



Farmers Rural Electric Cooperative Corporation

504 South Broadway, Glasgow, KY 42141 • P.O. Box 1298, Glasgow, KY 42142-1298 • (270) 651-2191 • FAX (270) 651-7332

June 22, 2009

RECEIVED

JUN 24 2009

PUBLIC SERVICE
COMMISSION

Mr. Jeff Derouen
Executive Director
Kentucky Public Service Commission
P. O. Box 615
Frankfort, KY 40602-0615

Re: Case 2008-00527

Dear Mr. Derouen;

Attached are the original and three copies of Farmers response to the information requested in the Commission's Order dated June 18, 2009. I prepared this response on behalf of Farmers RECC and believe it is true and accurate to the best of my knowledge, information, and belief formed after a reasonable inquiry.

I am responsible for responding to questions relating to the information provided and will serve as a witness if needed.

Sincerely;

A handwritten signature in cursive script that reads 'H. Wayne Davis'.

H. Wayne Davis
Vice President Finance and CFO

Encl:

www.farmersrecc.com

A Touchstone Energy® Cooperative The logo for Touchstone Energy, featuring a stylized 'T' and 'E' intertwined within a circular border.

FARMERS RURAL ELECTRIC COOPERATIVE CORPORATION

RESPONSE TO THE ORDER OF THE KENTUCKY PUBLIC SERVICE COMMISSION IN CASE NO. 2008-00527 DATED JUNE 18, 2009

1. Listed below are the proposed changes in Farmers rates using the rates approved for Farmers by the Commission in its Order dated June 10, 2009 and the fuel adjustment clause roll-in amount calculated by Farmers in its response to Item No. 4 of the Commission's January 23, 2009 Order. A copy of Farmers' tariff sheets after the approved settlement rates are attached. Changes are indicated by cross-outs and insertion of proposed rates. NOTE THAT FARMERS HAS NOT RECEIVED THE FINAL APPROVED TARIFF SHEETS AS A RESULT OF THE RATE CASE AND THAT THE ENCLOSED TARIFF SHEETS DO NOT CONTAIN THE COMMISSION'S STAMP AND SIGNATURE.

	<u>Present</u>	<u>Proposed</u>
Class 1 – Residential		
Schedule R:		
All kWh	.08144 / kWh	.09210 / kWh
Schedule RM (ETS):		
All kWh	.04887 / kWh	.05526 / kWh
Class 4 – Small Commercial & Industrial (Below 50 kW)		
Schedule C – Section 1		
All kWh	.07691 / kWh	.08757 / kWh
Schedule CM (ETS):		
All kWh	.04613 / kWh	.05254 / kWh

Present

Proposed

Class 5 – Large Commercial & Industrial (50 kW and above)

Schedule C – Section 2:

All kWh .05851 / kWh .06917 / kWh

Schedule D (TOD):

All kWh .05851 / kWh .06917 / kWh

Schedule E:

All kWh .04551 / kWh .05617 / kWh

Class 5 – Street Lighting

Schedule SL:

All kWh .04947 / kWh .06013 / kWh

All Classes – Outdoor Lighting

Schedule OL:

Mercury Vapor 175 Watt	\$ 8.54	\$ 9.29
Mercury Vapor 175 Watt shared	2.85	3.60
Mercury Vapor 250 Watt	9.73	10.77
Mercury Vapor 400 Watt	14.77	16.43
Mercury Vapor 1000 Watt	25.80	29.83
Sodium Vapor 100 Watt	8.94	9.39
Sodium Vapor 150 Watt	10.38	11.05
Sodium Vapor 250 Watt	14.05	15.17
Sodium Vapor 400 Watt	18.03	19.79
Sodium Vapor 1000 Watt	38.99	43.09

FOR ALL TERRITORY SERVED
Community, Town or City

P.S.C. KY. NO. 9

22nd Revised SHEET NO. 1

CANCELLING P.S.C. KY. NO. 9

21st Revised SHEET NO. 1

**FARMERS RURAL ELECTRIC
COOPERATIVE CORPORATION**
(Name of Utility)

RATES AND CHARGES

SCHEDULE R – RESIDENTIAL SERVICE

APPLICABLE: In all territory served by the seller.

AVAILABILITY: Available to residents for all uses in the home and on the farm and for other consumers using single-phase service below 50 kW for ordinary merchandising establishments, repair shops, garages and service stations, schools, churches and community buildings, all subject to the established rules and regulations of the seller. Three-phase service may be provided to consumers located within 1,000 feet of existing three-phase line.

TYPE OF SERVICE: Single-phase, or three-phase where available, 60 cycles, at available secondary voltages.

RATES PER MONTH:

Customer Charge		\$9.00	(N)
All kWh	@	0.08144 per kWh	(I)
		0.09210	

FUEL ADJUSTMENT CLAUSE: All rates are applicable to the Fuel Adjustment Clause and may be increased or decreased by an amount per kWh equal to the fuel adjustment amount per kWh as billed by the Wholesale Power Supplier plus an allowance for line losses. The allowance for line losses will not exceed 10 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.

DATE OF ISSUE: June 16, 2009

DATE EFFECTIVE: July 1, 2009

ISSUED BY: William J. Prutton
TITLE: President & Chief Executive Officer

Issued by authority of an Order of the Public Service Commission of Kentucky
in Case No. 2008-00030 Dated: June 10, 2009

FOR ALL TERRITORY SERVED
Community, Town or City

P.S.C. KY. NO. 9

22nd Revised SHEET NO. 3

CANCELLING P.S.C. KY. NO. 9

21st Revised SHEET NO. 3

**FARMERS RURAL ELECTRIC
COOPERATIVE CORPORATION**
(Name of Utility)

RATES AND CHARGES

SCHEDULE C – COMMERCIAL & INDUSTRIAL SERVICE

APPLICABLE: In all territory served by the seller.

AVAILABILITY: Available to consumers for commercial and industrial loads for all uses including lighting, heating and power, including oil well services, all subject to the established rules and regulations of the seller.

TYPE OF SERVICE: Single-phase, or three-phase where available, 60 cycles at available voltages.

RATES PER MONTH

1. For all consumers whose kilowatt demand is less than 50 kW.

Kilowatt Demand Charge:	None		
Customer Charge		\$11.00	(N)
All kWh	@	0.07691 per kWh	(R)
		0.06757	

2. For all consumers whose kilowatt demand is 50 kW or above.

Kilowatt Demand Charge:		\$6.86 per kW	(I)
Customer Charge		\$50.00	(N)
Energy Charge:			
All	kWh@	0.05851 per kWh	(R)
		0.06917	

DATE OF ISSUE: June 16, 2009

DATE EFFECTIVE: July 1, 2009

ISSUED BY: William J. Patton
TITLE: President & Chief Executive Officer

Issued by authority of an Order of the Public Service Commission of Kentucky
in Case No. 2008-00030 Dated: June 10, 2009

FOR ALL TERRITORY SERVED
Community, Town or City

P.S.C. KY. NO. 9

22nd Revised SHEET NO. 6

CANCELLING P.S.C. KY. NO. 9

21st Revised SHEET NO. 6

**FARMERS RURAL ELECTRIC
COOPERATIVE CORPORATION**
(Name of Utility)

RATES AND CHARGES

SCHEDULE OL – OUTDOOR LIGHTING SERVICE

APPLICABLE: In all territory served by the seller.

AVAILABILITY: 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:

Type of Lamp	Watts	Monthly kWh Usage	Monthly Charge Per Lamp	
Mercury Vapor	175	70	8.54 9.29	(I)
Mercury Vapor	175 Watt, shared	70	2.85 3.60	(I)
Mercury Vapor	250	98	9.73 10.77	(I)
Mercury Vapor	400	156	14.77 16.43	(I)
Mercury Vapor	1000	378	25.80 29.83	(I)
Sodium Vapor	100	42	8.94 9.39	(I)
Sodium Vapor	150	63	10.38 11.05	(I)
Sodium Vapor	250	105	14.05 15.17	(I)
Sodium Vapor	400	165	18.03 19.79	(I)
Sodium Vapor	1000	385	38.99 43.09	(I)

FUEL ADJUSTMENT CLAUSE: All rates are applicable to the Fuel Adjustment Clause and may be increased or decreased by an amount per kWh equal to the fuel adjustment amount per kWh as billed by the Wholesale Power Supplier plus an allowance for line losses. The allowance for line losses will not exceed 10 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: June 16, 2009

DATE EFFECTIVE: July 1, 2009

ISSUED BY: William J. Peatley
TITLE: President & Chief Executive Officer

Issued by authority of an Order of the Public Service Commission of Kentucky
in Case No. 2008-00030 Dated: June 10, 2009

FOR ALL TERRITORY SERVED
Community, Town or City

P.S.C. KY. NO. 9

12th Revised SHEET NO. 6L

CANCELLING P.S.C. KY. NO. 9

11th Revised SHEET NO. 6L

**FARMERS RURAL ELECTRIC
COOPERATIVE CORPORATION**
(Name of Utility)

RATES AND CHARGES

SCHEDULE SL – STREET LIGHTING SERVICE

APPLICABLE: In all territory served by the Cooperative.

AVAILABILITY: Available to federal, state and local governmental agencies for dusk to dawn street lighting subject to established rules and regulations.

TYPE OF SERVICE: Automatic dusk to dawn lighting systems, single-phase, 60 cycles, at available secondary voltages.

MONTHLY RATE:

Energy Charge: The monthly energy charge for each type of lamp shall be ~~\$0.04947~~ ^{.06013} per rated kWh per month as determined from Table I below:

TABLE I

<u>Type of Lamp</u>	<u>Lamp Size Watts</u>	<u>Lumens</u>	<u>Rated kWh</u>	
Mercury Vapor	175	7,650	70	(I)
Mercury Vapor	250	10,400	98	(I)
Mercury Vapor	400	19,100	156	(I)
High Pressure Sodium	100	8,550	42	(I)
High Pressure Sodium	250	23,000	105	(I)
High Pressure Sodium	400	45,000	165	(I)
High Pressure Sodium	1,000	126,000	385	(I)

Facility Charge: The books of the Cooperative shall accurately reflect the Cooperative's total investment in facilities for each specific agency receiving service under this tariff. The monthly facility charge for a given agency shall be 1.14 percent of said total investment.

DATE OF ISSUE: March 26, 2009

DATE EFFECTIVE: For Services Rendered on and after April 1, 2009

ISSUED BY: _____

TITLE: President & Chief Executive Officer

Issued by authority of an Order of the Public Service Commission of Kentucky
in Case No. 2008-00414 Dated: March 31, 2009

FOR ALL TERRITORY SERVED
Community, Town or City

P.S.C. KY. NO. 9

18th Revised SHEET NO. 6N

CANCELLING P.S.C. KY. NO. 9

17th Revised SHEET NO. 6N

**FARMERS RURAL ELECTRIC
COOPERATIVE CORPORATION**
(Name of Utility)

RATES AND CHARGES

SCHEDULE D – LARGE COMMERCIAL/INDUSTRIAL SERVICE
OPTIONAL TIME-OF-DAY RATE

APPLICABLE: In all territory served by the seller.

AVAILABILITY: Available to consumers for commercial and industrial loads whose kilowatt demand is 50 kW or above for all uses including lighting, heating and power, all subject to the established rules and regulations of the seller.

TYPE OF SERVICE: Single-phase, or three-phase where available, 60 cycles at available voltages.

RATES PER MONTH

Customer Charge	\$50.00	(N)
Kilowatt Demand Charge:	\$6.86 per kW	(I)
Energy Charge:		
All kWh	\$0.05851 per kWh .06917	(R)

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 on-peak hours specified by the seller in the consumer's service contract 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.

DATE OF ISSUE: June 16, 2009

DATE EFFECTIVE: July 1, 2009

ISSUED BY: William J. Patten
TITLE: President & Chief Executive Officer

Issued by authority of an Order of the Public Service Commission of Kentucky
in Case No. 2008-00030 Dated: June 10, 2009

FOR ALL TERRITORY SERVED
Community, Town or City

P.S.C. KY. NO. 9

14th Revised SHEET NO. 6Q

CANCELLING P.S.C. KY. NO. 9

13th Revised SHEET NO. 6Q

**FARMERS RURAL ELECTRIC
COOPERATIVE CORPORATION**
(Name of Utility)

RATES AND CHARGES

SCHEDULE E - LARGE INDUSTRIAL RATE

APPLICABLE: In all territory served by the seller.

AVAILABILITY: Available to all consumers who are or shall be members of the Seller where the monthly contract demand is 1,000 to 4,999 kW with a monthly energy usage equal to or greater than 425 hours per kW of billing demand, all subject to the established rules and regulations of the Seller.

MONTHLY RATE:

Customer Charge:	\$1,100 per Month	(I)
Demand Charge:	6.86 per kW	(I)
Energy Charge:	-0.04551 per kWh .05617	(R)

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

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

MONTHS

HOURS APPLICABLE FOR
DEMAND BILLING - EST

October through April

7:00 A.M. to 12:00 Noon

5:00 P.M. to 10:00 P.M.

May through September

10:00 A.M. to 10:00 P.M.

DATE OF ISSUE: June 16, 2009

DATE EFFECTIVE: July 1, 2009

ISSUED BY: William J. Patton
TITLE: President & Chief Executive Officer

Issued by authority of an Order of the Public Service Commission of Kentucky
in Case No. 2008-00030 Dated: June 10, 2009

FOR ALL TERRITORY SERVED
Community, Town or City

P.S.C. KY. NO. 9

16th Revised SHEET NO. 6T

CANCELLING P.S.C. KY. NO. 9

15th Revised SHEET NO. 6T

**FARMERS RURAL ELECTRIC
COOPERATIVE CORPORATION**
(Name of Utility)

RATES AND CHARGES

SCHEDULE RM – RESIDENTIAL OFF-PEAK MARKETING

APPLICABLE: In all territory served by the seller.

AVAILABILITY: Available to consumers eligible for Schedule R - Residential Service. The electric power and energy furnished under Tariff RM Residential Off-Peak Marketing Rate shall be separately metered for each point of delivery and requires an executed contract between the member and the Cooperative. A sample contract is shown following these tariffs as Appendix D. Other power and energy furnished will be billed under Schedule R.

RATES:

Energy Charge: $-\$0.04887$ per kWh (I)
.05526

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: June 16, 2009

DATE EFFECTIVE: July 1, 2009

ISSUED BY: William J. Patton
TITLE: President & Chief Executive Officer

Issued by authority of an Order of the Public Service Commission of Kentucky
in Case No. 2008-00030 Dated: June 10, 2009

FOR ALL TERRITORY SERVED
Community, Town or City

P.S.C. KY. NO. 9

16th Revised SHEET NO. 6V

CANCELLING P.S.C. KY. NO. 9

15th Revised SHEET NO. 6V

**FARMERS RURAL ELECTRIC
COOPERATIVE CORPORATION**
(Name of Utility)

RATES AND CHARGES

SCHEDULE CM – SMALL COMMERCIAL OFF-PEAK MARKETING

APPLICABLE: In all territory served by the seller.

AVAILABILITY: Available to commercial consumers whose kilowatt demand is less than 50 kW. The electric power and energy furnished under Tariff CM, Small Commercial Off-Peak Marketing Rate, shall be separately metered for each point of delivery and requires an executed contract between the member and the Cooperative. A sample contract is shown following this tariff as Appendix D. Other power and energy furnished will be billed under Schedule C-1.

RATES:

Energy Charge: ~~-\$0.04613~~ per kWh (R)
.05254

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: June 16, 2009

DATE EFFECTIVE: July 1, 2009

ISSUED BY: William J. Patton
TITLE: President & Chief Executive Officer

Issued by authority of an Order of the Public Service Commission of Kentucky
in Case No. 2008-00030 Dated: June 10, 2009