

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

OWEN ELECTRIC COOPERATIVE, INC. PASS-)	
THROUGH OF EAST KENTUCKY POWER)	CASE NO.
COOPERATIVE, INC. WHOLESALE RATE)	2010-00179
ADJUSTMENT)	

O R D E R

On May 27, 2010, Owen Electric Cooperative, Inc. (“Owen”) submitted an application to pass through any wholesale rate adjustment granted to East Kentucky Power Cooperative, Inc. (“EKPC”) in Case No. 2010-00167.¹ Owen submitted its application pursuant to the authority of KRS 278.455(2) and 807 KAR 5:007, Sections 1(3) and 2(2).

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

Owen 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.

KRS 278.455(2) provides that a distribution cooperative may change its rates to reflect a change in the rate of its wholesale supplier if the effects of an increase or decrease are allocated to each class and within each tariff on a proportional basis that

¹ Case No. 2010-00167, Application of East Kentucky Power Cooperative, Inc. for General Adjustment of Electric Rates (Ky. PSC Jan. 14, 2011).

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

Owen serves Gallatin Steel Company (“Gallatin”), one of three EKPC direct-served customers, pursuant to a special contract. In its application, Owen allocated the EKPC wholesale increase to Gallatin on a proportional basis. A settlement agreement (“EKPC Rate Settlement”) was entered into and approved by the Commission in Case No. 2010-00167 authorizing a \$43 million wholesale increase for EKPC.² The EKPC Rate Settlement made recommendations regarding the pass-through of the wholesale increase to special contract customers. Page 6, paragraph 4 of the EKPC Rate Settlement states that, “the increase determined for Gallatin under the terms of this Agreement should be the amount passed through by Owen to Gallatin. The Parties recommend that the Commission find that this approach is consistent with the provisions of KRS 278.455(3)”

KRS 278.455(3) states:

Any rate increase or decrease as provided for in subsections (1) and (2) of this section shall not apply to special contracts under which the rates are subject to adjustment only as stipulated in the contract.

In approving the EKPC Rate Settlement, the Commission determined that the amount of the increase allocated to Gallatin under the settlement should be the amount

² Gallatin was an intervenor in Case No. 2010-00167 and a signatory to the EKPC Rate Settlement.

passed through to Gallatin by Owen. The Commission stated that this approach was consistent with the provisions of KRS 278.455(3).

When filing its proposed allocations based on the EKPC Rate Settlement, Owen stated that the Gallatin contract “appears to imply a direct assignment of any EKPC revenue increase or decrease.”³ Therefore, Owen deducted the portion of the increase directly assigned to Gallatin and allocated the remaining increase to its other rate classes on a proportional basis.

The Commission has reviewed the revised approach proposed by Owen to pass through the increase in the wholesale rates of EKPC and to allocate such increase to its retail rates. Based upon this review, the Commission finds that Owen’s revised approach complies with the provisions of KRS 278.455(2), KRS 278.455(3) and 807 KAR 5:007, Section 2(2), is consistent with the provisions of the approved EKPC Rate Settlement and, therefore, should be accepted.

The Commission issued an Order today in Case No. 2010-00167 authorizing a \$43 million annualized increase in EKPC’s wholesale rates effective for service rendered on and after today’s date. According to Owen, this will increase its wholesale power cost by \$5,905,770 annually.⁴

IT IS THEREFORE ORDERED that:

1. The proposed rates submitted with Owen’s application are rejected.
2. The revised approach proposed by Owen to allocate its portion of the increase in wholesale rates authorized in Case No. 2010-00167 is accepted.

³ Supplemental Information filed by Owen on December 9, 2010, Item 2.

⁴ Id.

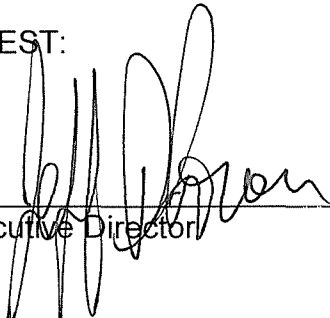
3. The rates set forth in the tariff sheets in the Appendix hereto are approved for service rendered on and after the date of this Order.

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

By the Commission

ENTERED ✓
JAN 14 2011
KENTUCKY PUBLIC
SERVICE COMMISSION

ATTEST:



Executive Director

APPENDIX

APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE
COMMISSION IN CASE NO. 2010-00179 DATED JAN 14 2011

FOR Entire Territory Served
Community, Town or City

P.S.C. KY. NO. 6

11th Revised SHEET NO. 1

CANCELING P.S.C. KY. NO. 6

10th 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	\$11.30	Per Month	(I)
All KWH	\$0.09478	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 May 27, 2010
Month / Date / Year

DATE EFFECTIVE Service rendered on and after July 1, 2010
Month / Date / Year

ISSUED BY _____
(Signature of Officer)

TITLE President /CEO

BY AUTHORITY OF ORDER OF THE PUBLIC SERVICE COMMISSION

IN CASE NO. 2010-00179 DATED _____

FOR Entire Territory Served Page 3 of 20
Community, Town or City

P.S.C. KY. NO. 6

10th Revised SHEET NO. 2

CANCELING P.S.C. KY. NO. 6

9th Revised SHEET NO. 2

Owen Electric Cooperative, Inc.

(Name of Utility)

CLASSIFICATION OF SERVICE

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

- 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.

D. Rate
 All KWH \$0.05692 per KWH (I)
 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.

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.

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 May 27, 2010
Month / Date / Year

DATE EFFECTIVE Service rendered on and after July 1, 2010
Month / Date / Year

ISSUED BY _____
(Signature of Officer)

TITLE President /CEO

BY AUTHORITY OF ORDER OF THE PUBLIC SERVICE COMMISSION
 IN CASE NO. 2010-00179 DATED _____

FOR Entire Territory Served
Community, Town or City

P.S.C. KY. NO. 6

11th Revised SHEET NO. 8

CANCELING P.S.C. KY. NO. 6

10th 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	\$13.34 per Month	(I)
All KWH	\$0.09478 per KWH	(I)
- 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 May 27, 2010
Month / Date / Year

DATE EFFECTIVE Service rendered on and after July 1, 2010
Month / Date / Year

ISSUED BY _____
(Signature of Officer)

TITLE President /CEO

BY AUTHORITY OF ORDER OF THE PUBLIC SERVICE COMMISSION

IN CASE NO. 2010-00179 DATED _____

FOR Entire Territory Served
Community, Town or City

P.S.C. KY. NO. 6

10th Revised SHEET NO. 9

CANCELING P.S.C. KY. NO. 6

9th Revised SHEET NO. 9

Owen Electric Cooperative, Inc.

(Name of Utility)

CLASSIFICATION OF SERVICE

SCHEDULE II -- LARGE POWER*

Page One of Two

- 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	\$	6.13	Per KW of Billing Demand	(I)
Customer Charge	\$	21.31	Per Month	(I)
All KWH	\$	0.07166	Per KWH	(I)
- 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.

DATE OF ISSUE May 27, 2010
Month / Date / Year

DATE EFFECTIVE Service rendered on and after July 1, 2010
Month / Date / Year

ISSUED BY _____
(Signature of Officer)

TITLE President /CEO

BY AUTHORITY OF ORDER OF THE PUBLIC SERVICE COMMISSION

IN CASE NO. 2010-00179 DATED _____

FOR Entire Territory Served Page 6 of 20
Community, Town or City

P.S.C. KY. NO. 6

13th Revised SHEET NO. 11

CANCELING P.S.C. KY. NO. 6

12th Revised SHEET NO. 11

Owen Electric Cooperative, Inc.

(Name of Utility)

CLASSIFICATION OF SERVICE

SCHEDULE III - OUTDOOR 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 outdoor lighting on or after January 1, 2004.

C. Rates

Installed on existing pole where 120 volts are available:	\$	8.79	(I)
One Pole Added:	\$	10.60	(I)
Two Poles Added:	\$	12.41	(I)
Three Poles Added:	\$	14.22	(I)
Four Poles Added:	\$	16.04	(I)

Where a transformer is required, there is an additional charge of \$.70 per month. (I)

- 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 May 27, 2010
Month / Date / Year

DATE EFFECTIVE Service rendered on and after July 1, 2010
Month / Date / Year

ISSUED BY _____
(Signature of Officer)

TITLE President /CEO

BY AUTHORITY OF ORDER OF THE PUBLIC SERVICE COMMISSION

IN CASE NO. 2010-00179 DATED _____

FOR Entire Territory Served
Community, Town or City

P.S.C. KY. NO. 6

11th Revised SHEET NO. 12

CANCELING P.S.C. KY. NO. 6

10th Revised SHEET NO. 12

Owen Electric Cooperative, Inc.

(Name of Utility)

CLASSIFICATION OF SERVICE

SCHEDULE VIII - LARGE INDUSTRIAL RATE LPC1

(Page One of Two)

- 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	\$ 1,521.83	Per Month	(I)
Demand Charge	\$ 7.08	Per KW of Billing Demand	(I)
Energy Charge	\$.05661	Per KWH for all KWH equal to 425 per KW of Billing Demand	(I)
Energy Charge	\$.05237	Per KWH for all KWH in excess of 425 per KW of Billing Demand	(I)

- 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

- 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.

DATE OF ISSUE May 27, 2010
Month / Date / Year

DATE EFFECTIVE Service rendered on and after July 1, 2010
Month / Date / Year

ISSUED BY _____
(Signature of Officer)

TITLE President /CEO

BY AUTHORITY OF ORDER OF THE PUBLIC SERVICE COMMISSION
IN CASE NO. 2010-00179 DATED _____

P.S.C. KY. NO. 6

11th Revised SHEET NO. 15

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

10th Revised SHEET NO. 15

Owen Electric Cooperative, Inc.

(Name of Utility)

CLASSIFICATION OF SERVICE

SCHEDULE IX - LARGE INDUSTRIAL RATE LPC2

(Page One of Two)

- 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	\$3,042.58	Per Month	(I)
Demand Charge	\$ 7.08	Per KW of Billing Demand	(I)
Energy Charge	\$0.05167	Per KWH for all KWH equal to 425 hours per KW of Billing Demand	(I)
Energy Charge	\$0.05003	Per KWH for all KWH in excess of 425 hours per KW of Billing Demand	(I)

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 AM - 12 Noon; 5PM - 10PM
May thru September	10 AM - 10PM

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.

DATE OF ISSUE May 27, 2010
Month / Date / Year

DATE EFFECTIVE Service rendered on and after July 1, 2010
Month / Date / Year

ISSUED BY _____
(Signature of Officer)

TITLE President / CEO

BY AUTHORITY OF ORDER OF THE PUBLIC SERVICE COMMISSION

IN CASE NO. 2010-00179 DATED _____

P.S.C. KY. NO. 6

11th Revised SHEET NO. 18

CANCELING P.S.C. KY. NO. 6

10th Revised SHEET NO. 18

Owen Electric Cooperative, Inc.

(Name of Utility)

CLASSIFICATION OF SERVICE

SCHEDULE X - LARGE INDUSTRIAL RATE LPC1-A

(Page One of Two)

- 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	\$ 1,521.83	Per Month	(I)
Demand Charge	\$ 7.08	Per KW of Billing Demand	(I)
Energy Charge	\$ 0.05415	Per KWH for all KWH equal to 425 hours per KW of Billing Demand	(I)
Energy Charge	\$ 0.05130	Per KWH for all KWH in excess of 425 hours per KW of Billing Demand	(I)

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 Noon; 5:00 PM – 10:00 PM
May thru September	10:00 AM – 10:00 PM

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.

DATE OF ISSUE May 27, 2010
 Month / Date / Year

DATE EFFECTIVE Service rendered on and after July 1, 2010
 Month / Date / Year

ISSUED BY _____
 (Signature of Officer)

TITLE President /CEO

BY AUTHORITY OF ORDER OF THE PUBLIC SERVICE COMMISSION
 IN CASE NO. 2010-00179 DATED _____

FOR Entire Territory Served Page 10 of 20
Community, Town or City

P.S.C. KY. NO. 6

9th Revised SHEET NO. 20A

CANCELING P.S.C. KY. NO. 6

8th Revised SHEET NO. 20A

Owen Electric Cooperative, Inc.

(Name of Utility)

CLASSIFICATION OF SERVICE

SCHEDULE XI - LARGE INDUSTRIAL RATE LPB1

(Page One of Two)

- 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	\$1,521.83	Per Month	(I)
Demand Charge	\$ 7.08	Per KW of Demand of Contract Demand	(I)
	\$ 9.84	Per KW of Demand in Excess of Contract Demand	(I)
Energy Charge	\$ 0.05661	Per KWH for all KWH equal to 425 hours per KW of Billing Demand	(I)
Energy Charge	\$0.05237	Per KWH for all KWH in excess of 425 hours per KW of Billing Demand	(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 through April	7AM - 12:00 Noon; 5PM - 10PM
May through September	10AM - 10PM

- 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.

DATE OF ISSUE May 27, 2010
Month / Date / Year

DATE EFFECTIVE Service rendered on and after July 1, 2010
Month / Date / Year

ISSUED BY _____
(Signature of Officer)

TITLE President /CEO

BY AUTHORITY OF ORDER OF THE PUBLIC SERVICE COMMISSION

IN CASE NO. 2010-00179 DATED _____

FOR Entire Territory Served Page 11 of 20
Community, Town or City

P.S.C. KY. NO. 6

9th Revised SHEET NO. 21A

CANCELING P.S.C. KY. NO. 6

8th Revised SHEET NO. 21A

Owen Electric Cooperative, Inc.

(Name of Utility)

CLASSIFICATION OF SERVICE

SCHEDULE XII - LARGE INDUSTRIAL RATE LPB1-A

(Page One of Two)

- 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 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	\$1,521.83	Per Month	(I)
Demand Charge	\$ 7.08	Per KW of Demand of Contract Demand	(I)
	\$ 9.84	Per KW of Demand in Excess of Contract Demand	(I)
Energy Charge	\$ 0.05415	Per KWH for all KWH equal to 425 hours per KW of Billing Demand	(I)
Energy Charge	\$ 0.05130	Per KWH for all KWH in excess of 425 hours per KW of Billing Demand	(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 through April	7AM - 12:00 Noon; 5PM - 10PM
May through September	10AM - 10PM

- 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.

DATE OF ISSUE May 27, 2010
Month / Date / Year

DATE EFFECTIVE Service rendered on and after July 1, 2010
Month / Date / Year

ISSUED BY _____
(Signature of Officer)

TITLE President /CEO

BY AUTHORITY OF ORDER OF THE PUBLIC SERVICE COMMISSION

IN CASE NO. 2010-00179 DATED _____

FOR Entire Territory Served Page 12 of 20
Community, Town or City

P.S.C. KY. NO. 6

9th Revised SHEET NO. 22A

CANCELING P.S.C. KY. NO. 6

8th Revised SHEET NO. 22A

Owen Electric Cooperative, Inc.

(Name of Utility)

CLASSIFICATION OF SERVICE

SCHEDULE XIII - LARGE INDUSTRIAL RATE LPB2

(Page One of Two)

- 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 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	\$3,042.58	Per Month	(I)
Demand Charge	\$ 7.08	Per KW of Demand of Contract Demand	(I)
	\$ 9.84	Per KW of Demand in excess of Contract Demand	(I)
Energy Charge	\$ 0.05167	Per KWH for all KWH equal to 425 hours per KW of Billing Demand	(I)
Energy Charge	\$0.05003	Per KWH for all KWH in excess of 425 hours per KW of Billing Demand	(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 through April	7AM - 12:00 Noon; 5PM - 10PM
May through September	10AM - 10PM

- 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.

DATE OF ISSUE May 27, 2010
Month / Date / Year

DATE EFFECTIVE Service rendered on and after July 1, 2010
Month / Date / Year

ISSUED BY _____
(Signature of Officer)

TITLE President /CEO

BY AUTHORITY OF ORDER OF THE PUBLIC SERVICE COMMISSION

IN CASE NO. 2010-00179 DATED _____

FOR Entire Territory Served Page 13 of 20
Community, Town or City

P.S.C. KY. NO. 6

7th Revised SHEET NO. 22D

CANCELING P.S.C. KY. NO. 6

6th Revised SHEET NO. 22D

Owen Electric Cooperative, Inc.
(Name of Utility)

CLASSIFICATION OF SERVICE

SCHEDULE XIV- LARGE INDUSTRIAL RATE LPB

(Page One of Two)

- 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 500 - 999 KW with a monthly energy usage equal to or greater than 425 hours per KW of billing contract.

C. Rates

Customer Charge	\$1,521.83	Per Month	(I)
Demand Charge	\$ 7.08	Per KW of Demand of Contract Demand	(I)
	\$ 9.84	Per KW of Demand in excess of Contract Demand	(I)
Energy Charge	\$ 0.05821	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 through April	7AM - 12:00 Noon; 5PM - 10PM
May through September	10AM - 10PM

- 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.

DATE OF ISSUE May 27, 2010
Month / Date / Year

DATE EFFECTIVE Service rendered on and after July 1, 2010
Month / Date / Year

ISSUED BY _____
(Signature of Officer)

TITLE President /CEO

BY AUTHORITY OF ORDER OF THE PUBLIC SERVICE COMMISSION

IN CASE NO. 2010-00179 DATED _____

FOR Entire Territory Served
Community, Town or City
P.S.C. KY. NO. 6
8th Revised SHEET NO. 23
CANCELING P.S.C. KY. NO. 6
7th 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 – 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)	\$18.39 per meter, per month	(I)
Energy Charge per kWh	.	
On-Peak Energy	\$0.10975	(I)
Off-Peak Energy	\$0.06224	(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 May 27, 2010
Month / Date / Year

DATE EFFECTIVE Service rendered on and after July 1, 2010
Month / Date / Year

ISSUED BY _____
(Signature of Officer)

TITLE President /CEO

BY AUTHORITY OF ORDER OF THE PUBLIC SERVICE COMMISSION
IN CASE NO. 2010-00179 DATED _____

Community, Town or City

P.S.C. KY. NO. 6

8th Revised SHEET NO. 24

CANCELING P.S.C. KY. NO. 6

7th Revised SHEET NO. 24

Owen Electric Cooperative, Inc.

(Name of Utility)

CLASSIFICATION OF SERVICE

SCHEDULE 1-C – SMALL COMMERCIAL - TIME OF DAY

- A. Applicable – to the entire territory served.
- B. 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)	\$24.51 per meter, per month	(I)
Energy Charge per kWh		
On-Peak Energy	\$0.10611	(I)
Off-Peak Energy	\$0.06224	(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.

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 27, 2010
Month / Date / Year

DATE EFFECTIVE Service rendered on and after July 1, 2010
Month / Date / Year

ISSUED BY _____
(Signature of Officer)

TITLE President /CEO

BY AUTHORITY OF ORDER OF THE PUBLIC SERVICE COMMISSION
IN CASE NO. 2010-00179 DATED _____

FOR Entire Territory Served Page 16 of 20
Community, Town or City

P.S.C. KY. NO. 6

8th Revised SHEET NO. 25

CANCELING P.S.C. KY. NO. 6

7th Revised SHEET NO. 25

Owen Electric Cooperative, Inc.

(Name of Utility)

CLASSIFICATION OF SERVICE

SCHEDULE 2-A – LARGE POWER - TIME OF DAY

- A. Applicable – to the entire territory served.
- B. 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)	\$ 61.33 per meter, per month	(I)
Energy Charge per kWh		
On-Peak Energy	\$ 0.11013	(I)
Off-Peak Energy	\$ 0.06670	(I)

E. <u>Schedule of Hours</u>	<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. 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 27, 2010
Month / Date / Year

DATE EFFECTIVE Service rendered on and after July 1, 2010
Month / Date / Year

ISSUED BY _____
(Signature of Officer)

TITLE President /CEO

BY AUTHORITY OF ORDER OF THE PUBLIC SERVICE COMMISSION

IN CASE NO. 2010-00179 DATED _____

FOR Entire Territory Served Page 17 of 20
Community, Town or City

P.S.C. KY. NO. 6

7th Revised SHEET NO. 35A

CANCELING P.S.C. KY. NO. 6

6th Revised SHEET NO. 35A

Owen Electric Cooperative, Inc.

(Name of Utility)

CLASSIFICATION OF SERVICE

SCHEDULE I OLS – OUTDOOR LIGHTING SERVICE

Page One of Two

- A. Applicable – to the entire territory served.
- B. 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) \$10.52 per Light (I)

Cobrahead Lighting

100 Watt High Pressure Sodium	(Monthly energy usage – 40 kWh)	\$13.57 per Light (I)
250 Watt High Pressure Sodium	(Monthly energy usage – 83 kWh)	\$18.61 per Light (I)
400 Watt High Pressure Sodium	(Monthly energy usage – 154 kWh)	\$23.52 per Light (I)

Directional Lighting

100 Watt High Pressure Sodium	(Monthly energy usage – 40 kWh)	\$12.72 per Light (I)
250 Watt High Pressure Sodium	(Monthly energy usage – 83 kWh)	\$15.85 per Light (I)
400 Watt High Pressure Sodium	(Monthly energy usage – 154 kWh)	\$20.51 per Light (I)

Rate for one additional pole if light is not installed on a currently used pole * \$ 4.88 per Light (I)

* 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 May 27, 2010
Month / Date / Year

DATE EFFECTIVE Service rendered on and after July 1, 2010
Month / Date / Year

ISSUED BY _____
(Signature of Officer)

TITLE President /CEO

BY AUTHORITY OF ORDER OF THE PUBLIC SERVICE COMMISSION
IN CASE NO. 2010-00179 DATED _____

FOR Entire Territory Served Page 18 of 20
Community, Town or City

P.S.C. KY. NO. 6

7th Revised SHEET NO. 36A

CANCELING P.S.C. KY. NO. 6

6th Revised SHEET NO. 36A

Owen Electric Cooperative, Inc.

(Name of Utility)

CLASSIFICATION OF SERVICE

SCHEDULE II SOLS – SPECIAL OUTDOOR LIGHTING SERVICE

Page One of Two

- A. Applicable – to the entire territory served.
- B. 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)	\$13.41	(I)
Holophane Light with Fiberglass Pole	(Monthly energy usage – 40 kWh)	\$15.87	(I)
- 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 May 27, 2010
Month / Date / Year

DATE EFFECTIVE Service rendered on and after July 1, 2010
Month / Date / Year

ISSUED BY _____
(Signature of Officer)

TITLE President /CEO

BY AUTHORITY OF ORDER OF THE PUBLIC SERVICE COMMISSION
IN CASE NO. 2010-00179 DATED _____

P.S.C. KY. NO. 6

7th Revised SHEET NO. 37A

CANCELING P.S.C. KY. NO. 6

6th Revised SHEET NO. 37A

Owen Electric Cooperative, Inc.

(Name of Utility)

CLASSIFICATION OF SERVICE

Page One of Two

SCHEDULE III SOLS – SPECIAL OUTDOOR LIGHTING SERVICE

- A. Applicable – to the entire territory served.
- B. 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:
 - 1. The energy rate for each type of lamp shall be \$0.06642 per rate kWh per month as determined by the following formula: (I)

$$\text{Monthly Rated kWh} = (4100 \text{ hours per year} \times \text{Manufacturer's suggested watts}/1000)/12$$
 - 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 May 27, 2010
Month / Date / Year

DATE EFFECTIVE Service rendered on and after July 1, 2010
Month / Date / Year

ISSUED BY _____
(Signature of Officer)

TITLE President /CEO

BY AUTHORITY OF ORDER OF THE PUBLIC SERVICE COMMISSION

IN CASE NO. 2010-00179 DATED _____

**Proposed Charges under Special Contracts with
Owen Electric Cooperative**

Gallatin

Demand Charge Per kW	\$6.9583	(I)
Demand Credit Per kW/90 –Minute Interruption 360 Hours	\$4.20	
Demand Credit Per kW/10 –Minute Interruption 360 Hours	\$6.22	(I)
Energy On-Peak/kWh	\$0.049480	(I)
Energy Off-Peak/kWh	\$0.046052	(I)

Honorable James M Crawford
Attorney At Law
Crawford & Baxter, P.S.C. Attorneys at Law
523 Highland Avenue
P. O. Box 353
Carrollton, KY 41008

Honorable Michael L Kurtz
Attorney at Law
Boehm, Kurtz & Lowry
36 East Seventh Street
Suite 1510
Cincinnati, OH 45202

Mark Stallons
President & CEO
Owen Electric Cooperative, Inc.
8205 Highway 127 North
P. O. Box 400
Owenton, KY 40359