watts	\$6.98	\$7.53
	Mercury Vapor 250 Watts	\$7.95	\$8.58
	Mercury Vapor 400 Watts	\$12.04	\$13.02
	Mercury Vapor 1,000 Watts	\$21.09	\$22.76
	Sodium Vapor 100 Watts	\$7.31	\$7.89
	Sodium Vapor 150 Watts	\$8.48	\$9.15
	Sodium Vapor 250 Watts	\$11.49	\$12.40
	Sodium Vapor 400 Watts	\$14.74	\$15.90
	Sodium Vapor 1,000 Watts	\$31.88	\$34.40
SL	Street Lighting Service		
	Energy Service per Rated kWh	\$0.04612	\$0.04976
D	Schedule D - Large Commercial/Industrial Service		
	Optional Time-of-Day Rate		
	Demand Charge per kW	\$5.07	\$5.47
	Energy Charge per kWh	\$0.05684	\$0.06133
E	Schedule E - Large Industrial Rate		
	Consumer Charge / Mo	\$550.00	\$593.45
	Demand Charge per kW	\$5.54	\$5.98
	Energy Charge / kWh	\$0.0426	\$.04597

		·	

Farmers Rural Electric Cooperative Corporation Billing Analysis for the 12 months ended September 30, 2006

	Existing	% to	Proposed	% \$		
	Total \$	Total	Total \$	Total	\$ Increase	% Increase
Schedule R - Residential Service	23,911,190	64.10%	25,800,313	64.10%	1,889,122	7.90%
Schedule RM - Residential Off-Peak Marketing	88,918	0.24%	95,947	0.24%	7,029	7.90%
Schedule C Section 1 - Commercial & Industrial Service Less than 50 kW	2,366,866	6.35%	2,553,937	6.35%	187,071	7.90%
Schedule CM - Small Commercial Off-Peak Marketing	421	0.00%	454	%00.0	33	7.90%
Schedule C Section 2 - Commercial & Industrial Service 50 kW or Above	2,188,118	5.87%	2,360,994	5.87%	172,875	7.90%
Schedule C Section 2a - Commercial & Industrial Service 50 kW or Above	3,898,679	10.45%	4,206,692	10.45%	308,013	7.90%
Schedule D - Large Commercial/Industrial Service Optional Time-of-Day Rate	519,021	1.39%	560,009	1.39%	40,988	7.90%
Schedule E - Large Industrial Rate	3,607,053	9.67%	3,892,605	9.67%	285,551	7.92%
Schedule SL - Street Lighting Service	20,544	0.06%	22,166	0.06%	1,621	7.89%
Schedule OL - Outdoor Lighting Service	700,986	1.88%	756,222	1.88%	55,236	7.88%
Total Base Rates	37,301,797	100.00%	40,249,337 100.00%	100.00%	2,947,540	7.90%
FAC & ES	4,794,526		4,794,526			
Total Including FAC and ES	42,096,323		45,043,863		2,947,540	7.00%

Farmers Rural Electric Cooperative Billing Analysis for the 12 months ended June 30, 2008

# Schedule R Residential Service

			Existing				Proposed		100 A 4 4 7 A 4 4		\$ Increase	% Increase
	Actual Billing Data	Escalation %	Escalation Billing Units    Escalated	Current	Annualized Revenues	% Total Rafe Class	Billing Determinants	Proposed Rate	Annualized Revenues	% Total Rate Class		
Total Annual Invoices - Incl Min I Customer Charge / Energy Char	1 264,717 r 31,519	1.38% 1.38%	268,370 31,954	\$7.48	\$239,016	1.00%	268,370 31,954	\$8.07	\$257,869	1.00%	18,853	7.89%
Energy charge per kWh First 50 kWh all over 50 kWh	11,659,900	%06.0 %06.0	0.90% 11,764,839 0.90% 315,914,091	\$0.14963 \$0.06936	1,760,373	7.36% 91.64%	11,764,839 315,914,091	\$0.16145 \$0.07484	1,899,433	7.36% 91.64%	139,060	7.90%
Total from base rates				1 1	23,911,190	100.00%			25,800,313	100.00%	1,889,122	7.90%
Fuel adjustment Environmental surcharge				'	1,490,556			ı	1,490,556			
Total revenues				li	\$26,948,058	n			\$28,837,180		\$1,889,122	7,01%
Average Bill					\$100.41		1,091		\$107.45		\$7.04	7.01%

# Schedule RM Residential Off-Peak Marketing

			Existing				Proposed				\$ Increase   %	% Increase
	Actual Billing Data	Escalation %	Escalation Billing Units Escalated	Current Rate	Annualized Revenues	% Total Rate Class	Billing Determinants	Proposed Rate	Annualized Revenues	% Total Rate Class		
Customer Bills	3,486	1.38%	3,534		\$	%00.0	3,534	\$0.00	\$	0.00%		
Energy charge per kWh	2,117,372	0.90%	2,136,428	\$0.04162	88,918	100.00%	2,136,428	\$0.04491	95,947	100.00%	7,029	7.90%
Total from base rates					88,918	100.00%		. :	95,947	100.00%	7,029	7.90%
Fuel adjustment Environmental surcharge					6,638 5,287			+	6,638	1	man rich der principal der Andrews And	
Total revenues					\$100,843			н	\$107,872	11	7,029	8.97%
Average Bill					\$28.54				\$30.52		\$1.99	6.97%

Farmers Rural Electric Cooperative Billing Analysis for the 12 months ended June 30, 2008

Schedule C Section 1 Commercial & Industrial Less than 50 kW

	***************************************		Existing	***			Proposed	***************************************		***************************************	\$ Increase %	% Increase
	Actual Billing Data	Escalation %	Billing Units Escalated	Ourrent Rate	Annualized Revenues	% Total Rate Class	Billing Determinants	Proposed Rate	Annualized Revenues	% Total Rate Class		
Total Customer Bills - Incl Min Bi Customer Charge / Energy Char	Bi 19,291 ar 3,764	2.40%	19,754	\$7.48	\$28,828	1.22%	19,754 3,854	\$8.07	\$31,102	1.22%	2,274	
Demand Charge					,		0	\$0.00	\$0.00			
Energy Charge First 50 kWh kW All over 50 kWh	776,350 30,308,709	0.90%	783,337 30,581,487	\$0.14963	117,211 2,220,828	4.95% 93.83%	783,337 30,581,487	\$0.16145 \$0.07836	126,470 2,396,365	4.95% 93.83%	9,259 175,538	7.90% 7.90%
Total Baseload Charges				ıl	\$2,366,866	100.00%			\$2,553,937	100.00%	187,071	7.90%
Fuel adjustment Environmental surcharge				1	153,578 155,803				153,578			
Total revenues				Į.	\$2,676,247				\$2,863,318		187,071	6.99%
Average Bill					\$ 135.48				\$ 144.95		9.47	%66'9
					Small Comr	Schedule CM Small Commercial Off-Peak Marketing Rate 8	1 ak Marketing					
			Existing				Proposed	***************************************			\$ Increase %	% Increase
	Actual Billing Data	Escalation %	Billing Units Escalated	Current Rate	Annualized Revenues	% Total Rate Class	Billing Determinants	Proposed Rate	Annualized Revenues	% Total Rafe Class		

			Existing				Proposed			••••	\$ Increase   %	% Increase
	Actual Billing Data		Escalation Billing Units % Escalated	Current Rate	Annualized Revenues	% Total Rate Class	Billing Determinants	Proposed A	Annualized Revenues	% Total Rate Class		
Number of Bilts	19	2.40%	19		0\$	0.00%	6		0\$	0.00%	•	
Energy Charge	9,574	%06:0	099'6	\$0.04357	421	100.00%	9,660	\$0.04701	454	100.00%	88	7.90%
\$0.04702 Total Baseload Charges					\$421	100.00%		- The state of the	\$454	100.00%	33	7.90%
Fuel adjustment Environmental surcharge					20	ŝ			20 25			
Total revenues				-	\$466	ŧI		All Programmes as a second sec	\$500	0	33	7.12%
Average Bill					\$ 24.55			49	26.30		1.75	7.12%

# Farmers Rural Electric Cooperative Billing Analysis for the 12 months ended June 30, 2008

# Schedule C Section 2 Commercial & Industrial Service 50 kW and Over Rate 5

			Existing				Proposed	A STATE OF THE STA			\$ Increase	Н	% Increase
	Actual Billing Data	Escalation %	Escalation Billing Units 8% Escalated	Current Rate	Annualized Revenues	% Total Rate Class	Billing Determinants	Proposed Rate	Annualized Revenues	% Total Rate Class			
Customer Charge	947	0.00%	947										
Demand Charge	94,392	1.30%	95,619	\$5.06	\$483,832	22.11%	95,619	\$5.46	\$522,080	22.11%	Ŕ	38,248	7.91%
Energy charge per kWh	29,716,472		0.90% 29,983,920	\$0.05684	1,704,286	77.89%	29,983,920	\$0.06133	1,838,914	77.89%	13	134,628	7.90%
Total from base rates				1 1	2,188,118	100.00%		Mana	2,360,994	100.00%	17	172,875	%06`2
Fuel adjustment Environmental surcharge				ı	148,329 144,356			volve	148,329				
Total revenues				ì	\$2,480,802			11	\$2,653,678	u.	17.	172,875	6.97%
Average Bill					\$ 2,619.64				\$ 2,802.19		€	182.55	6.97%

# Schedule C Section 2a Commercial & Industrial Service 50 kW or Above Rate 9

			Existing				Proposed				\$ Increase   %	% Increase
			Billing Units Escalated	Current Rate	Annualized	% Total Rate Class	Billing Determinants	Proposed Rate	Annualized Revenues	% Total Rate Class		
Customer Charge	61	0.00%	67		\$0		61		d		1	
Demand Charge	141,414	1.30%	143,252	\$5.06	724,855	18.59%	143,252	\$5.46	782,156	18.59%	57,301	7.91%
Energy Charge	55,339,800	%06:0	0.90% 55,837,858	\$0.05684	3,173,824	81.41%	55,837,858	\$0.06133	3,424,536	81.41%	250,712	7.90%
Total Baseload Charges				11	\$3,898,679	100.00%		i I	4,206,692	100.00%	308,013	7.90%
Fuel adjustment Environmental surcharge				ı	276,745			**	276,745 228,184		**************************************	
Total Revenues				I	\$4,403,608			18	4,711,621		308,013	%66.9
Average Bill					\$ 72,190.30				\$ 77,239.69		\$ 5,049.39	6.99%

Farmers Rural Electric Cooperative Billing Analysis for the 12 months ended June 30, 2008

Schedule D Large Commercial / Industrial Service Optional Time-of-Day Rate

	NOW WORKS	and the same of th	Existing		The state of the s		Proposed	***************************************	40.000 HIHIII HIII HIP PROOF -		\$ Increase	% Increase
	Actual Billing Data	Escalation %	Billing Units Escalated	Current	Annualized Revenues	% Total Rate Class	Billing Determinants	Proposed Rate	Annualized Revenues	% Total Rate Class		
Customer Charge	84	0.00%	84		\$0	0.00%	84	\$0	•	0.00%	,	
Demand Charge	23,446	1.30%	23,751	\$5.07	120,418	23.20%	23,751	\$5.47	129,918	23.20%	005'6	7.89%
Energy Charge Per kWh	6,950,180	0.90%	7,012,732	\$0.05684	398,604	76.80%	7,012,732	\$0.06133	430,091	76.80%	31,487	7.90%
Total Baseload Charges				11	\$519,021	100.00%			\$560,009	100.00%	\$40,988	7.90%
Fuel adjustment Environmental surcharge				i	33,224			•	33,224 31,020		- Annual Heritage	
Total Revenues				**	\$583,265			**	624,253		40,988	7.03%
Average Bill					\$ 6,944				7,432		487.95	7.03%
					Lar	Schedule E Large industrial Rate Rate 10	Rate					
			Existing				Proposed				\$ Increase	% Increase
	Actual Billing Data	Escalation %	Billing Units Escalated	Current Rate	Annualized Revenues	% Total Rate Class	Billing Determinants	Proposed Rate	Annualized Revenues	% Total Rate Class		
Customer Charge	36	0.00%	36	\$550.00	\$19,800	0.55%	36	\$593,45	21,364	0.55%	1,564	7.90%
Demand Charge	117,229	1.30%	118,753	\$5.54	657,892	18.24%	118,753	\$5.98	710,143	18.24%	52,251	7.94%
Energy Charge Per kWh	68,151,000	%06:0	68,764,359	\$0.04260	2,929,362	81.21%	68,764,359	\$0.04597	3,161,098	81.21%	231,736	7.91%
Total Baseload Charges				1 1	\$3,607,053	100.00%		•	\$3,892,605	100.00%	\$285,551	7.92%
Fuel adjustment Environmental surcharge				1	334,537			'	334,537 233,527			***************************************
Total Revenues				H	\$4,175,117			"	4,460,669		285,551	6.84%
Average Bill					\$ 115,975.48				\$ 123,907.47		7,931.98	6.84%

Farmers Rural Electric Cooperative Billing Analysis for the 12 months ended June 30, 2008

Schedule SL Street Lighting Service Rate 6

			Existing				Proposed				\$ Increase	% increase
	Actual Billing Data	Escalation Billing % Determinal	Billing Determinants	Current Rate	Annualized Revenues	% Total Rate Class	Billing Determinants	Proposed Rate	Annualized Revenues	% Total Rate Class		
Customer Charge	98	0.00%	96				96		ŧ		ı	
Energy Charge Per kWh	445,449	0.00%	445,449	\$0,04612	20,544	100.00%	445,449	\$0.04976	22,166	100.00%	1,621	7.89%
Total Baseload Charges					\$20,544	100.00%		* 1	\$22,166	100.00%	\$1,621	7.89%
Fuel adjustment Environmental surcharge				,	3,322 3,064	ı		'	3,322	**	1 *	00.00 %00.0
Total Revenues				"	\$26,929	a		ıţ	28,551	H	1,621	6.02%
					\$ 280.51				297		16.89	6.02%

Farmers Rural Electric Cooperative Corporation Billing Analysis for the 12 months ended September 30, 2006

Schedule OL - Outdoor Lighting Service

Current Annualized   % to   Per kWh   Billing   Annualized   % to   Determinant   Rate   Revenues   704al   Revenues   8 6.90   8 6.15 0.20   8 6.15 0.20   8 6.20		Existing					Proposed			\$ Increase % Increase	Increase
\$ 6.98         618,526         88.24%         6,202,980         88,614         7.53         667,263         88.24%         48,737.70           \$ 6.98         4,579         0.65%         15,088         666         7.53         4,940         0.65%         36.83           \$ 7.95         6,503         0.93%         80,164         818         8.58         7,018         0.65%         36.83           \$ 12.07         24,575         3.57%         4,536         1.2         26,503         3.57%         1,534.20           \$ 12.09         2.83         1.2         2.76         2.73         0.04%         4,536         1.5         2.74         0.63%         34.53           \$ 7.31         2.190         0.43%         17,176         409         7.89         3,227         0.43%         237.22           \$ 11.49         4,401         0.63%         414,150         2.510         15.90         39,90         5.28%         2.911.60           \$ 31.88         -         0.00%         -         0.00%         -         0.00%         0.00%           \$ 6.98         7.33         7.107,992         7.53         7.53         7.53         7.53         7.53         7.53         7	Bil		Annualized Revenues	% to Total	Per kWh	Billing Determinant	-	Annualized Revenues	% to Total		
\$ 6.98         4,579         0.65%         15,088         656         7.53         4,940         0.65%         360.80           \$ 7.95         6,503         0.93%         80,164         818         8.58         7,018         0.93%         515.34           \$ 1.07         2,457         3.7,616         2,036         13.02         26,509         3.51%         1034.20           \$ 1.09         253         0.04%         17,178         409         7.89         3.277         0.04%         20.04           \$ 1.31         2,990         0.43%         17,178         409         7.89         3.277         0.04%         20.04           \$ 1.49         4,401         0.65%         40,215         3.83         12.40         4,749         0.65%         348.53           \$ 1.47         36,997         5.28%         41,150         2,510         15.90         39,909         5.28%         2,911.60           \$ 31.38         -         0.00%         -         0.00%         -         0.00%         34,40         -         0.00%           \$ 5.88         5.98         7,107,992         7,53         7,50         3,50         3,52         3,52         3,53	902		618,526	88.24%	6,202,980	88,614	7.53	667,263	88.24%	48,737.70	7.88%
\$ 7.95         6,503         0.93%         80,164         818         8.58         7,018         0.93%         515.34           \$ 12.07         24,575         3.57%         317,616         2,036         13.02         26,509         3.57%         1,934.20           \$ 21.09         253         0.04%         4,536         2.78         2.77         0.04%         20.04           \$ 21.09         0.43%         1,6065         2.55         9.15         2.33         0.34%         20.04           \$ 144         4,401         0.63%         40,215         383         12.40         4,749         0.63%         34.85.3           \$ 11.49         4,401         0.63%         414,150         2,510         15.90         39,909         5.28%         2,911.60           \$ 31.88         -         0.00%         -         -         0.00%         -         -         0.00%           \$ 6.98         7.03         7.107,992         7.53         7.50         0.055         5.53           \$ 6.98         7.33         7.107,992         7.53         7.50         0.055           \$ 7.30         7.33         7.53         7.53         7.53         7.53         7.53     <	23		4,579	0.65%	15,088	929	7.53	4,940	0.65%	360.80	7.88%
\$ 12.07         24,575         3.51%         317,616         2,036         13.02         26,509         3.51%         1,934.20           \$ 21.09         253         0.04%         4,536         12         22.76         273         0.04%         20.04           \$ 7.31         2,990         0.43%         17,178         409         7.89         3,227         0.43%         237.22           \$ 14.40         0.65         256         9.15         2,333         0.33%         348.33           \$ 14.74         36,997         5.28%         414,150         2,510         4749         0.63%         348.33           \$ 14.74         36,997         5.28%         414,150         2,510         4749         0.63%         2,911.60           \$ 31.88         -         0.00%         -         0.00%         -         0.00%         -           \$ 14.74         0.00%         -         0.00%         -         0.00%         -           \$ 14.74         0.00%         -         0.00%         -         0.00%         -           \$ 1.00         0.00%         -         0.00%         -         0.00%         -           \$ 6.98         7.33	98	818 \$ 7.95	6,503	0.93%	80,164	818	8.58	7,018	0.93%	515.34	7.92%
\$ 21.09         253         0.04%         4,536         12         22.76         273         0.04%         20.04           \$ 7.31         2,990         0.43%         17,178         409         7.89         3.27         0.43%         20.04           \$ 11.49         4,401         0.63%         40,215         38.3         12.40         47,49         0.63%         348.53           \$ 14.74         36,997         5,28%         414,150         2,510         39,909         5,28%         2,911.60           \$ 31.88         .	156 2,	2,036 \$ 12.07	24,575	3.51%	317,616	2,036	13.02	26,509	3.51%	1,934.20	7.87%
\$ 7.31     2,990     0.43%     17,178     409     7.89     3,227     0.43%     237.22       \$ 8.48     2,162     0.37%     16,065     2.55     9.15     2,333     0.37%     170.85       \$ 11.49     4,401     0.63%     40,215     383     12.40     4,749     0.63%     348.53       \$ 11.49     2,610     15.90     39,909     5.28%     2,911.60       \$ 14.74     36,997     5.28%     414,150     2,510     15.90     39,909     5.28%     2,911.60       \$ 31.88     -     0.00%     -     0.00%     -     0.00%     -       \$ 6.98     7.33     7.107,992     7.53     7.53     7.53     7.53     7.53       \$ 12.07     8.58     8.58     7.55     8.58     9.65       \$ 21.09     7.31     7.89     0.05       \$ 14.74     12.40     12.40     1.16       \$ 31.88     14.74     12.40     1.16       \$ 31.88     1.29     12.40     1.16       \$ 2.52     1.26     1.26     1.16       \$ 2.52     1.24     1.240     1.16	378	12 \$ 21.09	253	0.04%	4,536	12	22.76	273	0.04%	20.04	7.92%
\$ 8.48       2,162       0.37%       16,065       255       9.15       2,333       0.37%       170.85         \$ 11.49       4,401       0.63%       40,215       383       12.40       4,749       0.63%       348.53         \$ 14.74       36,997       5.28%       414,150       2,510       15.90       39,909       5.28%       2,911.60         \$ 31.88       -       0.00%       -       0.00%       -       0.00%       -         \$ 6.98       7.00       7.107,992       7.53       7.90       0.58         \$ 6.98       7.53       7.53       7.53       0.55         \$ 12.07       8.56       7.53       7.50       0.55         \$ 21.09       7.53       7.53       0.55         \$ 21.09       7.89       0.55         \$ 14.49       1.149       1.240       0.91         \$ 14.74       1.149       1.16       1.16	42 ,	409 \$ 7.31	2,990	0.43%	17,178	409	7.89	3,227	0.43%	237.22	7.93%
\$ 11.49       4,401       0.63%       40,215       383       12.40       4,749       0.63%       348.53         \$ 14.74       36,997       5.28%       414,150       2,510       15.90       39,909       5.28%       2,911.60         \$ 31.88       -       0.00%       -       0.00%       -       0.00%       -       -       0.00%       -       -       0.00%       -       -       0.00%       -       -       0.00%       -       -       0.00%       -       -       0.00%       -       -       0.00%       -       -       0.00%       -       -       0.00%       -       -       0.01       -       -       -       0.055       -       -       0.055       -       -       0.55       -       -       0.55       -       -       0.55       -       0.55       -       -       0.55       -       -       0.55       -       -       0.55       -       -       0.55       -       -       0.55       -       -       0.55       -       -       0.55       -       -       0.55       -       -       0.55       -       -       0.55       -       -       0.	63	255 \$ 8.48	2,162	0.31%	16,065	255	9.15	2,333	0.31%	170.85	7.90%
\$ 14,74       36,997       5.28%       414,150       2,510       15.90       39,909       5.28%       2,911.60         \$ 31.38       -       0.00%       -       0       34.40       -       0.00%       -         700,986       100.00%       95,693       756,222       100.00%       \$55,236         \$ 6.98       7,107,992       7,107       0.58         \$ 12.07       8.58       0.65         \$ 21.09       7.53       13.02       0.55         \$ 21.09       7.89       0.67         \$ 14.74       12.40       0.91         \$ 31.88       13.02       0.55	105 3		4,401	0.63%	40,215	383	12.40	4,749	0.63%	348.53	7.92%
\$ 31.88       - 0.00%       - 0.00%       - 0.00%       - 0.00%       - 0.00%       - 0.00%       - 0.00%       - 0.00%       - 0.00%       - 0.00%       - 0.00%       - 0.00%       - 0.00%       - 0.00%       - 0.00%       - 0.058       - 0.58       - 0.58       - 0.58       - 0.58       - 0.55	165 2,5	2,510 \$ 14.74	36,997	5.28%	414,150	2,510	15.90	39,909	5.28%	2,911.60	7.87%
\$ 6.98         7.53         7.53         7.53         7.53         0.58           \$ 6.98         7.53         7.53         0.55         0.55           \$ 12.07         \$ 22.76         1.67         0.55           \$ 7.34         1.67         0.55         0.55           \$ 12.07         1.67         0.55         0.55           \$ 12.07         1.67         0.55         0.55           \$ 14.09         12.40         12.40         1.16           \$ 14.74         15.90         1.16         2.52           \$ 34.80         34.80         34.40         2.52	385	. \$ 31.88	•	0.00%	•	0	34.40	ı	0.00%	t	
\$ 6.98       7.107,992       7.53       7.53       7.53       7.53       7.53       0.55         \$ 6.98       7.33       7.53       7.53       0.55         \$ 7.95       8.58       0.55       0.55         \$ 12.07       13.02       0.55         \$ 7.31       7.89       0.58         \$ 11.49       12.40       0.91         \$ 14.74       15.90       1.16         \$ 31.88       34.40       2.52										,	
7,107,992 7.33 7,107,992 7.53 7.53 8.58 8.58 8.58 13.02 13.02 22.76 7.89 9.15 12.40 11.6 11.6 2.52	95,693	93	700,986	100.00%		95,693		756,222	100.00%	\$55,236	7.88%
7.53 7.90 0.58  7.53 7.53 0.55  8.58 8.58 0.63  13.02 0.95  22.76 1.67  7.89 0.67  12.40 0.91  11.6  34.40 2.52					7,107,992						
7.53 0.55 7.53 0.55 8.58 0.63 13.02 0.95 22.76 7.89 0.58 9.15 0.67 12.40 1.16 34.40 2.52			7.33					7.90		0.58	7.88%
7.530.557.530.558.580.6313.020.9522.761.677.890.589.150.6712.400.9115.901.1634.402.52											
7.530.558.580.6313.020.9522.761.677.890.589.150.6712.400.9115.901.1634.402.52		\$ 6.98					7.53			0.55	7.88%
8.58 0.63 13.02 0.95 22.76 1.67 7.89 0.58 9.15 0.67 12.40 1.16 34.40 2.52		\$ 6.98					7.53			0.55	7.88%
13.02     0.95       22.76     1.67       7.89     0.58       9.15     0.67       12.40     0.91       15.90     1.16       34.40     2.52		\$ 7.95					8.58			0.63	7.92%
22.76 1.67 7.89 0.58 9.15 0.67 1.40 1.16 1.16 34.40 2.52		\$ 12.07					13.02			0.95	7.87%
7.89 0.58 0.58 0.67 12.40 0.91 1.16 1.16 34.40 2.52		\$ 21.09					22.76			1.67	7.92%
9.15 0.67 12.40 0.91 15.90 1.16 34.40 2.52		\$ 7.31					7.89			0.58	7.93%
12.40 0.91 15.90 1.16 34.40 2.52		\$ 8.48					9.15			29.0	7.90%
15.90 1.16 34.40 2.52		\$ 11.49					12.40			0.91	7.92%
34.40		\$ 14.74					15.90			1.16	7.87%
		\$ 31.88					34.40			2.52	7.90%

				:
6.3				

# FARMERS RURAL ELECTRIC COOPERATIVE CORPORATION CASE NO. 2008-00414

I, Ann F. Wood, hereby certify that an original and five copies of the filing provided to the Kentucky Public Service Commission have been sent to the Office of Rate Intervention, Office of the Attorney General.

Ann F. Wood

East Kentucky Power Cooperative, Inc.

Inn J. Word

Subscribed and sworn before me on this 31st day of October, 2008.

Notary Public

My Commission expires:

December 8

2009



#### NOTICE OF PROPOSED RATE CHANGE

In accordance with the requirements of the Public Service Commission of the Commonwealth of Kentucky as set forth in 807 KAR 5:007, Section 3, of the Rules and Regulations of the Public Service Commission, notice is hereby given to the member consumers of Farmers Rural Electric Cooperative Corporation of a proposed rate adjustment. An Application for Approval of Adjustment to Rates will be filed with the Public Service Commission on October 31, 2008, Case No. 2008-00414. The rates are being revised to reflect a change in wholesale rates pursuant to KRS 278.455(2). This adjustment will result in a general rate increase to the member-consumers of Farmers Rural Electric Cooperative Corporation. The amount and percent of increase by rate class are listed below.

Rate Class	<u>Increase</u>	<u>Increase</u>
Sch R – Residential Service	\$1,889,122	7.01%
Sch C – Commercial & Industrial Service	\$667,959	6.99%
Sch D – Large Commercial & Industrial Optional	\$40,988	7.03%
Time of Day		
Sch OL – Outdoor Lighting Service	\$55,236	7.88%
Sch SL – Street Lighting Service	\$1,621	6.02%
Sch E – Large Industrial Rate	\$285,551	6.84%
Sch RM – Residential Off – Peak Marketing	\$7,029	6.97%
Sch CM – Small Commercial Off – Peak	\$33	7.12%
Marketing		

The effects of the proposed rates on the average monthly bill by rate class are listed below:

Rate Class	\$ Increase	<u>% Increase</u>
Sch R – Residential Service	\$7.04	7.01%
Sch C – Commercial & Industrial Service	\$32.17	6.99%
Sch D – Large Commercial & Industrial Optional	\$487.95	7.03%
Time of Day		
Sch OL – Outdoor Lighting Service	\$0.58	7.88%
Sch SL – Street Lighting Service	\$16.89	6.02%
Sch E – Large Industrial Rate	\$7,931.98	6.84%
Sch RM – Residential Off-Peak Marketing	\$1.99	6.97%
Sch CM – Small Commercial Off – Peak	\$1.75	7.12%
Marketing		

The present and proposed rates structures of Farmers Rural Electric Cooperative Corporation are listed below:

Rate Class	Present	Proposed
Schedule R – Residential Service		
First 50 kWh	\$0.14963	\$0.16145
All Remaining kWh	\$0.06936	\$0.07484
Schedule C – Commercial & Industrial Service		
For Consumers With Less Than 50 kW:	* *	
First 50 kWh	\$0.14963	\$0.16145
All Remaining kWh	\$0.07262	\$0.07836
For Consumers With 50 kW or More		
Demand Charge per kW	\$5.06	\$5.46
Energy Charge per kWh	\$0.05684	\$0.06133
Schedule OL – Outdoor Lighting Service		
Mercury Vapor 175 Watts	\$6.98	\$7.53
Mercury Vapor 250 Watts	\$7.95	\$8.58
Mercury Vapor 400 Watts	\$12.04	\$13.02
Mercury Vapor 1000 Watts	\$21.09	\$22.76
Sodium Vapor 100 Watts	\$7.31	\$7.89
Sodium Vapor 150 Watts	\$8.48	\$9.15
Sodium Vapor 250 Watts	\$11.49	\$12.40
Sodium Vapor 400 Watts	\$14.74	\$15.90
Sodium Vapor 1000 Watts	\$31.88	\$34.40
Schedule SL – Street Lighting Service		
Energy Charge per Rated kWh	\$0.04612	\$0.04976
Schedule D – Large Commercial/ Industrial Optional		
Time-of-Day Rate		
Demand / kW	\$5.07	\$5.47
Energy Charge / kWh	\$0.05684	\$0.06133
Schedule E – Large Industrial Rate		
Consumer Charge / Month	\$550.00	\$593.45
Demand Charge / kW	\$5.54	\$5.98
Energy Charge / kWh	\$0.0426	\$.04597
Schedule RM – Residential Off-Peak Marketing		
Energy Charge / kWh	\$0.04162	\$0.04491
Schedule CM – Small Commercial Off-Peak		
Marketing		
Energy Charge / kWh	\$0.04357	\$0.04701

The rates contained in this notice are the rates proposed by Farmers Rural Electric Cooperative Corporation. However, the Public Service Commission may order rates to be charged that differ from the proposed rates contained in this notice. Such actions may result in rates for consumers other than the rates in this notice.

Any person may examine the rate application at the main office of Farmers Rural Electric Cooperative Corporation at the following address:

Farmers Rural Electric Cooperative Corporation 504 South Broadway Glasgow, KY 42141 (270) 651-2191

Any person may also examine the rate application at the office of the Public Service Commission, 211 Sower Boulevard, Frankfort, Kentucky.