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March 1, 2011

**RECEIVED**

**MAR 07 2011**

**PUBLIC SERVICE  
COMMISSION**

Mr. Jeff Derouen  
Executive Director  
Public Service Commission  
21 1 Sower Boulevard  
Frankfort, KY 40602

Re: Meade County Rural Electric Cooperative Corporation Pass-Through of Big Rivers  
Electric Corporation Wholesale Rate Adjustment-PSC Case No. 2011-00038

Dear Mr. Derouen:

Please find enclosed for filing with the Commission an original and 5 copies of Meade County Rural Electric Cooperative Corporation ("Meade County RECC") Filing for Pass-Through of Big Rivers Electric Corporation ("Big Rivers") Wholesale Rate Adjustment in Case No 2011-00036. This filing includes the following information as required by 807 KAR 5:007:

1. The full name, filing address and telephone number of the filing cooperative is: [SO7 KAR5:007, Sections 1(2) and 2(2)]

Meade County Rural Electric Cooperative Corporation  
1351 Hwy. 79  
P. O. Box 489  
Brandenburg, KY 40108  
270-422-2162

2. Meade County RECC's Proposed Tariffs reflecting the new rates specifying an effective date of March 1, 2011, the effective date of Big Rivers wholesale rate change are attached as Exhibit 1 . [SO7 KAR 5:007, Section 2(1)1
3. This filing is pursuant to the provisions of KRS 278.455(2). [807 KAR 5:007, Sections 1(3) and 2(2)] A comparison of the current and proposed rates of Meade County RECC is attached as Exhibit 2 . [SO7 KAR 5:007, Sections 1(4) and (2)]

Mr. Jeff Derouen

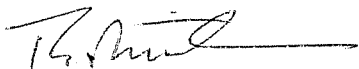
Page 2

March 2, 2011

4. Attached as Exhibit 3 is a billing analysis which shows the existing and proposed rates for each rate class. Meade County RECC hereby states that the effects of the increase in rates from its wholesale supplier, Big Rivers, 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. [807 KAR 5:007, Sections 1 (Na), 1 (m-4), and 2(2)1
5. A certification that one complete copy of this filing has been filed with the Office of Rate Intervention, Office of the Attorney General, is attached as Exhibit 6. [807 KAR 5:007, Sections 1(6) and 2(2)]
6. Notice of the proposed rate change has been given, not more than thirty (30) days prior to March 1, 2011, by publication in a newspaper of general circulation in the affected area of Meade County RECC. A copy of this notice is attached as Exhibit 7. [807 KAR 5:007, Sections 1(7)(b), 1(8), and 2(2)1
7. The notice attached as Exhibit 7 contains the required information pursuant to 807 KAR 5:007, Section 3.

Meade County RECC hereby requests that the Commission accept this filing and allow the pass-through to its retail rates of the wholesale rate adjustment granted to Big Rivers as of the effective date of such adjustment.

Respectfully submitted,



Thomas C. Brite

tcb/svh

**RECEIVED**

**MAR 07 2011**

**PUBLIC SERVICE  
COMMISSION**

**MEADE COUNTY RURAL ELECTRIC  
COOPERATIVE CORPORATION**

**PASS-THROUGH OF BIG RIVERS ELECTRIC CORPORTION  
WHOLESALE RATE ADJUSTMENT**

**PSC CASE NO. 2011-00038**



FOR Entire Territory served  
 \_\_\_\_\_ Community, Town or City  
 P.S.C. No. 39  
 Sheet No. 1  
 \_\_\_\_\_ (Revised)  
 Canceling P.S.C. No. 38  
 \_\_\_\_\_ (Original) Sheet No. 1

**MEADE COUNTY RURAL ELECTRIC  
COOPERATIVE CORPORATION**

Schedule 1	CLASSIFICATION OF SERVICE												
<p>Residential, Farm and Non-Farm, Schools &amp; Churches</p> <p><u>Applicable:</u> Entire Territory Served.</p> <p><u>Availability of Service:</u> Available to customers of the Cooperative located on its lines for service including lighting, incidental appliances, refrigeration, cooking, home heating and power for motors up to and including seven and one-half horsepower (7 1/2 H.P.); All subject to the rules and regulations of the Cooperative covering this service.</p> <p><u>Character of Service:</u> Single phase, 60 hertz, at Seller's standard voltages.</p> <p><u>Rates:</u> Customer charge - No KWH usage  <u>Monthly</u> \$12.02 (I)  <u>Daily</u> \$ 0.40 (I)            Energy charge per KWH .06554 (I)</p> <p>State, Federal and local tax will be added to above rate where applicable.</p> <p><u>Minimum Charge:</u> In no case shall the minimum bill be less than \$0.40 per day (I)</p> <p><u>Adjustment Clauses:</u> The bill amount computed at the charges specified above shall be increased or decreased in accordance with the following:</p> <table style="margin-left: 40px; border: none;"> <tr><td>Fuel Adjustment</td><td>Schedule 18</td></tr> <tr><td>Environment Surcharge</td><td>Schedule 19</td></tr> <tr><td>Unwind Surcredit Adjustment</td><td>Schedule 20</td></tr> <tr><td>Rebate Adjustment</td><td>Schedule 21</td></tr> <tr><td>Member Rate Stability Mechanism</td><td>Schedule 22</td></tr> <tr><td>Rural Economic Reserve Clause</td><td>Schedule 23</td></tr> </table> <p><u>Terms of Payment:</u> The above rates are net, the gross rates being ten percent (10%) higher. In the event the current monthly bill is not paid within ten (10) days from the due date, the gross rates shall apply.</p>	Fuel Adjustment	Schedule 18	Environment Surcharge	Schedule 19	Unwind Surcredit Adjustment	Schedule 20	Rebate Adjustment	Schedule 21	Member Rate Stability Mechanism	Schedule 22	Rural Economic Reserve Clause	Schedule 23	<p><b>RATE PER UNIT</b></p>
Fuel Adjustment	Schedule 18												
Environment Surcharge	Schedule 19												
Unwind Surcredit Adjustment	Schedule 20												
Rebate Adjustment	Schedule 21												
Member Rate Stability Mechanism	Schedule 22												
Rural Economic Reserve Clause	Schedule 23												

March 4, 2011  
 \_\_\_\_\_  
 Month Day Year

**DATE EFFECTIVE** March 1, 2011  
 \_\_\_\_\_  
 Month Day Year

**ISSUED BY** \_\_\_\_\_  
 Name of Officer Title Address  
 President/CEO P. O. Box 489, Brandenburg, KY 40108

**ISSUED BY AUTHORITY OF P.S.C.**

**Order No. 2011-00038**



FOR Entire Territory served  
 \_\_\_\_\_ Community, Town or City  
 \_\_\_\_\_ P.S.C. No. 39  
 \_\_\_\_\_ (Original) Sheet No. 9  
 \_\_\_\_\_ (Revised)  
 \_\_\_\_\_ Canceling P.S.C. No. 38  
 \_\_\_\_\_ (Original) Sheet No. 9  
 \_\_\_\_\_ (Revised)

**MEADE COUNTY RURAL ELECTRIC  
 COOPERATIVE CORPORATION**

Schedule 3	CLASSIFICATION OF SERVICE	RATE PER UNIT
<p>Three Phase Power Service, 0 KVA and greater - 3 Phase Service</p> <p><u>Applicable:</u> Entire Territory Served.</p> <p><u>Availability of Service:</u> Available to consumers located on or near Seller's three-phase lines for all types of usage, subject to the established rules and regulations of Seller.</p> <p><u>Type of Service:</u> Three-phase, 60 hertz, at Seller's standard voltages.</p> <p><u>Rates:</u> Customer charge – No kWh usage</p> <p>Monthly 0 – 100 KVA \$42.77 (I)</p> <p>Daily 0 – 100 KVA \$1.41 (I)</p> <p>Monthly 101 – 1,000 KVA \$74.86 (I)</p> <p>Daily 101 – 1,000 KVA \$2.46 (I)</p> <p>Monthly Over 1,000 KVA \$106.94 (I)</p> <p>Daily Over 1,000 KVA \$3.52 (I)</p> <p>Energy charge – per kWh \$0.04038 (I)</p> <p>Demand charge – per KW of billing demand per month \$8.68 (I)</p> <p>State, Federal and local tax will be added to above rate where applicable.</p> <p><u>Determination of Billing Demand:</u> The billing demand shall be the maximum kilowatt demand established by the consumer for any period (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 follows:</p> <p><u>Power Factor Adjustment:</u> The consumer shall at all times take and use power in such manner that its average power factor shall be as near one hundred percent (100%) as is consistent with good engineering practice, but in no case shall the power factor be lower than ninety percent (90%) lagging. The Distributor reserves the right to measure the power factor at any time. Should such measurements indicate that the power factor at the time of his maximum demand is less than ninety percent (90%), the demand for billing purposes shall be the demand as indicated or recorded by the demand meter multiplied by ninety percent (90%) and divided by the percent</p>		

DATE OF ISSUE March 4, 2011  
 \_\_\_\_\_  
 Month Day Year

DATE EFFECTIVE March 1, 2011  
 \_\_\_\_\_  
 Month Day Year

ISSUED BY \_\_\_\_\_ President/CEO P. O. Box 489, Brandenburg, KY 40108  
 \_\_\_\_\_  
 Name of Officer Title Address

ISSUED BY AUTHORITY OF P.S.C.

Order No. 2011-00038

FOR Entire Territory served  
 \_\_\_\_\_ Community, Town or City  
 P.S.C. No. 39  
 (Original) Sheet No. 12  
 (Revised)  
 \_\_\_\_\_ Cancelling P.S.C. No. 38  
 (Original) Sheet No. 12  
 (Revised)

**MEADE COUNTY RURAL ELECTRIC  
COOPERATIVE CORPORATION**

Schedule 3A	CLASSIFICATION OF SERVICE	RATE PER UNIT
Three Phase Power Service, 0 KVA - 999 KVA – Optional Time-of-Day (TOD) Rate <u>Applicable:</u> Entire Territory Served.  <u>Availability of Service:</u> Available to consumers located on or near Seller's three-phase lines for all types of usage willing to contract for a three year period for time-of-day rates, subject to the established rules and regulations of Seller.  <u>Type of Service:</u> Three-phase, 60 hertz, at Seller's standard voltages.  <u>Rates:</u> Customer charge – No kWh usage Monthly \$61.70 (l) Daily \$2.03 (l)  Energy charge – per kWh \$0.04038 (l)  Demand charge – per kW of billing demand per month \$8.68 (l) State, Federal and local tax will be added to above rate where applicable.  <u>Determination of Billing Demand:</u> The billing demand shall be the maximum kilowatt demand established by the consumer for the on-peak hours listed below (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 follows:  On-Peak Hours for Demand Billing: based on Eastern Prevailing Time (EPT) Summer (April through September) - Monday through Friday from 11 00 a.m. to 8:00 p.m. Winter (October through March ) - Monday through Friday from 7:00 a.m. to 9:00 p.m.  <u>Power Factor Adjustment:</u> The consumer shall at all times take and use power in such manner that its average power factor shall be as near one hundred percent (100%) as is consistent with good engineering practice, but in no case shall the power factor be lower than ninety percent (90%) lagging. The Distributor reserves the right to measure the power factor at any time. Should such measurements indicate that the power factor at the time of his maximum demand is less than ninety percent (90%), the demand for billing purposes shall be the demand as indicated or recorded by the demand meter multiplied by ninety percent (90%) and divided by the percent		

**DATE OF ISSUE** March 4, 2011  
 \_\_\_\_\_  
 Month Day Year

**DATE EFFECTIVE** March 1, 2011  
 \_\_\_\_\_  
 Month Day Year

**ISSUED BY** \_\_\_\_\_  
 Name of Officer Title Address  
 President/CEO P. O. Box 489, Brandenburg, KY 40108

**ISSUED BY AUTHORITY OF P.S.C.**

Order No. 2011-00038



FOR Entire Territory served  
 \_\_\_\_\_ Community, Town or City  
 \_\_\_\_\_ P.S.C. No. 39  
 \_\_\_\_\_ (Original) Sheet No. 14A  
 \_\_\_\_\_ Canceling P.S.C. No. 38  
 \_\_\_\_\_ (Original) Sheet No. 14A  
 \_\_\_\_\_ (Revised)

**MEADE COUNTY RURAL ELECTRIC  
COOPERATIVE CORPORATION**

<b>Schedule 4</b>	<b>CLASSIFICATION OF SERVICE</b>	<b>RATE PER UNIT</b>
Large Power Service, 1,000 KVA and Larger (TOD)		
<u>Applicable:</u> Entire Territory Served.		
<u>Availability of Service:</u> Available to consumers located on or near Seller's three-phase lines for all types of usage willing to contract for a three year period for time-of-day rates, subject to the established rules and regulations of Seller.		
<u>Type of Service:</u> Three-phase, 60 hertz, at Seller's standard voltages.		
<u>Rates: Monthly</u> Customer charge – No kWh usage If all transformation equipment is provided by the Seller \$636.27 (l) If Customer provides transformer equipment and conductor \$112.28 (l)		
Energy charges – per kWh First 300 kWh per kW of billing demand \$0.03624 (l) All remaining kWh \$0.02959 (l)		
Demand charge – per kW of billing demand per month \$8.30 (l)		
State, Federal and local tax will be added to above rate where applicable.		
<u>Determination of Billing Demand:</u> The billing demand shall be the maximum kilowatt demand established by the consumer for the on-peak hours listed below (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 follows: On-Peak Hours for Demand Billing: based on Eastern Prevailing Time (EPT) Summer (April through September) - Monday through Friday from 11 00 a.m. to 8:00 p.m. Winter (October through March ) - Monday through Friday from 7:00 a.m. to 9:00 p.m.		
<u>Power Factor Adjustment:</u> The consumer shall at all times take and use power in such manner that its average power factor shall be as near one hundred percent (100%) as is consistent with good engineering practice, but in no case shall the power factor be lower than ninety percent (90%) lagging. The Distributor reserves the right to measure the power factor at any time. Should such measurements indicate that the power factor at the time of his maximum demand is less than ninety percent (90%), the demand for billing purposes shall be the demand as indicated or recorded by the demand meter multiplied by ninety percent (90%) and divided by the percent		

**DATE OF ISSUE** March 4, 2011  
Month Day Year

**DATE EFFECTIVE** March 1, 2011  
Month Day Year

**ISSUED BY** \_\_\_\_\_ President/CEO P. O. Box 489, Brandenburg, KY 40108  
Name of Officer Title Address

**ISSUED BY AUTHORITY OF P.S.C.**

**Order No. 2011-00038**

FOR Entire Territory served  
 Community, Town or City  
 P.S.C. No. 39  
 (Original) Sheet No. 15  
 (Revised)  
 Canceling P.S.C. No. 38  
 (Original) Sheet No. 15  
 (Revised)

**MEADE COUNTY RURAL ELECTRIC  
 COOPERATIVE CORPORATION**

Schedule 5	CLASSIFICATION OF SERVICE	RATE PER UNIT
Outdoor Lighting Service - Individual Consumers		
<u>Applicable:</u> Entire Territory Served.		
<u>Availability of Service:</u> Available to consumers who abide by the rules, regulations and bylaws of the Cooperative and will sign a contract agreement for service in accordance with the special terms and conditions set forth herein.		
<u>Character of Service:</u> This rate schedule covers electric lighting service to outdoor equipment for the illumination of streets, driveways, yards, lots, and other outdoor areas. Cooperative will provide, own, and maintain the lighting equipment, as hereinafter described and will furnish the electrical energy to operate such equipment. Service under this rate will be available on an automatically controlled dusk-to-dawn every-night schedule of approximately 4000 hours per year. Units installed shall be security light type or units as specified herein.		
<u>Rates:</u> 175 Watt unmetered, per month 175 Watt metered, per month 400 Watt unmetered, per month 400 Watt metered, per month		\$ 7.41 (I) 3.58 (I) \$10.53 (I) 3.58 (I)
State, Federal and local tax will be added to above rate where applicable.		
<u>Terms of Payment:</u> Accounts not paid when due may incur a delinquent charge for collection, and a disconnect and reconnect fee.		
<u>Adjustment Clauses:</u> The bill amount computed at the charges specified above shall be increased or decreased in accordance with the following:		
Fuel Adjustment	Schedule 18	
Environment Surcharge	Schedule 19	
Unwind Surcredit Adjustment	Schedule 20	
Rebate Adjustment	Schedule 21	
Member Rate Stability Mechanism	Schedule 22	
Rural Economic Reserve Clause	Schedule 23	

**DATE OF ISSUE** February 25, 2011  
Month

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**DATE EFFECTIVE** February 17, 2011  
Month Day Year

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**ISSUED BY** \_\_\_\_\_  
Name of Officer President/CEO P. O. Box 489, Brandenburg, KY 40108  
Day Year

FOR	Entire Territory served		
	Community, Town or City		
		P.S.C. No.	39
	(Original)	Sheet No.	16
	(Revised)		
	Cancelling	P.S.C. No.	38
	(Original)	Sheet No.	16
	(Revised)		

## MEADE COUNTY RURAL ELECTRIC COOPERATIVE CORPORATION

Schedule 5 - continued	CLASSIFICATION OF SERVICE
Outdoor Lighting Service - Individual Consumers	RATE PER UNIT
<p><u>Special Terms and Conditions:</u></p> <p>1. Cooperative will furnish and install the lighting unit complete with lamp, fixture or luminaire, control device, and mast arm. The above rates contemplate installation on an existing pole in the Cooperative's system. If the location of an existing pole is not suitable for the installation of a unit, the Cooperative will extend its secondary conductor one span, not to exceed 150 feet, and install an additional pole for the support of such unit and the member shall pay an additional charge of \$0.43 per pole per month per pole installed. If more than one pole is required, the member agrees to pay the actual cost of construction beyond the first pole and first 150 feet.</p> <p>2. All lighting units, poles and conductors installed in accordance herewith, shall be the property of the Cooperative, and Cooperative shall have access to the same for maintenance, inspection and all other proper purposes. Cooperative shall have the right to make other attachments to the poles and to further extend the conductors installed in accordance herewith when necessary for the further extension of its electric service. Lighting units will be removed at the request of the member on 30 days notice upon the anniversary date of the signed agreement in any year. The minimum such period shall be one year; and shall continue from month to month thereafter until terminated by either party giving 30 days notice to the other, for which the member agrees to pay the rates as set forth herein.</p> <p>3. When it becomes necessary to install the lighting unit on the load side of the member's meter, at the member's request, the KWH consumption will be included in the regular meter reading, and billed in the regular monthly electric bill. In which case the rental charge only for the specified unit or units installed, including pole rental, if any will be added to the member's monthly bill.</p> <p>4. This schedule covers service from overhead circuits only, with installation on wood poles; provided however, that when feasible, flood lights served hereunder may be attached to existing metal street lighting standards supplied from overhead or underground circuits. If any permit is required from local or other governmental authority with respect to the installation and use of any of the lighting units served hereunder, it will be the responsibility of the member to obtain such permit.</p>	(1)

<b>DATE OF ISSUE</b>	March 4, 2011		
	Month	Day	Year
<b>DATE EFFECTIVE</b>	March 1, 2011		
	Month	Day	Year
<b>ISSUED BY</b>		President/CEO	P. O. Box 489, Brandenburg, KY 40108
	Name of Officer	Title	Address

**ISSUED BY AUTHORITY OF P.S.C.**

**Order No.** 2011-00038

FOR Entire Territory served  
 \_\_\_\_\_ Community, Town or City  
 P.S.C. No. 39  
 (Original) Sheet No. 18  
 (Revised)  
 \_\_\_\_\_ Canceling P.S.C. No. 38  
 (Original) Sheet No. 18  
 (Revised)

**MEADE COUNTY RURAL ELECTRIC  
 COOPERATIVE CORPORATION**

Schedule 6		CLASSIFICATION OF SERVICE	RATE PER UNIT
Street Lighting - Community, Municipalities, Towns			
<u>Applicable:</u> Entire Territory Served.			
<u>Availability of Service:</u> To any customer who can be served in accordance with the special terms and conditions set forth herein and who is willing to contract for service in accordance with such special terms and conditions; subject to the established rules, regulations and by-laws of the Cooperative.			
<u>Character of Service:</u> This rate schedule covers electric lighting service to outdoor equipment for the illumination of streets, driveways, yards, lots, and other outdoor areas. Cooperative will provide, own, and maintain the lighting equipment, as hereinafter described and will furnish the electrical energy to operate such equipment. Service under this rate will be available on an automatically controlled dusk-to-dawn every-night schedule of approximately 4000 hours per year. Units installed shall be security light type or units as specified herein. Service to alternating current either series or multiple system, or in combination at option of Distributor.			
<u>Rates:</u> 175 Watt, per month 400 Watt, per month			\$6.51 (I) \$9.72 (I)
State, Federal and local tax will be added to above rate where applicable.			
<u>Terms of Payment:</u> Accounts not paid when due may incur a delinquent charge for collection, and a disconnect and reconnect fee.			
<u>Adjustment Clauses:</u> The bill amount computed at the charges specified above shall be increased or decreased in accordance with the following:			
Fuel Adjustment Environment Surcharge Unwind Surcredit Adjustment Rebate Adjustment Member Rate Stability Mechanism Rural Economic Reserve Clause		Schedule 18 Schedule 19 Schedule 20 Schedule 21 Schedule 22 Schedule 23	

DATE OF ISSUE March 4, 2011  
 \_\_\_\_\_  
 Month Day Year  
 DATE EFFECTIVE March 1, 2011  
 \_\_\_\_\_  
 Month Day Year  
 ISSUED BY \_\_\_\_\_ President/CEO P. O. Box 489, Brandenburg, KY 40108  
 Name of Officer Title Address

ISSUED BY AUTHORITY OF P.S.C.

Order No. 2011-00038

FOR Entire Territory served  
 \_\_\_\_\_ Community, Town or City  
 \_\_\_\_\_ P.S.C. No. 39  
 (Original) Sheet No. 81  
 (Revised)  
 \_\_\_\_\_ Canceling P.S.C. No. Original  
 (Original) Sheet No. 52  
 (Revised)

**MEADE COUNTY RURAL ELECTRIC  
COOPERATIVE CORPORATION**

Schedule 24	CLASSIFICATION OF SERVICE	(T)	RATE PER UNIT
Renewable Resource Energy Service Tariff Rider			
<p>a. Applicable:</p> <p>Applicable in all territory served.</p> <p>b. Availability of Service:</p> <p>Renewable Resource Energy service is available in accordance with the terms of this tariff rider to any customer purchasing retail electric service under a schedule listed in Section d of this rider, subject to the cooperative's general rules and regulations on file with the Public Service Commission of Kentucky. For purposes of this renewable resource energy service tariff rider, (i) the term "Renewable Resource Energy" means electric energy generated from solar, wind, ocean, geothermal energy, biomass, or landfill gas, and (ii) the term "biomass" means any organic material that is available on a renewable or recurring basis, including dedicated energy crops, trees grown for energy production, wood waste and wood residues, plants (including aquatic plants, grasses and agricultural crops), residues, fibers, animal wastes and other organic waste materials (but not including unsegregated municipal solid waste (garbage)), and fats and oils.</p> <p>c. Conditions of Service:</p> <p>(1) Renewable Resource Energy service availability is contingent upon the availability from cooperative's wholesale power supplier of a wholesale supply of Renewable Resource Energy in the quantity and at the quality requested by a customer.</p> <p>(2) Subject to the other requirements of this tariff rider, the cooperative will make Renewable Resource Energy service available to a customer if the customer signs a Renewable Resource Energy service contract in the form attached to this tariff rider agreeing to purchase a specified number of 100 KWH blocks of Renewable Resource Energy per month for a period of not less than one year, and that contract is accepted by cooperative's wholesale power supplier. The cooperative will have the right, but not the obligation, to terminate a Renewable Resource Energy service contract at the request of the customer before the end of the contract term.</p>			

**DATE OF ISSUE** March 4, 2011  
Month Day Year

**DATE EFFECTIVE** March 1, 2011  
Month Day Year

**ISSUED BY** \_\_\_\_\_ President/CEO P. O. Box 489, Brandenburg, KY 40108  
Name of Officer Title Address

**ISSUED BY AUTHORITY OF P.S.C.** Order No. 2011-00038

FOR Entire Territory served  
Community, Town or City  
P.S.C. No. 39  
\_\_\_\_ (Original) Sheet No. 82  
(Revised)  
  
Canceling P.S.C. No. original  
\_\_\_\_ (Original) Sheet No. 53  
(Revised)

**MEADE COUNTY RURAL ELECTRIC  
COOPERATIVE CORPORATION**

Schedule 24 - continued	CLASSIFICATION OF SERVICE	(T)	RATE PER UNIT
Renewable Resource Energy Service Tariff Rider			
d. <u>Monthly Rate:</u>			
<p>(1) The rate for Renewable Resource Energy is the rate schedule applicable to service to a customer, plus a premium per kilowatt hour of Renewable Resource Energy contracted for as follows, subject to any adjustment, surcharge or surcredit that is or may become applicable under the customer's rate schedule:</p> <p style="text-align: right;"><u>A Per Kilowatt Hour Premium</u></p> <p><u>Of</u></p> <p>Rate Schedule 1 – Residential Farm and Non-Farm, Schools and Churches .03774 (I)</p> <p>Rate Schedule 2 – Commercial Rate .03774 (I)</p> <p>Rate Schedule 3 – Three Phase Power Service 0 KVA – 999 KVA .03774 (I)</p> <p>Rate Schedule 3A - Three Phase Power Service 0 KVA – 999 KVA - Optional Time-of-Day (TOD) Rate .03774 (I)</p> <p>Rate Schedule 4 – Large Power Service, 1,000 KVA and Larger (TOD) .03774 (I)</p> <p>(2) Renewable Resource Energy purchased by a customer in any month will be conclusively presumed to be the first kilowatt hours delivered to that Customer in that month.</p>			

DATE OF ISSUE March 4, 2011  
Month Day Year

DATE EFFECTIVE March 1, 2011  
Month Day Year

ISSUED BY \_\_\_\_\_ President/CEO P. O. Box 489, Brandenburg, KY 40108  
Name of Officer Title Address

ISSUED BY AUTHORITY OF P.S.C.

Order No. 2011-00038

*Exhibit 1  
Page 11 of 11*

FOR Entire Territory served  
 \_\_\_\_\_ Community, Town or City  
 \_\_\_\_\_ P.S.C. No. 39  
 \_\_\_\_\_ (Original) Sheet No. 83  
 \_\_\_\_\_ (Revised)  
 \_\_\_\_\_ Canceling P.S.C. No. original  
 \_\_\_\_\_ (Original) Sheet No. 54  
 \_\_\_\_\_ (Revised)

**MEADE COUNTY RURAL ELECTRIC  
 COOPERATIVE CORPORATION**

Schedule 24 - continued	CLASSIFICATION OF SERVICE	(T)	RATE PER UNIT
Renewable Resource Energy Service Tariff Ride			
<p>e. <u>Billing:</u></p> <p>Sales of Renewable Resource Energy are subject to the terms of service and payment of the rate schedule under which Renewable Resource Energy is purchased.</p>			
<p>f. <u>Member Discount Adjustment Rider:</u></p> <p>Revenue collected by the cooperative under this Renewable Resource Energy tariff rider will be included in Unadjusted Billing Revenues for purposes of the Member Discount Adjustment Rider.</p>			

DATE OF ISSUE March 4, 2011  
Month Day Year

DATE EFFECTIVE March 1, 2011  
Month Day Year

ISSUED BY \_\_\_\_\_ President/CEO P. O. Box 489, Brandenburg, KY 40108  
Name of Officer Title Address

ISSUED BY AUTHORITY OF P.S.C.

Order No. 2011-00038





MEADE COUNTY RURAL ELECTRIC COOPERATIVE CORPORATION  
 PASS-THROUGH OF WHOLESALE RATE INCREASE GRANTED TO BIG RIVERS  
 CASE NO. 2011-00038

MEADE COUNTY RECC  
 PROPOSED CHANGES TO TARIFF RATES

	<u>Rate Tariff</u>	<u>Present</u>	<u>Multiplier</u>	<u>Proposed</u>	
	a	b	c	d	
1	<b>Rate Schedule 1 - Residential, Farm, and Non-Farm. Schools, and Churches</b>				
2					
3	Customer Charge per Delivery Point per Month	\$ 11.24	1.069359	\$ 12.02	per month
4	Customer Charge per Delivery Point per Day	\$ 0.37	1.069359	\$ 0.40	per day
5	Energy Charge per kWh	\$ 0.06129	1.069359	\$ 0.06554	per kWh
6					
7					
8	<b>Rate Schedule 2 - Commercial</b>				
9					
10	Customer Charge per Delivery Point per Month	\$ 16.74	1.069359	\$ 17.90	per month
11	Customer Charge per Delivery Point per Day	\$ 0.55	1.069359	\$ 0.59	per day
12	Energy Charge per kWh	\$ 0.06610	1.069359	\$ 0.07068	per kWh
13					
14					
15	<b>Rate Schedule 3 - General Service 0-999 KVA</b>				
16					
17	Customer Charge per Delivery Point:				
18	Monthly 0-100 KVA	\$ 40.00	1.069359	\$ 42.77	per month
19	Daily 0-100 KVA	\$ 1.32	1.069359	\$ 1.41	per day
20	Monthly 101-1000 KVA	\$ 70.00	1.069359	\$ 74.86	per month
21	Daily 1010-1000 KVA	\$ 2.30	1.069359	\$ 2.46	per day
22	Monthly Over 1000 KVA	\$ 100.00	1.069359	\$ 106.94	per month
23	Daily Over 1000 KVA	\$ 3.29	1.069359	\$ 3.52	per day
24					
25	All KW During Month	\$ 8.12	1.069359	\$ 8.68	per kW
26	Energy Charge per kWh	\$ 0.03776	1.069359	\$ 0.04038	per kWh
27					
28					
29	<b>Rate Schedule 3A - Optional Time-of-Day (TOD) Rate</b>				
30					
31	Customer Charge per Delivery Point per Month	\$ 57.70	1.069359	\$ 61.70	per month
32	Customer Charge per Delivery Point per Day	\$ 1.90	1.069359	\$ 2.03	per day
33	All KW During Month	\$ 8.12	1.069359	\$ 8.68	per kW
34	Energy Charge per kWh	\$ 0.03776	1.069359	\$ 0.04038	per kWh
35					
36					

*Exhibit 2  
Page 1 of 2*

MEADE COUNTY RURAL ELECTRIC COOPERATIVE CORPORATION  
 PASS-THROUGH OF WHOLESALE RATE INCREASE GRANTED TO BIG RIVERS  
 CASE NO. 2011-00038

MEADE COUNTY RECC  
 PROPOSED CHANGES TO TARIFF RATES

	<u>Rate Tariff</u> a	Present <u>Rates</u> b	<u>Multiplier</u> c	Proposed <u>Rates</u> d	
37	<b>Rate Schedule 4 - Optional Time-of-Day (TOD) Rate</b>				
38					
39	Customer Charge per Delivery Point				
40	if Equipment Provided by Seller	\$ 595.00	1.069359	\$ 636.27	per month
41	Customer Charge per Delivery Point				
42	if Equipment Provided by Customer	\$ 105.00	1.069359	\$ 112.28	per month
43	All KW During Month	\$ 7.76	1.069359	\$ 8.30	per kW
44	Energy Charges:				
45	First 300 kWh per kW, per kWh	\$ 0.03389	1.069359	\$ 0.03624	per kWh
46	Over 300 kWh per kW, per kWh	\$ 0.02767	1.069359	\$ 0.02959	per kWh
47					
48					
49	<b>Rate Schedule 5 - Outdoor Lighting Service</b>				
50					
51	175 Watt Unmetered	\$ 6.93	1.069359	\$ 7.41	per month
52	400 Watt Unmetered	\$ 9.85	1.069359	\$ 10.53	per month
54	175 Watt Metered	\$ 3.35	1.069359	\$ 3.58	per month
55	400 Watt Metered	\$ 3.35	1.069359	\$ 3.58	per month
57	Pole Rental	\$ 0.40	1.069359	\$ 0.43	per month
58					
59					
60	<b>Rate Schedule 6 - Street Lighting Service</b>				
61					
62	175 Watt	\$ 6.09	1.069359	\$ 6.51	per month
63	400 Watt	\$ 9.09	1.069359	\$ 9.72	per month

EXHIBIT 2  
 Pages 2 of 2



MEADE COUNTY RECC  
 SUMMARY OF REVENUE - TEST YEAR ENDING OCTOBER 2010

Ln. No.	RATE CLASS	AVG. NO. CUSTOMERS	KWH BILLED	Normalized Test Year Rev.		Revenue Change	Percent Change	Rev. / Con Present Rates		Proposed Increase per Con	Percent Change
				Present Rates	Proposed Revenue			Present Rates	Proposed Increase per Con		
	(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)	(j)	
1	Schedule 1										
2	Base rate	26,166	359,801,934	\$ 25,581,531	\$ 27,355,962	\$ 1,774,432	6.9%	\$ 81.47	\$ 5.65	6.9%	
3	ES			\$ 806,636	\$ 806,636	\$ -	0.0%	\$ 2.57	\$ -	0.0%	
4	FAC			\$ 3,820,486	\$ 3,820,486	\$ -	0.0%	\$ 12.17	\$ -	0.0%	
5	US			\$ (1,224,601)	\$ (1,224,601)	\$ -	0.0%	\$ (3.90)	\$ -	0.0%	
6	Non-FAC PPA			\$ -	\$ (33,185)	\$ (33,185)	0.0%	\$ -	\$ (0.11)	0.0%	
7	MRSRM			\$ (2,639,637)	\$ (2,639,637)	\$ -	0.0%	\$ (8.41)	\$ -	0.0%	
8	Subtotal			\$ 26,344,415	\$ 28,085,661	\$ 1,741,246	6.6%	\$ 83.90	\$ 5.55	6.6%	
9											
10	Schedule 2										
11	Base rate	1,705	28,018,340	\$ 2,194,513	\$ 2,346,570	\$ 152,058	6.9%	\$ 107.26	\$ 7.43	6.9%	
12	ES			\$ 65,048	\$ 65,048	\$ -	0.0%	\$ 3.18	\$ -	0.0%	
13	FAC			\$ 302,078	\$ 302,078	\$ -	0.0%	\$ 14.76	\$ -	0.0%	
14	US			\$ (98,160)	\$ (98,160)	\$ -	0.0%	\$ (4.80)	\$ -	0.0%	
15	Non-FAC PPA			\$ -	\$ (2,584)	\$ (2,584)	0.0%	\$ -	\$ (0.13)	0.0%	
16	MRSRM			\$ (209,559)	\$ (209,559)	\$ -	0.0%	\$ (10.24)	\$ -	0.0%	
17	Subtotal			\$ 2,253,920	\$ 2,403,393	\$ 149,473	6.6%	\$ 110.16	\$ 7.31	6.6%	
18											
19	Schedule 3										
20	Base rate	340	73,140,334	\$ 5,076,413	\$ 5,428,527	\$ 352,114	6.9%	\$ 1,244.22	\$ 86.30	6.9%	
21	ES			\$ 172,765	\$ 172,765	\$ -	0.0%	\$ 42.34	\$ -	0.0%	
22	FAC			\$ 802,289	\$ 802,289	\$ -	0.0%	\$ 196.64	\$ -	0.0%	
23	US			\$ (260,950)	\$ (260,950)	\$ -	0.0%	\$ (63.96)	\$ -	0.0%	
24	Non-FAC PPA			\$ -	\$ (6,746)	\$ (6,746)	0.0%	\$ -	\$ (1.65)	0.0%	
25	MRSRM			\$ (559,025)	\$ (559,025)	\$ -	0.0%	\$ (137.02)	\$ -	0.0%	
26	Subtotal			\$ 5,231,491	\$ 5,576,859	\$ 345,368	6.6%	\$ 1,282.23	\$ 84.65	6.6%	
27											
28	Schedule 3A										
29	Base rate	1	4,827	\$ 2,568	\$ 2,747	\$ 178	6.9%	\$ 214.04	\$ 14.84	6.9%	
30	ES			\$ 12	\$ 12	\$ -	0.0%	\$ 0.98	\$ -	0.0%	
31	FAC			\$ 50	\$ 50	\$ -	0.0%	\$ 4.15	\$ -	0.0%	
32	US			\$ (17)	\$ (17)	\$ -	0.0%	\$ (1.42)	\$ -	0.0%	
33	Non-FAC PPA			\$ -	\$ (0)	\$ (0)	0.0%	\$ -	\$ (0.04)	0.0%	
34	MRSRM			\$ (34)	\$ (34)	\$ -	0.0%	\$ (2.85)	\$ -	0.0%	
35	Subtotal			\$ 2,579	\$ 2,756	\$ 178	6.9%	\$ 214.89	\$ 14.80	6.9%	
36											

Exhibit 3  
 Page 1 of 2

MEADE COUNTY RECC  
 SUMMARY OF REVENUE - TEST YEAR ENDING OCTOBER 2010

Ln. No.	RATE CLASS	AVG. NO. CUSTOMERS	KWH BILLED	Normalized Test Year Rev.		Revenue Change	Percent Change	Rev. / Con Present Rates	Proposed Increase per Con	Percent Change
				Present Rates	Proposed Revenue					
	(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)	(j)
37										
38	Schedule 4	-	-	\$ -	\$ -	\$ -				
39										
40	Schedule 5									
41	Base rate	-	9,235,028	\$ 847,510	\$ 906,256	\$ 58,746	6.9%			
42	ES			\$ 21,884	\$ 21,884	\$ -	0.0%			
43	FAC			\$ 102,344	\$ 102,344	\$ -	0.0%			
44	US			\$ (33,149)	\$ (33,149)	\$ -	0.0%			
45	Non-FAC PPA			\$ -	\$ (852)	\$ (852)	0.0%			
46	MRSRM			\$ (71,497)	\$ (71,497)	\$ -	0.0%			
47	Subtotal			\$ 867,091	\$ 924,985	\$ 57,894	6.7%			
48										
49										
50	Schedule 6									
51	Base rate	8	1,081,240	\$ 69,961	\$ 74,800	\$ 4,838	6.9%	\$ 728.76	\$ 50.40	6.9%
52	ES			\$ 2,565	\$ 2,565	\$ -	0.0%	\$ 26.72	\$ -	0.0%
53	FAC			\$ 11,951	\$ 11,951	\$ -	0.0%	\$ 124.49	\$ -	0.0%
54	US			\$ (3,878)	\$ (3,878)	\$ -	0.0%	\$ (40.39)	\$ -	0.0%
55	Non-FAC PPA			\$ -	\$ (100)	\$ (100)	0.0%	\$ -	\$ (1.04)	0.0%
56	MRSRM			\$ (8,346)	\$ (8,346)	\$ -	0.0%	\$ (86.93)	\$ -	0.0%
57	Subtotal			\$ 72,254	\$ 76,993	\$ 4,739	6.6%	\$ 752.64	\$ 49.36	6.6%
58										
59	Total									
60	Base rate	28,219	471,281,703	\$ 33,772,496	\$ 36,114,861	\$ 2,342,366	6.9%	\$ 99.73	\$ 6.92	6.9%
61	ES			\$ 1,068,909	\$ 1,068,909	\$ -	0.0%	\$ 3.16	\$ -	0.0%
62	FAC			\$ 5,039,199	\$ 5,039,199	\$ -	0.0%	\$ 14.88	\$ -	0.0%
63	US			\$ (1,620,755)	\$ (1,620,755)	\$ -	0.0%	\$ (4.79)	\$ -	0.0%
64	Non-FAC PPA			\$ -	\$ (43,468)	\$ (43,468)	0.0%	\$ -	\$ (0.13)	0.0%
65	MRSRM			\$ (3,488,098)	\$ (3,488,098)	\$ -	1.0%	\$ (10.30)	\$ -	0.0%
66	Subtotal			\$ 34,771,750	\$ 37,070,648	\$ 2,298,898	6.6%	\$ 102.68	\$ 6.79	6.6%

Exhibit 3  
 Page 202a



Meade County Rural Electric Cooperative Corporation  
 Pass-Through of Wholesale Rate Increase Granted to Big Rivers

Case No. 2011-00038  
 MEADE COUNTY RECC

CONSUMPTION ANALYSIS DATA AND REVENUE PROOF  
 TEST YEAR ENDING OCTOBER 31, 2010

	<u>Description</u>	<u>Units</u>	<u>Present Rate</u>	<u>Present Revenue</u>	<u>Proposed Rate</u>	<u>Proposed Revenue</u>
	a	b	c	d	e	f
<b>Schedule 1</b>						
1	Customer Charge	26,166	\$ 11.24	\$ 3,529,270	\$ 12.02	\$ 3,774,184
2	Energy Charge	359,801,934	\$ 0.06129	\$ 22,052,261	\$ 0.065541	\$ 23,581,779
3	Subtotal			\$ 25,581,531		\$ 27,355,962
<b>Schedule 2</b>						
1	Customer Charge	1,705	\$ 16.74	\$ 342,500	\$ 17.90	\$ 366,234
2	Energy Charge	28,018,340	\$ 0.06610	\$ 1,852,012	\$ 0.070680	\$ 1,980,336
3	Subtotal			\$ 2,194,513		\$ 2,346,570
<b>Schedule 3</b>						
1	Customer Charge:					
2	Monthly 0-100 KVA	214	\$ 40.00	\$ 102,720	\$ 42.77	\$ 109,833
3	Daily 0-100 KVA					
4	Monthly 101-1000 KVA	118	\$ 70.00	\$ 99,120	\$ 74.86	\$ 106,002
5	Daily 1010-1000 KVA					
6	Monthly Over 1000 KVA	8	\$ 100.00	\$ 9,600	\$ 106.94	\$ 10,266
7	Daily Over 1000 KVA					
8	Demand Charge	259,014	\$ 8.12	\$ 2,103,194	\$ 8.68	\$ 2,249,019
9	Energy Charge	73,140,334	\$ 0.03776	\$ 2,761,779	\$ 0.04038	\$ 2,953,407
10	Subtotal			\$ 5,076,413		\$ 5,428,527

*Exhibit 4  
 page 1 of 2*

Meade County Rural Electric Cooperative Corporation  
 Pass-Through of Wholesale Rate Increase Granted to Big Rivers

Case No. 2011-00038  
 MEADE COUNTY RECC

CONSUMPTION ANALYSIS DATA AND REVENUE PROOF  
 TEST YEAR ENDING OCTOBER 31, 2010

	<u>Description</u>	<u>Units</u>	<u>Present Rate</u>	<u>Present Revenue</u>	<u>Proposed Rate</u>	<u>Proposed Revenue</u>
	a	b	c	d	e	f
<b>Schedule 3A</b>						
1	Customer Charge	1	\$ 57.70	\$ 692	\$ 61.70	\$ 740
2	Demand Charge	208.597	\$ 8.12	\$ 1,694	\$ 8.68	\$ 1,811
3	Energy Charge	4,827	\$ 0.03776	\$ 182	\$ 0.04038	\$ 195
4	Subtotal			\$ 2,568		\$ 2,747

<b>Schedule 5</b>						
1	175 Watt Unmetered	8,506	\$ 6.93	\$ 707,359	\$ 7.41	\$ 756,354
2	400 Watt Unmetered	506	\$ 9.85	\$ 59,809	\$ 10.53	\$ 63,938
3	400 Watt Unmetered - Flood	506	\$ 9.85	\$ 59,809	\$ 10.53	\$ 63,938
4	175 Watt Metered	59	\$ 3.35	\$ 2,372	\$ 3.58	\$ 2,535
5	400 Watt Metered	41	\$ 3.35	\$ 1,648	\$ 3.58	\$ 1,761
6	400 Watt Metered - Flood	83	\$ 3.35	\$ 3,337	\$ 3.58	\$ 3,566
7	Pole Rental	2,745	\$ 0.40	\$ 13,176	\$ 0.43	\$ 14,164
8	Subtotal			\$ 847,510		\$ 906,256

<b>Schedule 6</b>						
1	175 Watt	417	\$ 6.09	\$ 30,474	\$ 6.51	\$ 32,576
2	400 Watt	362	\$ 9.09	\$ 39,487	\$ 9.72	\$ 42,224
3	Subtotal			\$ 69,961		\$ 74,800

*Exhibit 4  
 Page 2 of 2*





MEADE COUNTY RECC  
PROPOSED CHANGES TO SCHEDULE 16  
RENEWABLE RESOURCE ENERGY SERVICE TARIFF RIDER

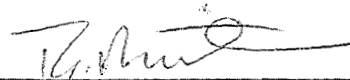
	<u>Present</u>	<u>Proposed</u>
<u>DETERMINATION OF KWH ADDER</u>		
1 Charge from Big Rivers for Renewable Energy	\$ 0.055000	\$ 0.055000
2 Less: Big Rivers Standard Energy rate	<u>\$ 0.020400</u>	<u>\$ 0.019524</u>
3 Difference	\$ 0.03460	\$ 0.035476
4 1 Minus Line Loss of 6.0038%	<u>0.93996</u>	<u>0.93996</u>
5 kWh Adder	\$ 0.03681	\$ 0.03774



March 1, 2011

RE: Meade County Rural Electric Cooperative Corporation  
Pass-Through of Wholesale Rate Increase Granted to Big Rivers  
Case No. 2011-00038

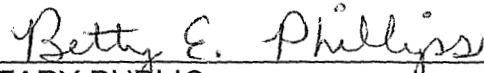
I, Thomas C. Brite, hereby certify that one complete copy of the materials filed with the Kentucky Public Service Commission has been sent to the Office of Rate Intervention, Office of the Attorney General.



THOMAS C. BRITE  
Attorney

Subscribed and sworn to before me this 1<sup>st</sup> day of March, 2011,  
by Thomas C. Brite.

My commission expires: 5-27-2013.



NOTARY PUBLIC  
STATE AT LARGE



MEADE COUNTY RECC  
PUBLIC NOTICE  
CASE NO. 2011-00038

THE APPLICATION OF MEADE COUNTY RECC  
FOR AN ADJUSTMENT IN EXISTING RATES

Meade County RECC, P.O. Box 489, Brandenburg, KY 40108, will file an application with the Kentucky Public Service Commission in Case No. 2011-00038 pursuant to KRS 278.455(2) to flow through the proposed increase in rates being requested by its wholesale power supplier, Big Rivers Electric Corporation in Case No. 2011-00036. The rates contained in this notice, which are the rates contained in the application, are rates proposed by Meade County RECC; however, the Kentucky Public Service Commission may order rates to be charged that differ from the rates contained therein.

**The present and proposed rates are as follows:**

	<u>Present</u>	<u>Proposed</u>
<b>Schedule 1 – Residential, Farm and Non-Farm, Schools, &amp; Churches</b>		
Customer Charge, per month	\$11.24	\$12.02
Customer Charge, per day	\$ .37	\$ .40
Energy Charge, per kWh	\$0.06129	\$0.06554
<b>Schedule 2 – Commercial Rate</b>		
Customer Charge, per month	\$16.74	\$17.90
Customer Charge, per month	\$ .55	\$ .59
Energy Charge, per kWh	\$0.06610	\$0.07068
<b>Schedule 3 – General Service 0-999 KVA</b>		
Customer Charge:		
Monthly 0-100 KVA	\$ 40.00	\$ 42.77
Daily 0-100 KVA	\$ 1.32	\$ 1.41
Monthly 101-1000 KVA	\$ 70.00	\$ 74.86
Daily 100-1000 KVA	\$ 2.30	\$ 2.46
Monthly Over 1000 KVA	\$100.00	\$106.94
Daily Over 1000 KVA	\$ 3.29	\$ 3.52
Energy Charge, per kWh	\$0.03776	\$0.04038
Demand Charge	\$ 8.12	\$ 8.68
<b>Schedule 3A – Optional Time-of-Day (TOD) Rate</b>		
Customer Charge, per month	\$57.70	\$61.70
Customer Charge, per month	\$ 1.90	\$ 2.03
Energy Charge, per kWh	\$0.03776	\$0.04038
Demand Charge	\$ 8.12	\$ 8.68

**Schedule 4 –  
Large Power Service Over 1,000 KVA Time-of-Day (TOD) Rate:**

Customer Charge, per month		
Seller Provides Facilities	\$595.00	\$636.27
Customer Provides Facilities	\$105.00	\$112.28
Energy Charges		
First 300 kWh per kW, per kWh	\$0.03389	\$0.03624
Over 300 kWh per kW, per kWh	\$0.02767	\$0.02959
Demand Charge	\$ 7.76	\$ 8.30

Present                      Proposed

**Schedule 5 –  
Outdoor Lighting Service**

175 Watt Unmetered, per month	\$6.93	\$ 7.41
400 Watt Unmetered, per month	\$9.85	\$10.53
175 Watt Metered, per month	\$3.35	\$ 3.58
400 Watt Metered, per month	\$3.35	\$ 3.58
Pole Rental	\$0.40	\$ 0.43

**Schedule 6 –  
Street Lighting Service**

175 Watt	\$6.09	\$6.51
400 Watt	\$9.09	\$9.72

**Schedule 16 –  
Renewable Energy Resource Service Tariff Rider**

Applicable as a rider to all Schedules 1, 2, 3, 3A, and 4	\$0.03681	\$0.03774
---	-----------	-----------

**The amounts and percents of change by rate class are as follows:**

<u>Rate Class</u>	<u>Dollar Amount</u>	<u>Percent Change</u>
Schedule 1 - Residential, etc.	\$1,741,246	6.6%
Schedule 2 - Commercial Rate	\$ 149,473	6.6%
Schedule 3 - General Service 0-999 KVA	\$ 345,368	6.6%
Schedule 3A - Optional Time-of-Day (TOD) Rate	\$ 178	6.9%
Schedule 4 – Large Power	NA	NA
Schedule 5 - Outdoor Lighting Service	\$ 57,894	6.7%
Schedule 6 - Street Lighting Service	<u>\$ 4,739</u>	<u>6.6%</u>
Total	\$2,298,898	6.6%

**The effects of the proposed rates on the average monthly bills by rate class are as follows:**

<u>Rate Class</u>	<u>Present Amount</u>	<u>Proposed Amount</u>	<u>Increase (Decrease)</u>	<u>Percent Change</u>
Schedule 1 – Res. etc.	\$ 83.90	\$ 89.45	\$ 5.55	6.6%
Schedule 2 – Comm.	\$ 110.16	\$ 117.47	\$ 7.31	6.6%
Schedule 3 – GS 0-999 KVA	\$1,282.23	\$1,366.88	\$84.65	6.6%
Schedule 3A - Optional TOD	\$ 214.89	\$ 229.70	\$14.80	6.9%
Schedule 4 – Large Power	NA	NA	NA	NA
Schedule 5 - Outdoor Lighting	NA	NA	NA	NA
Schedule 6 - Street Lighting	NA	NA	NA	NA

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

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

/

By: Burns Mercer, President and CEO





1 **Before the Kentucky Public Service Commission**  
2 **Case No. 2011-00038**  
3 **Meade County RECC**  
4

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

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

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

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

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

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

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

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

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

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

7 A. The purpose of my testimony is: 1) to explain and support the  
8 methodology used by Meade County RECC (“Meade”) to change its retail  
9 rates to reflect the increases in wholesale rates proposed by Big Rivers  
10 Electric Cooperative (“Big Rivers”) in Case No. 2011-00036; and 2) to  
11 explain and support the proposed non-FAC PPA (Purchased Power  
12 Adjustment) needed to flow through the corresponding non-FAC PPA  
13 proposed by Big Rivers. My analysis demonstrates that the base rate  
14 changes do not change the rate designs currently in effect and the base rate  
15 revenue change has been allocated to each class and within each tariff on a  
16 proportional basis, which is in compliance with KRS 278.455.

17 6. Q. PLEASE DESCRIBE THE EFFECTS ON MEADE’S COST OF  
18 PURCHASED POWER OF THE CHANGES PROPOSED BY BIG  
19 RIVERS TO ITS BASE WHOLESALE RATES?

20 A. Big Rivers is proposing to increase the demand charge of parts C. 4 and C.  
21 7 of its wholesale tariff. Big Rivers is proposing to decrease the base  
22 energy charge of part C. 4 while correspondingly decreasing the non-FAC  
23 PPA base. Part C. 4 of the Big Rivers tariff is applicable to purchases by

1 Meade through non-Large Industrial Customer delivery points. At this  
2 time, all of Meade's purchases from Big Rivers are through non-Large  
3 Industrial Customer delivery points. Part C. 7 of the Big Rivers Tariff  
4 would be applicable to purchases by Meade through Large Industrial  
5 Customer delivery points. As shown on Exhibit JDG-1, based on billing  
6 determinants from the test year ending October 31, 2010, the net effect of  
7 the base rate changes to part C. 4 wholesale rates will be to increase  
8 Meade's annual cost of purchased power by \$2,349,476, or 12.88%.

9 7. Q. PLEASE DESCRIBE THE BIG RIVERS NON-FAC PPA AND HOW IT  
10 AFFECTS MEADE'S WHOLESALE POWER COSTS.

11 A. Big Rivers is proposing a new non-FAC PPA rider applicable to non  
12 smelter sales. Per Big Rivers, the initial non-FAC PPA will be effective  
13 for 24 months at a credit rate of \$0.000963 per kWh. Based on the test  
14 year, the non-FAC PPA will reduce Meade's wholesale power cost by  
15 \$(481,141). However, the base energy rates proposed by Big Rivers reflect  
16 a \$(0.000876) per kWh roll-in of non-FAC PPA costs with a  
17 corresponding \$0.000876 reduction in the non-FAC PPA base. Hence, the  
18 non-FAC PPA revenue effect is an increase of \$437,673 based on test year  
19 usage. For purposes of measuring the net rate effect of the proposed flow  
20 through, the net increase in Meade's annual cost of purchased power is  
21 \$1,868,336, or 10.24%, including the change in base rates, the non-FAC  
22 PPA credit of \$0.000963 per kWh and the offsetting effect of the change  
23 in the non-FAC PPA base.

1 8. Q. PLEASE EXPLAIN HOW MEADE PROPOSES TO ADJUST ITS  
2 RETAIL RATES TO REFLECT THE CHANGES IN BIG RIVERS  
3 RATES.

4 A. As shown on Exhibit JDG-1, \$7,038 of the \$2,349,476 base rate power  
5 cost increase is allocated to Meade's own use. The remaining \$2,342,439  
6 is the flow through amount and it is 6.9378% of Meade's sales revenues  
7 based on the rates recently approved in Case No. 2010-000222. Meade is  
8 proposing to adjust its retail rates by a uniform percentage of 6.9359%. To  
9 adjust the rates, Meade proposes to apply a flow through multiplier of  
10 1.69359 to every base rate charge in each of its tariffs. By increasing every  
11 base rate charge by the same percentage, the increase in base rate power  
12 cost will be allocated proportionately among and within each rate class.  
13 The application of the multiplier to each charge in the present rates to  
14 produce the proposed rate charges is shown in Exhibit JDG-2. The  
15 distribution of the increase in power cost to each customer class is shown  
16 on Exhibit JDG-3. As shown, the base rate revenue from each class is  
17 increased by 6.9%. The total base rate revenue increase is \$2,342,366,  
18 within \$73 of the flow through amount. The difference is due to rounding.

19 9. Q. HAVE YOU PREPARED EXHIBITS THAT SHOW THE REVENUE  
20 CALCULATIONS FOR EACH TARIFF UNDER PRESENT AND  
21 PROPOSED RATES?

22 A. Yes, revenue proofs for each rate class using the consumption analysis  
23 data from the test year are provided as Exhibit JDG-4.

1 10. Q. IS MEADE PROPOSING CHANGES TO ANY OTHER TARIFFS AS A  
2 RESULT OF CHANGES PROPOSED BY BIG RIVERS TO ITS  
3 TARIFF?

4 A. Yes, Meade is proposing to change the kWh adders in Schedule 16 -  
5 Renewable Resource Energy Service Tariff Rider to reflect the change in  
6 Big River's standard energy rate found in part C. 4. The determination of  
7 the revised adder is shown on Exhibit JDG-5. The change is a \$.00093 net  
8 increase to the "premium" rate of the rider. The net effect is that there will  
9 be no net change to the existing price for renewable energy.

10 11. Q. PLEASE EXPLAIN THE PROPOSED NON-FAC PPA.

11 A. The proposed Non-FAC PPA is a tariff rider designed to pass through any  
12 charges or credits from Big Rivers under the wholesale non-FAC PPA  
13 rider proposed by Big Rivers. It has two sections. Section 1 is applicable to  
14 kWh sales made under Meade's tariffs for non-direct served customers.  
15 The current month retail charge or credit is based on the amounts charged  
16 or credited by Big Rivers on the power bill for the second month preceding  
17 the current month, plus or minus over and under correction amounts. The  
18 over and under correction is based on the preceding month's charges or  
19 refunds versus the amount calculated to be recoverable. Section 2 of the  
20 non-FAC PPA is applicable to customers when the wholesale rate paid by  
21 Meade for the load provided to the customer is either the Big Rivers Large  
22 Industrial Tariff or the Big Rivers Large Industrial Expansion Tariff.  
23 Under Section 2, actual wholesale charges and credits by customer are

1 known and can be directly assigned with no lag and no losses applicable.

2 Retail over and under mechanisms are not needed for Section 2 customers.

3 12. Q. IN YOUR OPINION, ARE THE TARIFFS PROPOSED BY MEADE  
4 FAIR, JUST, AND REASONABLE AND IN THE PUBLIC INTEREST?

5 A. Yes, they are.

6 13. Q. DOES THIS CONCLUDE YOUR TESTIMONY AT THIS TIME?

7 A. Yes, it does.