

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

APPLICATION OF BIG SANDY RURAL)	
ELECTRIC COOPERATIVE CORPORATION)	CASE NO.
FOR AN ADJUSTMENT OF RATES)	2012-00030

ORDER

On April 19, 2012, Big Sandy Rural Electric Cooperative Corporation ("Big Sandy") submitted its application requesting approval to increase its base rates for electric service to generate an additional \$911,007 in annual revenues, an increase of 3.7 percent over its normalized revenues. A review of the application revealed that it did not meet the minimum filing requirements set forth in 807 KAR 5:001, Sections 10(1)(b)(9) and 10(3)(b); therefore, a notice of filing deficiencies was issued. On May 16, 2012, Big Sandy filed the information needed to cure the deficiencies and the application was accepted as filed on that date. Big Sandy's application proposed that its rates become effective June 1, 2012.

KRS 278.180(1) requires 30 days' notice of a change in rates. Accordingly, the Commission advised Big Sandy that based on the May 16, 2012 filed date the earliest the proposed rates could become effective was June 15, 2012. Finding that an investigation would be necessary to determine the reasonableness of Big Sandy's proposed increase, the Commission suspended the rates for five months, up to and including November 14, 2012, pursuant to KRS 278.190(2). The Attorney General of the Commonwealth of Kentucky, by and through his Office of Rate Intervention ("AG"), was granted full intervention in this proceeding on April 26, 2012.

Big Sandy is consumer-owned rural electric cooperative organized pursuant to KRS Chapter 279 and is engaged in the distribution and sale of electric energy to approximately 13,200 customers in the Kentucky counties of Breathitt, Floyd, Johnson, Knott, Lawrence, Magoffin, Martin and Morgan. It is one of the 16 member-owner distribution cooperatives that own and receive their wholesale power from East Kentucky Power Cooperative.

A procedural schedule was issued in this matter which provided for discovery upon Big Sandy, intervenor testimony, discovery upon the intervenor testimony, and a public hearing. Big Sandy responded to three rounds of discovery from Commission Staff ("Staff") as well as a post-hearing request and two rounds of discovery from the AG. No intervenor testimony was filed.

On September 17, 2012, Big Sandy filed a Joint Settlement Stipulation and Recommendation ("Settlement") it had reached with the AG.¹ The Settlement was filed following an Informal Conference ("IC") held with Commission Staff on the same date. At the IC, Staff requested Big Sandy to file a revised CATV Television Attachment Tariff to reflect the rates contained in response to a Staff Data Request. The revised tariff was filed on September 24, 2012 as part of the Settlement. The Commission subsequently conducted a formal Hearing on October 4, 2012 to hear testimony concerning the reasonableness of the Settlement.

The settlement contains the following provisions as agreed to between Big Sandy and the AG:

¹ The Settlement filed on September 17, 2012 was subsequently amended for a minor correction to the rates contained in the CATV Pole Attachment Tariff. The amended tariff was filed on September 24, 2012 and the rates contained therein are included in Appendix B.

1. Big Sandy should be permitted to adjust its rates to the total increase of \$911,007 being sought in the application. The customer charge for its residential customer class (Schedule A-1 – Farm and Home) will be reduced from the steps of \$12.87 the first year, \$15.50 the second year, and \$18 the third year as requested in the application to \$12.69 the first year and \$15 for the years thereafter following the implementation of the \$12.69 customer charge. The energy charges for the residential class will be adjusted as stipulated in the Settlement. The demand charges, customer charges, and energy charges for all other classes remain as contained in the original application.
2. Big Sandy's revision in rates will result in a Times Interest Earned Ratio of 2.0.
3. Big Sandy's request for a purchased power adjustment is withdrawn.
4. Big Sandy is committed to continuing its demand-side management ("DSM") efforts and further commits to pursue additional DSM and energy efficiency programs that are deemed to be effective and useful, and to seek Commission approval of such programs. Big Sandy also commits to annual reporting of DSM activities beginning with the 2012 calendar year.
5. Big Sandy's revised tariffs should be adopted and become effective as of November 1, 2012, or as soon thereafter as ordered by the Commission.

After a careful review of the Settlement and the evidentiary record, and being otherwise sufficiently advised, the Commission finds that the Settlement terms are reasonable, do not violate any generally accepted rate-making standards, are in the public interest, and should be accepted as a resolution of all issues in the matter. The Commission also finds that the revenue increase contained in the settlement is reasonable. This should permit Big Sandy a reasonable opportunity to maintain its financial integrity and comply with the requirements of its mortgage agreements. The Commission further finds the rates contained in the Settlement should become effective

for service rendered on or after the date of this Order. Our approval of the Settlement is based solely on its reasonableness in toto and does not constitute approval of any specific rate-making adjustment or theory.

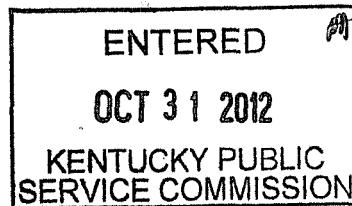
OTHER ISSUES

In its application and in response to data requests from Staff and the AG and testimony at the public hearing, Big Sandy states that it currently offers a number of programs to reduce energy inefficiencies. It is committed to expand its DSM portfolio and energy efficiency programs as cost-effective and useful programs become available. The Commission is encouraged by the commitments Big Sandy has made in this case. The Commission believes that conservation, energy efficiency, and DSM will become more important and cost-effective because more constraints are likely to be placed upon utilities whose main source of supply is coal-based generation. The Governor's energy plan, *Intelligent Energy Choices for Kentucky's Future*, (November 2008) calls for an increase in DSM by 2025. In addition, the Commission stated its support for cost-effective DSM programs in response to several recommendations included in *Electric Utility Regulation and Energy Policy in Kentucky*, the report submitted in July 2008 to the Kentucky General Assembly pursuant to Section 50 of the 2007 Energy Act. Although Big Sandy has a number of energy efficiency programs in place, the Commission believes that it is appropriate to encourage Big Sandy and all other electric energy providers to make a greater effort to offer cost-effective DSM and other energy efficiency programs.

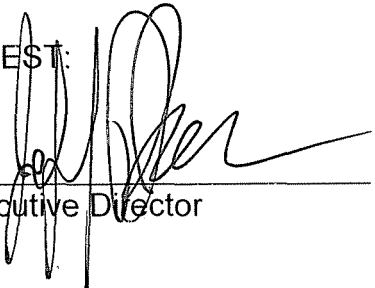
IT IS THEREFORE ORDERED that:

1. The rates and charges proposed by Big Sandy in its application are denied.
2. The Settlement appended hereto as Appendix A is incorporated into this Order as if fully set forth herein.
3. The Settlement is adopted and approved in its entirety.
4. The rates attached hereto as Appendix B are the rates set forth in the Settlement, and those rates are approved for service rendered on and after the date of this Order.
5. Within 20 days of the date of this Order, Big Sandy shall file new tariff sheets setting forth the rates and charges approved herein and reflecting their effective date and that they were authorized by this Order.

By the Commission



ATTEST:


Executive Director

APPENDIX A

APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE
COMMISSION IN CASE NO. 2012-00030 DATED OCT 31 2012

RECEIVED

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

SEP 17 2012

PUBLIC SERVICE
COMMISSION

In the Matter of:

THE APPLICATION OF BIG SANDY RURAL)
ELECTRIC COOPERATIVE FOR AN ORDER) CASE NO. 2012-00030
AUTHORIZING THE ADJUSTMENT OF)
RETAIL RATES BASED ON HISTORICAL)
TEST YEAR ENDING AUGUST 31, 2011)

JOINT SETTLEMENT STIPULATION AND RECOMMENDATION

It is the intent and purpose of the parties to this proceeding, being the applicant, Big Sandy Rural Electric Cooperative ("Big Sandy"), and the intervenor, Attorney General of the Commonwealth of Kentucky ("*Attorney General*") to express their agreement on a mutually satisfactory resolution of all of the issues in the instant proceeding which shall hereafter be referred to as the "Stipulation" and/or the "Recommendation."

It is understood by all parties hereto that this Recommendation is not binding upon the Kentucky Public Service Commission ("Commission"), nor does it represent agreement on any specific theory supporting the appropriateness of any recommended adjustment to Big Sandy's rates. Big Sandy and the Attorney General have expended considerable efforts to reach the stipulation and agreements that form the basis for this Recommendation. The parties, representing diverse interests and divergent viewpoints, agree that this Recommendation, viewed in its entirety, constitutes a reasonable resolution of all issues in this proceeding.

In addition, the adoption of this Recommendation will eliminate the need for the Commission and the parties to expend considerable resources in litigation of this proceeding, and will eliminate the possibility of, and any need for, rehearing or appeals of the Commission's final order herein. Based upon the parties' participation in a settlement conference and the materials

on file with the Commission, and upon the belief that these materials adequately support this Stipulation and Recommendation, the parties hereby stipulate and recommend the following:

1. Big Sandy filed an application for a rate adjustment seeking a total increase in base rate revenue in the amount of \$911,007 on Big Sandy's normalized test year ending August 31, 2011. The parties agree that Big Sandy should be permitted to adjust its rates to the total increase of \$911,007 being sought in the application. All applicable rate schedules have been adjusted to reflect this change in retail rates. Upon the Commission's order approving this settlement, Big Sandy's customer charge per month for its residential class (Schedule A-1 – Farm & Home) will be reduced from the steps of \$12.87 the first year, \$15.50 the second year, and \$18.00 the third year as requested in the application to \$12.69 the first year and to \$15.00 for the years thereafter following the implementation of the \$12.69 customer charge increase. Attached is Exhibit C, which reflects the customer charge and energy charge as stipulated in the agreement for Farm & Home. The demand charges, customer charges, and energy charges for all other classes remain as contained in the original application.
2. Big Sandy hereby withdraws its request for a purchased power adjustment as contained in the original application.
3. Attached as "Exhibit C" is proof of revenue analysis showing that the proposed rate adjustments will approximately generate the proposed revenue for Schedule A-1, Farm & Home, to which the parties have agreed in paragraph (1) of this Stipulation.

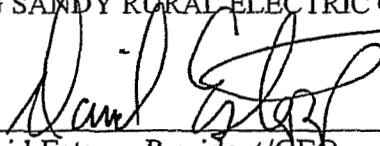
3. Big Sandy's proposed tariff revisions are attached in "Exhibit A" and should be adopted and should become effective as of November 1, 2012, or as soon thereafter as ordered by the Commission. Attached as "Exhibit B" is the direct testimony of Alan Zumstein to explain the development of these rates.
4. This agreement incorporates as though stated herein Exhibit J of the application, which includes the current rates, the rates proposed in the application and the rates that are a result of this agreement, except Schedule A-1, Farm & Home, which are included in Exhibit C of this Stipulation.
5. It is the purpose and intent of the parties hereto that the revision in rates for Big Sandy will result in a 2.0 TIER (Times Interest Earned Ratio), and the revision in rates as proposed by this Recommendation and Stipulation will result in such a TIER.
6. Big Sandy RECC is committed to continuing its demand-side management ("DSM") efforts, such as How\$mart KY, Direct Load Control, energy audits, energy efficiency rebates and others, as described in its responses to the data requests filed in this case.¹ Big Sandy RECC further commits to pursue additional DSM and energy efficiency programs that are deemed to be effective and useful, and seek Commission approval of such programs. Big Sandy RECC commits to annual reporting of all DSM activities.
7. Big Sandy's Board of Directors has approved the stipulated amount of \$911,007 the rate design change, and DSM efforts as agreed to herein.

¹ See Big Sandy's Response to Commission Staff's 1st Request for Information DR 1-49 (June 4, 2012), Big Sandy's Response to Commission Staff's 2nd Request for Information DRs 2-6 and 2-7 (June 22, 2012) and Big Sandy's Response To Commission Staff's 3rd Request for Information DRs 3-14 and 3-15.

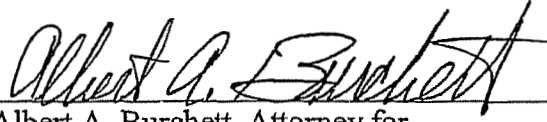
8. Each party hereto waives all cross-examination of the other parties' witnesses except for supporting this Recommendation, unless the Commission disapproves this Recommendation, and each party further stipulates and recommends that the Notice of Intent, Application, testimony, pleadings, and responses to data requests filed in this proceeding be admitted into the record.
9. This Recommendation is submitted for purposes of this case only and is not deemed binding upon the parties hereto in any other proceeding, nor is it to be offered or relied upon in any other proceeding involving Big Sandy or any other utility.
10. If the Commission issues an order adopting this Recommendation in its entirety, each of the parties hereto agrees that it shall file neither an application for rehearing with the Commission, nor an appeal to the Franklin County Circuit Court with respect to such order.
11. If this Recommendation is not adopted in its entirety, each party reserves the right to withdraw from it and require that hearings go forward upon any and all matters involved herein, and that in such event the terms of this Recommendation shall not be deemed binding upon the parties hereto, nor shall such Recommendation be admitted into evidence, or referred to, or relied upon in any manner by any party hereto, the Commission or its Staff in any such hearing.
12. The parties hereto agree that the foregoing Recommendation is reasonable and is in the best interests of all concerned, and urge the Commission to adopt this Recommendation in its entirety.

This 17th day of September, 2012.

BIG SANDY RURAL ELECTRIC COOPERATIVE

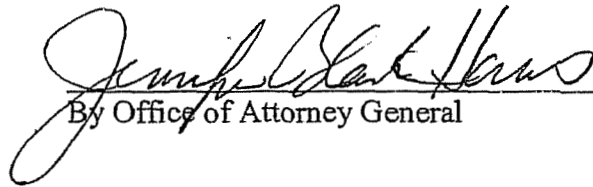


David Estep, President/CEO
Big Sandy Rural Electric Cooperative



Albert A. Burchett, Attorney for
Big Sandy Rural Electric Cooperative

KENTUCKY ATTORNEY GENERAL



By Office of Attorney General

FORM FOR FILING RATE SCHEDULES

FOR ALL TERRITORIES SERVED

PSC NO. 2012-00030

ORIGINAL SHEET NO. 1

BIG SANDY RURAL ELECTRIC
COOPERATIVE CORPORATION

CANCELLING PSC NO. 2010-00496

ORIGINAL SHEET NO. 1

CLASSIFICATION OF SERVICE

SCHEDULE A-1 FARM & HOME

RATE PER UNIT

APPLICABLE:

Entire territory served.

AVAILABILITY OF SERVICE:

Available to members of this Cooperative for Farm and Home use having a required transformer capacity not to exceed 50 KVA, subject to all rules and regulations established by the Cooperative.

TYPE OF SERVICE:

- A. Single-Phase, 120/240 volts, or
- B. Three-Phase, 240/480 volts, or
- C. Three-Phase, 120/208 wye volts

RATES:

Customer charge per delivery point	\$ 12.69 per month	I
Energy charge	0.09083 per KWH	I
Off peak energy charge	0.05441	I

Applicable only to programs which are expressly approved by the Commission to be offered under the Marketing Rate of East Kentucky Power Cooperative's Wholesale Power Rate Schedule A during the following off-peak hours. Energy furnished under this rate shall be separately metered for each point of delivery.

Months	Off-Peak Hours (EST)
October through April	12:00 noon to 5:00 PM 10:00 PM to 7:00 AM
May through September	10:00 PM to 10:00 AM

DATE OF ISSUE: Sept. 17, 2012

DATE EFFECTIVE: Nov. 1, 2012

ISSUED BY: _____

TITLE: PRESIDENT/GENERAL MANAGER

Issued by authority of an Order of the Public Service Commission of Kentucky in Case No. 2012-00030, dated _____.

FORM FOR FILING RATE SCHEDULES

FOR ALL TERRITORIES SERVED

**BIG SANDY RURAL ELECTRIC
COOPERATIVE CORPORATION**

PSC NO. 2012-00030

ORIGINAL SHEET NO. 2

CANCELLING PSC NO. 2010-00496

ORIGINAL SHEET NO. 2

CLASSIFICATION OF SERVICE

SCHEDULE A-1 FARM & HOME

RATE PER UNIT

MINIMUM CHARGES:

The minimum monthly charge under the above rate is \$12.69. For members requiring more than 15 KVA of transformer capacity, the minimum monthly charge shall be increased at the rate of 75 cents for each additional KVA or fraction thereof required.

TERMS OF PAYMENT:

All of the above rates are net, the gross rates being seven percent (7%) higher. In the event the current monthly bill is not paid within 15 days from the date of the bill, the gross rates shall apply.

SPECIAL RULES:

- A. The rated capacity of a single-phase motor shall not be in excess of ten horsepower (10 hp).
- B. Motors having a rated capacity in excess of ten horsepower (10 hp) must be three phase.
- C. Service under this schedule is limited to customers whose load requirements can be met by transformers having a capacity not to exceed 50 KVA. Customers requiring more than 50 KVA shall be serviced under an appropriate schedule for larger power service.

BUDGET BILLING:

Members having an opportunity to sign agreements with the Cooperative for spreading billing evenly over a twelve (12) month period. The billing is based on estimated consumption made by a Cooperative representative. In May, the end of the twelve-month

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FORM FOR FILING RATE SCHEDULES

FOR ALL TERRITORIES SERVED

**BIG SANDY RURAL ELECTRIC
COOPERATIVE CORPORATION**

PSC NO. 2012-00030

ORIGINAL SHEET NO. 3

CANCELLING PSC NO. 2010-00496

ORIGINAL SHEET NO. 3

CLASSIFICATION OF SERVICE

SCHEDULE A-1 FARM & HOME

RATE PER UNIT

Period, the difference between payments and actual usage is adjusted by adding or crediting the difference of the regular electric service bill.

FUEL ADJUSTMENT CLAUSE:

All rates are applicable to the Fuel Adjustment Clause and may be increased or decreased by an amount per KWH equal to the fuel adjustment amount per KWH as billed by the wholesale power supplier plus an allowance for line losses. The allowance for line losses will not exceed 10% and is based on a 12-month moving average of such losses. This Fuel Clause is subject to all other applicable provisions as set out in 807 KAR 5:056.

DATE OF ISSUE: Sept. 17, 2012

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FORM FOR FILING RATE SCHEDULES

FOR ALL TERRITORIES SERVED

PSC NO. 2012-00030

BIG SANDY RURAL ELECTRIC
COOPERATIVE CORPORATION

ORIGINAL SHEET NO. 4

CANCELLING PSC NO. 2010-00496

ORIGINAL SHEET NO. 4

CLASSIFICATION OF SERVICE

SCHEDULE A-2 COMMERCIAL AND SMALL POWER RATE PER UNIT

APPLICABLE:

Entire territory served.

AVAILABILITY OF SERVICE:

Available to commercial loads having a required transformer capacity not to exceed 25 KVA

TYPE OF SERVICE:

Single-phase and Three-phase at a standard voltage

RATES:

Customer charge per delivery point	\$ 24.64	per month	I
Energy charge	0.07880	per KWH	I
Demand charge	5.50	per KW	I

MINIMUM MONTHLY CHARGE:

The minimum monthly charge under the above rate shall be \$24.64 where 15 KVA or less of transformer capacity is required. For consumers requiring more than 15 KVA of transformer capacity, the minimum monthly charge shall be increased at the rate of 75 cents for each additional KVA or fraction thereof required.

MINIMUM ANNUAL CHARGE FOR SEASONAL SERVICE:

Customers requiring service during, but not to exceed nine months per year may guarantee a minimum annual payment of twelve (12) times the minimum monthly charge determined in accordance with the foregoing section, in which case there shall be no minimum monthly charge.

DATE OF ISSUE: Sept. 17, 2012

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FORM FOR FILING RATE SCHEDULES

FOR ALL TERRITORIES SERVED

**BIG SANDY RURAL ELECTRIC
COOPERATIVE CORPORATION**

PSC NO. 2012-00030

ORIGINAL SHEET NO. 5

CANCELLING PSC NO. 2010-00496

ORIGINAL SHEET NO. 5

CLASSIFICATION OF SERVICE

SCHEDULE A-2 COMMERCIAL AND SMALL POWER RATE PER UNIT

FUEL ADJUSTMENT CLAUSE:

All rates are applicable to the Fuel Adjustment Clause and may be increased or decreased by an amount per KWH equal to the fuel adjustment amount per KWH as billed by the Wholesale power Supplier for line losses will not exceed 10% and is based on a 12-month moving average of such losses. This Fuel Clause is subject to all other applicable provisions as set out in 807 KAR 5:056.

TEMPORARY SERVICE:

Temporary service shall be supplied in accordance with the foregoing rate except that there shall be an additional charge of one dollar and twenty-five cents (\$1.25) for each kilowatt or fraction thereof of connected load for each month or fraction thereof that service is connected. Bills will not be prorated for a fractional part of a month. The customer shall in addition, pay the total cost of connecting and disconnecting service less the value of materials returned to stock. The cooperative may require a deposit, in advance, of two-twelfth (2/12) of the estimated annual bill.

TERMS OF PAYMENT:

All of the above rates are net, the gross rates being seven percent (7%) higher. In the event the current monthly bill is not paid within 15 days from the date of the bill, the gross rates shall apply.

DATE OF ISSUE: Sept. 17, 2012

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FORM FOR FILING RATE SCHEDULES

FOR ALL TERRITORIES SERVED

PSC NO. 2012-00030

ORIGINAL SHEET NO. 6

**BIG SANDY RURAL ELECTRIC
COOPERATIVE CORPORATION**

CANCELLING PSC NO. 2010-00496

ORIGINAL SHEET NO. 6

CLASSIFICATION OF SERVICE

SCHEDULE A-2 COMMERCIAL AND SMALL POWER RATE PER UNIT

SPECIAL RULES:

- A. **The rated capacity of a single-phase motor shall not be in excess of ten Horsepower (10 hp).**

- B. **Motors having a rated capacity in excess of ten horsepower (10 hp) Must be three-phase.**

- C. **Service under this schedule is limited to customers whose load requirements can be met by transformers having a capacity not to exceed 25 KVA. Customers requiring more than 25 KVA shall be served under an appropriate schedule for large power service.**

DATE OF ISSUE: Sept. 17, 2012

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FORM FOR FILING RATE SCHEDULES

FOR ALL TERRITORIES SERVED

PSC NO. 2012-00030

BIG SANDY RURAL ELECTRIC
COOPERATIVE CORPORATION

ORIGINAL SHEET NO. 7

CANCELLING PSC NO. 2010-00496

ORIGINAL SHEET NO. 7

CLASSIFICATION OF SERVICE

SCHEDULE LP LARGE POWER SERVICE

RATE PER UNIT

APPLICABLE:

Entire territory served.

AVAILABILITY OF SERVICE:

Available to customers located on or near Seller's three-phase lines having a required transformer capacity not to exceed 750 KVA, subject of the established rules and regulations of seller.

RATES:

Demand Charge	\$ 6.25	per KW of billing	I
Secondary Meter Energy Charge	0.06119	per KWH	I
Primary Meter Energy Charge	0.05507	per KWH	D
Customer Charge Per Delivery Point	93.28	per Month	I

DETERMINATION OF BILLING DEMAND:

The billing demand shall be the maximum kilowatt demand established by the customer for any period of fifteen (15) consecutive minutes during the month for which the bill is rendered, as indicated or recorded by demand meter and adjusted for power factor as follows:

POWER FACTOR ADJUSTMENT:

The customer agrees to maintain unity power factor as nearly as practicable. Should the demand meter indicate that the average power factor 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 percentage power factor.

F DATE OF ISSUE: Sept. 17, 2012

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FORM FOR FILING RATE SCHEDULES

FOR ALL TERRITORIES SERVED

PSC NO. 2012-00030

BIG SANDY RURAL ELECTRIC
COOPERATIVE CORPORATION

ORIGINAL SHEET NO. 8

CANCELLING PSC NO. 2010-00496

ORIGINAL SHEET NO. 8

CLASSIFICATION OF SERVICE

SCHEDULE LP LARGE POWER SERVICE

RATE PER UNIT

FUEL ADJUSTMENT CLAUSE:

All rates are applicable to the Fuel Adjustment Clause and may be increased or decreased by an amount per KWH equal to the fuel adjustment amount per KWH as billed by the Wholesale Power Supplier plus an allowance for line losses. The allowance for line losses will not exceed 10% and is based on a 12-month moving average of such losses. This Fuel Clause is subject to all other applicable provisions as set out in 807 KAR 5:056.

MINIMUM MONTHLY CHARGE:

The minimum monthly charge shall be the highest one of the following charges as determined for the customer in question.

- (1) The minimum monthly charge specified in the contract for service.
- (2) A charge of seventy-five cents (\$.75) per KVA of installed transformer capacity.
- (3) A charge of ninety-three dollars and twenty-eight cents (93.28). I

MINIMUM ANNUAL CHARGE FOR SEASONAL SERVICE:

Customers requiring service only during certain seasons not exceeding nine (9) months per year may guarantee a minimum annual payment of twelve (12) times the minimum monthly charge determined in accordance with the foregoing section in which case there shall be no minimum monthly charge.

TYPE OF SERVICE:

Three-phase, 60 hertz, at Seller's standard voltage.

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FORM FOR FILING RATE SCHEDULES

FOR ALL TERRITORIES SERVED

BIG SANDY RURAL ELECTRIC
COOPERATIVE CORPORATION

PSC NO. 2012-00030

ORIGINAL SHEET NO. 9

CANCELLING PSC NO. 2010-00496

ORIGINAL SHEET NO. 9

CLASSIFICATION OF SERVICE

SCHEDULE LP LARGE POWER SERVICE

RATE PER UNIT

CONDITIONS OF SERVICE:

1. Motors having a rated capacity in excess of ten horsepower (10 hp) must be three-phase.
2. Both power and lighting shall be billed at the foregoing rate. If a separate meter is required for the lighting circuit, it shall be a kilowatt-hour meter only (not a demand meter). The registration of the two kilowatt-hour meters shall be added to obtain the total kilowatt hours used and the registration of the one demand meter shall determine the kilowatt demand for billing purposes.
3. All wiring, pole lines, and other electrical equipment beyond the metering point, shall be considered the distribution system of the customer and shall be furnished and maintained by the customer.
4. If service is furnished at primary distribution voltage, the primary meter energy charge shall apply.

TERMS OF PAYMENT:

All of the above rates are net, the gross rates being seven percent (7%) higher, In the event the current monthly bill is not paid within 15 days from the date of the bill, the gross rates shall apply.

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FORM FOR FILING RATE SCHEDULES

FOR ALL TERRITORIES SERVED

PSC NO. 2012-00030

**BIG SANDY RURAL ELECTRIC
COOPERATIVE CORPORATION**

ORIGINAL SHEET NO. 10

CANCELLING PSC NO. 2010-00496

ORIGINAL SHEET NO. 10

CLASSIFICATION OF SERVICE

SCHEDULE LPR LARGE POWER SERVICE

RATE PER UNIT

APPLICABLE:

In all territory served.

AVAILABILITY OF SERVICE:

Available to all commercial and industrial customers whose power requirements shall exceed 750 KVA of transformer capacity.

CONDITIONS:

An "Agreement for Purchase of Power" shall be executed by the customer for service under this schedule.

CHARACTER OF SERVICE:

The electric service furnished under this schedule will be 60 hertz, alternating current and at available nominal voltage.

RATE:

Maximum Demand Charge:	\$ 6.25	per KW of billing demand	I
Secondary Meter Energy Charge:	0.06030	per KWH	I
Primary Meter Energy Charge:	0.05427	per KWH	D
Customer Charge Per Delivery Point:	\$ 107.68	per month	I

DETERMINATION OF BILLING DEMAND:

The billing demand shall be the maximum kilowatt demand established by the customer for any period of fifteen (15) consecutive minutes during the month for which the bill is

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FORM FOR FILING RATE SCHEDULES

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PSC NO. 2012-00030

BIG SANDY RURAL ELECTRIC
COOPERATIVE CORPORATION

ORIGINAL SHEET NO. 11

CANCELLING PSC NO. 2010-00496

ORIGINAL SHEET NO. 11

CLASSIFICATION OF SERVICE

SCHEDULE LPR LARGE POWER SERVICE

RATE PER UNIT

rendered, as indicated or recorded by a demand meter and adjusted for power factor as provided below.

POWER FACTOR ADJUSTMENT:

The customer agrees to maintain unity power factor as nearly as practicable. Should the demand meter indicate that the average power factor 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%), 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 percentage power factor.

MINIMUM CHARGES:

The minimum monthly charge shall be the highest one of the following charges:

- (a) The minimum monthly charge as specified in the contract for service.
- (b) A charge of seventy-five cents (\$.75) per KVA per month of contract capacity.

FUEL COST ADJUSTMENT:

All rates are applicable to the Fuel Adjustment Clause and may be increased or decreased by an amount per KWH equal to the fuel adjustment amount per KWH as billed by the Wholesale Power Supplier plus an allowance for line losses.

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TITLE: PRESIDENT/GENERAL MANAGER

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FORM FOR FILING RATE SCHEDULES

FOR ALL TERRITORIES SERVED

PSC NO. 2012-00030

ORIGINAL SHEET NO. 12

BIG SANDY RURAL ELECTRIC
COOPERATIVE CORPORATION

CANCELLING PSC NO. 2010-00496

ORIGINAL SHEET NO. 12

CLASSIFICATION OF SERVICE

SCHEDULE LPR LARGE POWER SERVICE

RATE PER UNIT

The allowance for line losses will not exceed 10% and is based on a 12-month moving average of such losses. This Fuel Clause is subject to all other applicable provisions as set out in 807 KAR 5:056.

SPECIAL PROVISIONS:

1. Delivery Point – If service is furnished at secondary voltage, the delivery point shall be the metering point unless otherwise specified in the contract for service. All wiring, pole lines, and other electric equipment on the load side of the delivery point shall be the point of attachment of Seller's primary line to customer's transformer structure unless otherwise specified in the contract for service. All wiring, pole lines, and other electrical equipment (except metering equipment on the load side of the delivery point) shall be owned and maintained by the customer.
2. Lighting – Both power and lighting shall be billed at the foregoing rate.
3. Primary Service – If service is furnished at 7620/13200 volts or above, the Primary Meter Energy Charge shall apply.

TERMS OF PAYMENT:

All of the above rates are net, the gross rates being seven percent (7%) higher. In the event the current monthly bill is not paid within 15 days from the date of the bill, the gross rates shall apply.

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FORM FOR FILING RATE SCHEDULES

FOR ALL TERRITORIES SERVED

PSC NO. 2012-00030

ORIGINAL SHEET NO. 13

BIG SANDY RURAL ELECTRIC
COOPERATIVE CORPORATION

CANCELLING PSC NO. 2010-00496

ORIGINAL SHEET NO. 13

CLASSIFICATION OF SERVICE

SCHEDULE YL-1

RATE PER UNIT

APPLICABLE:

Entire territory served.

AVAILABILITY OF SERVICE:

Available to all members of the Cooperative subject to its established rules and regulations.

TYPE OF SERVICE:

Single-Phase, 120 volts, mercury vapor type or equivalent lighting unit.

RATES:

Flat rate per light per month as follows:

175	Watt	@	\$ 9.49	per month	I
400	Watt	@	14.27	per month	I
500	Watt	@	16.82	per month	I
1,500	Watt	@	39.13	per month	I
400	Watt Flood	@	19.28	per month	I

TERMS OF PAYMENT:

All of the above rates are net, the gross rates being seven percent (7%) higher. In the event the current monthly bill is not paid within 15 days from the date of the bill, the gross rates shall apply.

FUEL ADJUSTMENT CLAUSE:

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

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FORM FOR FILING RATE SCHEDULES

FOR ALL TERRITORIES SERVED

BIG SANDY RURAL ELECTRIC
COOPERATIVE CORPORATION

PSC NO. 2012-00030

ORIGINAL SHEET NO. 14

CANCELLING PSC NO. 2010-00496

ORIGINAL SHEET NO. 14

CLASSIFICATION OF SERVICE

SCHEDULE YL-1

RATE PER UNIT

and is based on a 12-month moving average of such losses. This Fuel Clause is subject to all other applicable provisions as set out in 807 KAR 5:056.

SPECIAL RULES:

Those members having primary metering or receiving service at a voltage other than approximately 120 volts shall not be eligible for service under this rate schedule except for special agreement.

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FORM FOR FILING RATE SCHEDULES

FOR ALL TERRITORIES SERVED

PSC NO. 2012-00030

ORIGINAL SHEET NO. 15

**BIG SANDY RURAL ELECTRIC
COOPERATIVE CORPORATION**

CANCELLING PSC NO. 2010-00496

ORIGINAL SHEET NO. 15

CLASSIFICATION OF SERVICE

SCHEDULE IND 1

RATE PER UNIT

APPLICABLE:

Applicable to contracts with contract demands of 1000 KW or greater with a monthly energy usage equal to or greater than 425 hours per KW of Billing Demand. These contracts will be a "two party" contract between the Cooperative and the ultimate consumer.

AVAILABILITY:

Available to all members.

MONTHLY RATE:

Demand Charge:	\$ 5.93	per KW of Billing Demand
Secondary Meter Energy Charge	0.05701	per KWH
Primary Meter Energy Charge:	0.05638	per KWH
Customer Charge:	\$ 165.06	

BILLING DEMAND:

The Kilowatt 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 coincident with the load center's peak demand. The load center's peak demand is the highest average rate at which energy is used during any fifteen minute interval in the below listed hours for each month and adjusted for power factor as provided herein:

Months:

October through April	7:00 AM to 12:00 Noon 5:00 PM to 10:00 PM
May through September	10:00 AM to 10:00 PM

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FORM FOR FILING RATE SCHEDULES

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**BIG SANDY RURAL ELECTRIC
COOPERATIVE CORPORATION**

ORIGINAL SHEET NO. 16

CANCELLING PSC NO. 2010-00496

ORIGINAL SHEET NO. 16

CLASSIFICATION OF SERVICE

SCHEDULE IND 1

RATE PER UNIT

MINIMUM MONTHLY CHARGE:

The Minimum monthly charge shall not be less than the sum of (A), (B) & (C) below:

- A. The product of the billing demand multiplies by the demand charge, plus
- B. The product of the billing demand multiplies by 425 hours and the energy charge per KWH,
plus
- C. Consumer Charge

POWER FACTOR ADJUSTMENT:

The consumer agrees to maintain unity power factor as nearly as practicable. Should the demand meter indicate that the average power factor 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 dividing this product by the actual power factor at the time of the monthly maximum demand.

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FORM FOR FILING RATE SCHEDULES

FOR ALL TERRITORIES SERVED

PSC NO. 2012-00030

ORIGINAL SHEET NO. 17

BIG SANDY RURAL ELECTRIC
COOPERATIVE CORPORATION

CANCELLING PSC NO. 2010-00496

ORIGINAL SHEET NO. 17

CLASSIFICATION OF SERVICE

SCHEDULE IND 1

RATE PER UNIT

FUEL ADJUSTMENT CLAUSE:

All rates are applicable to the Fuel Adjustment Clause and may be increased or decreased by an amount per KWH equal to the fuel adjustment amount per KWH as billed by the Wholesale Power Supplier, plus an allowance for line losses. The allowance for line losses will not exceed 10% and is based on a 12-month moving average of such losses. This fuel clause is subject to all other applicable provisions as set out in 807 KAR 5:056.

SPECIAL PROVISIONS:

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

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FORM FOR FILING RATE SCHEDULES

FOR ALL TERRITORIES SERVED

**BIG SANDY RURAL ELECTRIC
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PSC NO. 2012-00030

ORIGINAL SHEET NO. 18

CANCELLING PSC NO. 2010-00496

ORIGINAL SHEET NO. 18

CLASSIFICATION OF SERVICE

SCHEDULE IND 1

RATE PER UNIT

3. Primary Service -- If service is furnished at 7620/13200 volts or above, the Primary Meter Energy Charge shall apply.

TERMS OF PAYMENT:

All of the above rates are net, the gross rates being seven percent (7%) higher. In the event the current monthly bill is not paid within 15 days from the date of the bill, the gross rates shall apply.

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FORM FOR FILING RATE SCHEDULES

FOR ALL TERRITORIES SERVED

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BIG SANDY RURAL ELECTRIC
COOPERATIVE CORPORATION

ORIGINAL SHEET NO. 19

CANCELLING PSC NO. 2010-00496

ORIGINAL SHEET NO. 19

CLASSIFICATION OF SERVICE

SCHEDULE IND 2

RATE PER UNIT

APPLICABLE:

Applicable to contracts with contract demands of 5000 KW or greater with a monthly energy usage equal to or greater than 425 hours per KW of Billing Demand. These contracts will be a "two party" contract between the Cooperative and the ultimate consumer.

AVAILABILITY:

Available to all members.

MONTHLY RATE:

Demand Charge:	\$ 5.93	per KW of Billing Demand
Secondary Meter Energy Charge	0.05151	per KWH
Primary Meter Energy Charge	0.05102	per KWH
Customer Charge	\$ 1,176.33	

BILLING DEMAND:

The Kilowatt 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 coincident with the load center's peak demand. The load center's peak demand is the highest average rate at which energy is used during any fifteen minute interval in the below listed hours for each month and adjusted for power factor as provided herein.

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**BIG SANDY RURAL ELECTRIC
COOPERATIVE CORPORATION**

ORIGINAL SHEET NO. 20

CANCELLING PSC NO. 2010-00496

ORIGINAL SHEET NO. 20

CLASSIFICATION OF SERVICE

SCHEDULE IND 2

RATE PER UNIT

Months:

October through April

7:00 AM to 12:00 Noon

5:00 PM to 10:00 PM

May through September

10:00 AM to 10:00 PM

MINIMUM MONTHLY CHARGE:

The minimum monthly charge shall not be less than the sum of (A), (B) & (C) below:

- A. The product of the billing demand multiplies by the demand charge, plus
- B. The product of the billing demand multiplies by 425 hours and the energy charge per KWH, plus
- C. Consumer charge.

POWER FACTOR ADJUSTMENT:

The consumer agrees to maintain unity power factor as nearly as practicable. Should the demand meter indicate that the average power factor 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 dividing this product by the actual power factor at the time of the monthly maximum demand.

FUEL ADJUSTMENT CLAUSE:

All rates are applicable to the Fuel Adjustment Clause and may be increased or decreased by an amount per KWH equal to the fuel adjustment amount per KWH as billed by the wholesale power supplier, plus an allowance for line losses. The allowance for line losses will not exceed 10% and is based on a 12-month

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FORM FOR FILING RATE SCHEDULES

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**BIG SANDY RURAL ELECTRIC
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PSC NO. 2012-00030

ORIGINAL SHEET NO. 21

CANCELLING PSC NO. 2010-00496

ORIGINAL SHEET NO. 21

CLASSIFICATION OF SERVICE

SCHEDULE IND 2

RATE PER UNIT

moving average of such losses. This fuel clause is subject to all other applicable provisions as set out in 807 KAR 5:056.

SPECIAL PROVISIONS:

1. **Delivery Point** – If service is furnished at secondary voltage, the delivery point shall be the metering point unless otherwise specified in the contract for service. All wiring, pole lines, and other electric equipment on the load side of the delivery point shall be owned and maintained by the customer. If service is furnished at Seller's primary line voltage, the delivery point shall be the point of attachment of Seller's primary line to customer's transformer structure unless otherwise specified in the contract for service. All wiring, pole lines, and other electrical equipment (except metering equipment on the load side of the delivery point) shall be owned and maintained by the customer.
2. **Lighting** – Both power and lighting shall be billed at the foregoing rate.
3. **Primary Service** – If service is furnished at 7620/13200 volts or above, the Primary Meter Energy Charge shall apply.

TERMS OF PAYMENT:

All of the above rates are net, the gross rates being seven percent (7%) higher. In the event the current monthly bill is not paid within 15 days from the date of the bill, the gross rates shall apply.

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FORM FOR FILING RATE SCHEDULES

FOR ALL TERRITORIES SERVED

PSC NO. 2012-00030

ORIGINAL SHEET NO. 2

**BIG SANDY RURAL ELECTRIC
COOPERATIVE CORPORATION**

CANCELLING PSC NO. 2008-00401

ORIGINAL SHEET NO. 2

CLASSIFICATION OF SERVICE

SCHEDULE CATV TELEVISION ATTACHMENT TARIFF RATE PER UNIT

SPECIFICATIONS:

A. The attachment to poles covered by this tariff shall at all times conform To the requirements of the National Electrical Safety Code, 1981 Edition, and subsequent revisions thereof, except where the lawful requirements of public authorities may be more stringent, in which case the latter will govern.

B. The strength of poles covered by this agreement shall be sufficient t withstand the transverse and vertical load imposed upon them under the storm loading of the National Electrical Safety Code assumed for the area in which they are located.

ESTABLISHING POLE USE:

A. Before the CATV operator shall make use of any of the poles of the Cooperative under this tariff, they shall notify the Cooperative of their intent in writing and shall comply with the procedures established by the Cooperative. The CATV operator shall furnish the Cooperative detailed construction plans and drawings for each pole line, together with necessary maps, indicating specifically the poles of the Cooperative, the number and character of the attachments to be placed on such poles, and rearrangements of the Cooperative's fixtures and equipment necessary for the attachment, and relocation or replacements of existing poles, and any additional poles that CATV intends to install.

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FORM FOR FILING RATE SCHEDULES

FOR ALL TERRITORIES SERVED

**BIG SANDY RURAL ELECTRIC
COOPERATIVE CORPORATION**

PSC NO. 2012-00030

ORIGINAL SHEET NO. 3

CANCELLING PSC NO. 2008-00401

ORIGINAL SHEET NO. 3

CLASSIFICATION OF SERVICE

SCHEDULE	CATV TELEVISION ATTACHMENT TARIFF	RATE PER UNIT
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The Cooperative shall, on the basis of such detailed construction plans and drawings, submit to the CATV operator a cost estimate (including overhead and less salvage value of materials) of all changes that may be required in each such pole line. Upon written notice by the CATV operator to the Cooperative that the cost estimate is approved, the Cooperative shall proceed with the necessary changes in pole lines covered by cost estimate.

Upon completion of all changes, the CATV operator shall have the right hereunder to make attachments in accordance with the terms of the application of this tariff. The CATV operator shall, at their own expense, make attachments in such manner as not to interfere with the service of the Cooperative.

B. Upon completion of all changes, the CATV operator shall pay to the Cooperative the actual cost (including overhead and less salvage value of materials) of making such changes. The obligations of the CATV operator hereunder shall not be limited to amounts shown on estimates made the Cooperative hereunder. An itemized statement of the actual cost of all such changes shall be submitted by the Cooperative to the CATV operator in a form mutually agreed upon.

C. Any reclearing of existing rights-of-way and any tree trimming necessary for the establishment of pole line attachments hereunder shall be performed by the CATV operator.

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FORM FOR FILING RATE SCHEDULES

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PSC NO. 2012-00030

ORIGINAL SHEET NO. 4

**BIG SANDY RURAL ELECTRIC
COOPERATIVE CORPORATION**

CANCELLING PSC NO. 2008-00401

ORIGINAL SHEET NO. 4

CLASSIFICATION OF SERVICE

SCHEDULE	CATV TELEVISION ATTACHMENT TARIFF	RATE PER UNIT
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D. All poles to which attachments have been made under this tariff shall remain the property of the Cooperative, and any payments made by the CATV operator for changes in pole line under this tariff shall not entitle the CATV operator to the ownership of any of said poles.

E. Any changes necessary for correction of substandard installation made by the CATV operator, where notice of intent had not been requested, shall be billed at rate equal to twice the charges that would have been imposed if the attachment had been properly authorized.

EASEMENTS AND RIGHTS-OF-WAY

A. The Cooperative does not warrant nor assure to the CATV operator any rights-of-way privileges or easements, and if the CATV operator shall at any time be prevented from placing or maintaining its attachments on the Cooperative poles, no liability on account thereof shall attach to the Cooperative. Each party shall be responsible for obtaining its own easements and rights-of-way.

MAINTENANCE OF POLES, ATTACHMENTS AND OPERATION

A. Whenever right-of-way considerations or public regulations make relocation of a pole, or poles necessary, such relocation shall be made by the Cooperative at its own expense, except that each party shall bear the cost of transferring its own attachments.

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FORM FOR FILING RATE SCHEDULES

FOR ALL TERRITORIES SERVED

PSC NO. 2012-00030

ORIGINAL SHEET NO. 5

**BIG SANDY RURAL ELECTRIC
COOPERATIVE CORPORATION**

CANCELLING PSC NO. 2008-00401

ORIGINAL SHEET NO. 5

CLASSIFICATION OF SERVICE

SCHEDULE	CATV TELEVISION ATTACHMENT TARIFF	RATE PER UNIT
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A. Whenever it is necessary to replace or relocate an attachment, the Cooperative shall, before making such replacement or relocation, give forty-eight (48) hours notice (except in cases of emergency) to the CATV operator, specifying in said notice the time of such proposed replacement or relocation, and the CATV operator shall, at the time so specified, transfer its attachments to the new or relocated pole. Should the CATV operator fail to transfer its attachment to the new or relocated pole at the time specified for such transfer of attachments, the Cooperative may elect to do such work and the CATV operator shall pay the Cooperative the cost thereof.

B. Any existing attachment of CATV which does not conform to the specifications as set out in this tariff hereof shall be brought into conformity therewith as soon as practical. The Cooperative, because of the importance of its service, reserves the right to inspect each new installation of the CATV operator on its poles and in the vicinity of its lines or appurtenances. Such inspection, made or not, shall not operate to relieve the CATV operator of any responsibility, obligations or liability assumed under the tariff.

C. The Cooperative reserves to itself, its successors and assigns, the right to maintain its poles and to operate its facilities thereon in such manner as will, in its own judgement, best enable it to fulfill its own service requirements. The Cooperative shall not be liable to the CATV operator for any interruption of service of CATV operator or for interference with the operations of the cable, wires and

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ORIGINAL SHEET NO. 6

**BIG SANDY RURAL ELECTRIC
COOPERATIVE CORPORATION**

CANCELLING PSC NO. 2008-00401

ORIGINAL SHEET NO. 6

CLASSIFICATION OF SERVICE

SCHEDULE	CATV TELEVISION ATTACHMENT TARIFF	RATE PER UNIT
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appliances of the CATV operator arising in any manner out of the use of the Cooperative's poles hereunder.

The Cooperative shall exercise reasonable care to avoid damaging the facilities of the CATV operator, make an immediate report to the CATV operator of the occurrence of any such damage caused by its employees, agents, contractors, and, except for removal for non-payment or for failure to post or maintain the required "Performance Bond," agrees to reimburse the CATV operator for all reasonable cost incurred by the CATV operator for the physical repair of facilities damaged by the negligence of the Cooperative.

INSPECTIONS

A. Periodic Inspection: Any unauthorized or unreported attachment by CATV operator will be billed at a rate of two times the amount equal to the rate that would have been due, had the installation been made the day after the last previously required inspection.

B. Make-Ready Inspection: Any "make-ready" inspection or "walk through" inspection required of the Cooperative will be paid for by the CATV operator at a rate equal to the cooperative's actual expenses, plus appropriate overhead charges.

INSURANCE OR BOND

A. The CATV operator agrees to defend, indemnify and save harmless the Cooperative from any and all damage, loss, claim, demand, suit, liability, penalty or forfeiture of every kind and nature, including, but not limited to,

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ORIGINAL SHEET NO. 7

**BIG SANDY RURAL ELECTRIC
COOPERATIVE CORPORATION**

CANCELLING PSC NO. 2008-00401

ORIGINAL SHEET NO. 7

CLASSIFICATION OF SERVICE

SCHEDULE	CATV TELEVISION ATTACHMENT TARIFF	RATE PER UNIT
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costs and expenses of defending against the same and payment of any settlement or judgement therefor, by reason of (a) injuries or deaths to persons, (b) damages to or destruction of properties, (c) pollution, contamination of, or other adverse effects on the environment, or (d) violations of governmental laws, regulations or orders whether suffered directly by the Cooperative itself, or indirectly by reason of claims, demands or suits against it by third parties, resulting or alleged to have resulted from acts or omissions of the CATV operator, its employees, agents, or other representatives or from their presence on the premises of the Cooperative, either solely or in concurrence with any alleged joint negligence of the Cooperative. The Cooperative shall be liable for sole active negligence.

B. The CATV operator will provide coverage from a company authorized to do business in the Commonwealth of Kentucky:

- 1. Protection for its employees to the extent required by Workers Compensation Law of Kentucky.**
- 2. Public Liability coverage with separate coverage for each town or city in which the CATV operator operates under this contract to a minimum amount of \$100,000.00 for each person and \$300,000.00 for each accident or personal injury or death, and \$25,000.00 as to the property of any one person, and \$100,000.00 as to any one accident of property damage.**

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ORIGINAL SHEET NO. 8

**BIG SANDY RURAL ELECTRIC
COOPERATIVE CORPORATION**

CANCELLING PSC NO. 2008-00401

ORIGINAL SHEET NO. 8

CLASSIFICATION OF SERVICE

SCHEDULE	CATV TELEVISION ATTACHMENT TARIFF	RATE PER UNIT
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Before beginning operations under this tariff, the CATV operator shall cause to be furnished to the Cooperative a certificate for such coverage, evidencing the existence of such coverage. Each policy required hereunder shall contain a contractual endorsement written as follows:

“The insurance or bond provided herein shall also be for the benefit of Big Sandy Rural Electric Cooperative Corporation, so as to guarantee, within the coverage limits, the performance by the insured of any indemnity agreement set forth in this tariff. This insurance or bond may not be cancelled for any cause without thirty (30) days advance notice being first given to Big Sandy Rural Electric Cooperative Corporation.

CHANGE OF USE PROVISION

When the Cooperative subsequently requires a change in its poles or attachment for reasons unrelated to the CATV operations, the CATV operator shall be given forty-eight (48) hours notice of the proposed change (except in case of emergency). If the CATV operator is unable or unwilling to meet the Cooperative’s time schedule for such changes, the Cooperative may do the work and charge the CATV operator its reasonable cost for performing the change of CATV attachments.

ABANDONMENT

A. If the Cooperative desires at any time to abandon any pole to which

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ORIGINAL SHEET NO. 9

**BIG SANDY RURAL ELECTRIC
COOPERATIVE CORPORATION**

CANCELLING PSC NO. 2008-00401

ORIGINAL SHEET NO. 9

CLASSIFICATION OF SERVICE

SCHEDULE	CATV TELEVISION ATTACHMENT TARIFF	RATE PER UNIT
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CATV operator has attachments, it shall give the CATV operator notice in writing to that effect at least thirty (30) days prior to the date on which it intends to abandon such pole. If, at the expiration of said period, the Cooperative shall have no attachments on the pole, but the CATV operator shall not have removed all of its attachments therefrom, such pole shall thereupon become the property of the CATV operator, and the CATV operator shall save harmless the Cooperative from all obligations, liability, damages, cost, expenses or charges incurred thereafter; and shall pay the Cooperative for such pole and amount equal to the Cooperative's depreciated cost thereof. The Cooperative shall further evidence transfer to the CATV operator of title to the pole by means of a bill of sale.

B. The CATV operator may at any time abandon the use of the attached pole by giving due notice thereof in writing to the Cooperative and by removing therefrom any and all attachments it may have thereon. The CATV operator shall in such case pay to the Cooperative the full rental for said pole for the then current billing period.

RIGHTS OF OTHERS

Upon notice from the Cooperative to the CATV operator that the use of any pole or poles is forbidden by municipal or other public authorities or by property owners, the permit governing the use of such pole or poles shall immediately terminate and the CATV operator shall remove its facilities from the affected pole or poles at once. No refund of any rental will be due on account of any removal resulting from such forbidden use.

DATE OF ISSUE: Sept. 17, 2012

DATE EFFECTIVE: Nov. 1, 2012

ISSUED BY: _____ TITLE: PRESIDENT/GENERAL MANAGER

Issued by authority of an Order of the Public Service Commission of Kentucky in Case No. 2012-00030, dated _____.

FORM FOR FILING RATE SCHEDULES

FOR ALL TERRITORIES SERVED

PSC NO. 2012-00030

ORIGINAL SHEET NO. 10

**BIG SANDY RURAL ELECTRIC
COOPERATIVE CORPORATION**

CANCELLING PSC NO. 2008-00401

ORIGINAL SHEET NO. 10

CLASSIFICATION OF SERVICE

SCHEDULE	CATV TELEVISION ATTACHMENT TARIFF	RATE PER UNIT
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PAYMENT OF TAXES

Each party shall pay all taxes and assessments lawfully levied on its own property upon said attached poles, and the taxes and the assessments which are levied on said property shall be paid by the owner thereof, but any tax fee, or charge levied on the Cooperative's poles solely because of their use by the CATV operator shall be paid by the CATV operator.

BOND OR DEPOSITOR PERFORMANCE

A. The CATV operator shall furnish bond or satisfactory evidence of contractual insurance coverage for the purposes hereinafter specified in the amount of Twenty-Five Thousand Dollars (\$25,000.00), until such time as the CATV operator shall occupy twenty-five hundred (2500) poles of the Cooperative and thereafter the amount thereof shall be increased to increments of One Thousand Dollars (\$1,000.00), for each one hundred (100) poles (or fraction thereof) occupied by the CATV operator, evidence of which shall be presented to the Cooperative fifteen (15) days prior to beginning construction. Such bond or insurance shall contain the provision that it shall not be terminated prior to six (6) months after receipt by the Cooperative or written notice of the desire of the Bonding or Insurance Company to terminate such bond or insurance. Upon receipt of such notice, the Cooperative shall request the CATV operator to immediately remove its cables, wires, and all other facilities from all poles of the Cooperative. If the CATV operator should fail to complete the removal of all its facilities from the pole of the

DATE OF ISSUE: Sept. 17, 2012

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FORM FOR FILING RATE SCHEDULES

FOR ALL TERRITORIES SERVED

PSC NO. 2012-00030

ORIGINAL SHEET NO. 11

**BIG SANDY RURAL ELECTRIC
COOPERATIVE CORPORATION**

CANCELLING PSC NO. 2008-00401

ORIGINAL SHEET NO. 11

CLASSIFICATION OF SERVICE

SCHEDULE	CATV TELEVISION ATTACHMENT TARIFF	RATE PER UNIT
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thirty (30) days after receipt of such request from the Cooperative, then the Cooperative shall have the right to removed them at the cost and expense of the CATV operator and without being liable for any damage to the CATV operator's wires, cables, fixtures, or appurtenances. Such bond or insurance shall guarantee the payment of any sums which may become due to the Cooperative for rentals, inspections or work performed for the benefit of the CATV operator under this tariff, including the removal of attachments upon termination of service by any of its provisions.

B. After the CATV operator has been a customer of the Cooperative and not in default for a period of two years, the Cooperative shall reduce the bond by 50%, or, at the Cooperative's option, require a deposit in keeping with 807 KAR 5:006, Section 7.

USE OF ANCHORS

The Cooperative reserves the right to prohibit the use of any existing anchors by CATV operator where the strength or conditions of said anchors cannot be readily identified by visual inspection.

DISCONTINUANCE OF SERVICE

The Cooperative may refuse or discontinue serving an applicant or customer under the conditions set out in 807 KAR 5:006, Section 11(1).

DATE OF ISSUE: Sept. 17, 2012

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FORM FOR FILING RATE SCHEDULES

FOR ALL TERRITORIES SERVED

BIG SANDY RURAL ELECTRIC COOPERATIVE CORPORATION

PSC NO. 2010-00496

ORIGINAL SHEET NO. 1

CANCELLING PSC NO. 2010-00168

ORIGINAL SHEET NO. 1

CLASSIFICATION OF SERVICE

SCHEDULE A-1 FARM & HOME

RATE PER UNIT

APPLICABLE:

Entire territory served.

AVAILABILITY OF SERVICE:

Available to members of this Cooperative for Farm and Home use having a required transformer capacity not to exceed 50 KVA, subject to all rules and regulations established by the Cooperative.

TYPE OF SERVICE:

- A. Single-Phase, 120/240 volts, or
- B. Three-Phase, 240/480 volts, or
- C. Three-Phase, 120/208 wye volts

RATES:

Customer charge per delivery point	\$10.58 per month	12.69
Energy charge	0.08886 per KWH	.09083
Off peak energy charge	0.05332	.05441

Applicable only to programs which are expressly approved by the Commission to be offered under the Marketing Rate of East Kentucky Power Cooperative's Wholesale Power Rate Schedule A during the following off-peak hours. Energy furnished under this rate shall be separately metered for each point of delivery.

Months	Off-Peak Hours (EST)
October through April	12:00 noon to 5:00 PM 10:00 PM to 7:00 PM
May through September	10:00 PM to 10:00 AM

DATE OF ISSUE: May 31, 2011
ISSUED BY: *[Signature]*

DATE EFFECTIVE: June 1, 2011
TITLE: PRESIDENT/GENERAL MANAGER

Issued by authority of an Order of the Public Service Commission of Kentucky in Case No. 2010-00496 dated May 31, 2011.

KENTUCKY PUBLIC SERVICE COMMISSION	
JEFF R. DEROUEN EXECUTIVE DIRECTOR	<i>[Signature]</i>
EFFECTIVE 6/1/2011 PURSUANT TO 807 KAR 5:011 SECTION 9 (1)	

FORM FOR FILING RATE SCHEDULES

FOR ALL TERRITORIES SERVED

PSC NO. 2010-00496

ORIGINAL SHEET NO. 2

BIG SANDY RURAL ELECTRIC
COOPERATIVE CORPORATION

CANCELLING PSC NO. 2010-00168

ORIGINAL SHEET NO. 2

CLASSIFICATION OF SERVICE

SCHEDULE A-1 FARM & HOME

RATE PER UNIT

MINIMUM CHARGES:

\$12.69

The minimum monthly charge under the above rate is ~~\$10.38~~. For members requiring more than 15 KVA of transformer capacity, the minimum monthly charge shall be increased at the rate of 75 cents for each additional KVA or fraction thereof required.

TERMS OF PAYMENT:

All of the above rates are net, the gross rates being seven percent (7%) higher. In the event the current monthly bill is not paid within 15 days from the date of the bill, the gross rates shall apply.

SPECIAL RULES:

- A. The rated capacity of a single-phase motor shall not be in excess of ten horsepower (10 hp).
- B. Motors having a rated capacity in excess of ten horsepower (10 hp) must be three phase.
- C. Service under this schedule is limited to customers whose load requirements can be met by transformers having a capacity not to exceed 50 KVA. Customers requiring more than 50 KVA shall be serviced under an appropriate schedule for larger power service.

BUDGET BILLING:

Members having an opportunity to sign agreements with the Cooperative for spreading billing evenly over a twelve (12) month period. The billing is based on estimated consumption made by a Cooperative representative. In May, the end of the twelve-month

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KENTUCKY PUBLIC SERVICE COMMISSION
JEFF R. DEROUEN EXECUTIVE DIRECTOR
EFFECTIVE 6/1/2011
PURSUANT TO 807 KAR 5:011 SECTION 9 (1)

FORM FOR FILING RATE SCHEDULES

FOR ALL TERRITORIES SERVED

PSC NO. 2010-00496

**BIG SANDY RURAL ELECTRIC
COOPERATIVE CORPORATION**

ORIGINAL SHEET NO. 3

CANCELLING PSC NO. 2010-00168

ORIGINAL SHEET NO. 3

CLASSIFICATION OF SERVICE

SCHEDULE A-1 FARM & HOME

RATE PER UNIT

Period, the difference between payments and actual usage is adjusted by adding or crediting the difference of the regular electric service bill.

FUEL ADJUSTMENT CLAUSE:

All rates are applicable to the Fuel Adjustment Clause and may be increased or decreased by an amount per KWH equal to the fuel adjustment amount per KWH as billed by the wholesale power supplier plus an allowance for line losses. The allowance for line losses will not exceed 10% and is based on a 12-month moving average of such losses. This Fuel Clause is subject to all other applicable provisions as set out in 807 KAR 5:056.

DATE OF ISSUE: May 31, 2011
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TITLE: PRESIDENT/GENERAL MANAGER

Issued by authority of an Order of the Public Service Commission of Kentucky in Case No. Bent Kirtley
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KENTUCKY PUBLIC SERVICE COMMISSION
JEFF R. DEROUEN EXECUTIVE DIRECTOR
EFFECTIVE 6/1/2011 PURSUANT TO 807 KAR 5:011 SECTION 9 (1)

FORM FOR FILING RATE SCHEDULES

FOR ALL TERRITORIES SERVED

BIG SANDY RURAL ELECTRIC
COOPERATIVE CORPORATION

PSC NO. 2010-00496

ORIGINAL SHEET NO. 4

CANCELLING PSC NO. 2010-00168

ORIGINAL SHEET NO. 4

CLASSIFICATION OF SERVICE

SCHEDULE A-2 COMMERCIAL AND SMALL POWER RATE PER UNIT

APPLICABLE:

Entire territory served.

AVAILABILITY OF SERVICE:

Available to commercial loads having a required transformer capacity not to exceed 25 KVA

TYPE OF SERVICE:

Single-phase and Three-phase at a standard voltage

RATES:

Customer charge per delivery point
Energy charge
Demand charge

~~\$20.76~~ per month 24.64
~~0.07764~~ per KWH 1.07880
~~5.19~~ per KW 5.50

MINIMUM MONTHLY CHARGE:

The minimum monthly charge under the above rate shall be \$20.76 where 15 KVA or less of transformer capacity is required. For consumers requiring more than 15 KVA of transformer capacity, the minimum monthly charge shall be increased at the rate of 75 cents for each additional KVA or fraction thereof required.

MINIMUM ANNUAL CHARGE FOR SEASONAL SERVICE:

Customers requiring service during, but not to exceed nine months per year may guarantee a minimum annual payment of twelve (12) times the minimum monthly charge determined in accordance with the foregoing section, in which case there shall be no minimum monthly charge.

DATE OF ISSUE: May 31, 2011
ISSUED BY: *Paul G. [Signature]*

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TITLE: PRESIDENT/GENERAL MANAGER

Issued by authority of an Order of the Public Service Commission of Kentucky in Case No. *Bunt Kirtley*
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KENTUCKY PUBLIC SERVICE COMMISSION
JEFF R. DEROUEN EXECUTIVE DIRECTOR
EFFECTIVE 6/1/2011 PURSUANT TO 807 KAR 5:011 SECTION 9 (1)

FORM FOR FILING RATE SCHEDULES

FOR ALL TERRITORIES SERVED

PSC NO. 2010-00496

ORIGINAL SHEET NO. 5

BIG SANDY RURAL ELECTRIC
COOPERATIVE CORPORATION

CANCELLING PSC NO. 2010-00168

ORIGINAL SHEET NO. 5

CLASSIFICATION OF SERVICE

SCHEDULE A-2 COMMERCIAL AND SMALL POWER RATE PER UNIT

FUEL ADJUSTMENT CLAUSE:

All rates are applicable to the Fuel Adjustment Clause and may be increased or decreased by an amount per KWH equal to the fuel adjustment amount per KWH as billed by the Wholesale power Supplier for line losses will not exceed 10% and is based on a 12-month moving average of such losses. This Fuel Clause is subject to all other applicable provisions as set out in 807 KAR 5:056.

TEMPORARY SERVICE:

Temporary service shall be supplied in accordance with the foregoing rate except that there shall be an additional charge of one dollar and twenty-five cents (\$1.25) for each kilowatt or fraction thereof of connected load for each month or fraction thereof that service is connected. Bills will not be prorated for a fractional part of a month. The customer shall in addition, pay the total cost of connecting and disconnecting service less the value of materials returned to stock. The cooperative may require a deposit, in advance, of two-twelfth (2/12) of the estimated annual bill.

TERMS OF PAYMENT:

All of the above rates are net, the gross rates being seven percent (7%) higher. In the event the current monthly bill is not paid within 15 days from the date of the bill, the gross rates shall apply.

DATE OF ISSUE: May 31, 2011
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DATE EFFECTIVE: June 1, 2011
TITLE: PRESIDENT/GENERAL MANAGER

Issued by authority of an Order of the Public Service Commission of Kentucky in Case No. *Bunt Kistley*
May 31, 2011

KENTUCKY PUBLIC SERVICE COMMISSION	
JEFF R. DEROUEN EXECUTIVE DIRECTOR	
EFFECTIVE 6/1/2011 - PURSUANT TO 807 KAR 5:011 SECTION 9 (1)	

FORM FOR FILING RATE SCHEDULES

FOR ALL TERRITORIES SERVED

PSC NO. 2010-00496

ORIGINAL SHEET NO. 6

BIG SANDY RURAL ELECTRIC
COOPERATIVE CORPORATION

CANCELLING PSC NO. 2010-00168

ORIGINAL SHEET NO. 6

CLASSIFICATION OF SERVICE

SCHEDULE A-2 COMMERCIAL AND SMALL POWER RATE PER UNIT

SPECIAL RULES:

- A. The rated capacity of a single-phase motor shall not be in excess of ten Horsepower (10 hp).
- B. Motors having a rated capacity in excess of ten horsepower (10 hp) Must be three-phase.
- C. Service under this schedule is limited to customers whose load requirements can be met by transformers having a capacity not to exceed 25 KVA. Customers requiring more than 25 KVA shall be served under an appropriate schedule for large power service.

DATE OF ISSUE: May 31, 2011
ISSUED BY: [Signature]

DATE EFFECTIVE: June 1, 2011
TITLE: PRESIDENT/GENERAL MANAGER

Issued by authority of an Order of the Public Service Commission of Kentucky in Case No. 2010-00496 dated May 31, 2011.

[Signature]

KENTUCKY PUBLIC SERVICE COMMISSION
JEFF R. DEROUEN EXECUTIVE DIRECTOR
EFFECTIVE 6/1/2011 PURSUANT TO 807 KAR 5:011 SECTION 9 (1)

FORM FOR FILING RATE SCHEDULES

FOR ALL TERRITORIES SERVED

PSC NO. 2010-00496

ORIGINAL SHEET NO. 7

BIG SANDY RURAL ELECTRIC COOPERATIVE CORPORATION

CANCELLING PSC NO. 2010-00168

ORIGINAL SHEET NO. 7

CLASSIFICATION OF SERVICE

SCHEDULE LP LARGE POWER SERVICE

RATE PER UNIT

APPLICABLE:

Entire territory served.

AVAILABILITY OF SERVICE:

Available to customers located on or near Seller's three-phase lines having a required transformer capacity not to exceed 750 KVA, subject of the established rules and regulations of seller.

RATES:

Demand Charge	\$ 6.23	per KW of billing	6.25
Secondary Meter Energy Charge	0.06105	per KWH	.06119
Primary Meter Energy Charge	0.05896	per KWH	.05507
Customer Charge Per Delivery Point	64.36	per Month	93.28

DETERMINATION OF BILLING DEMAND:

The billing demand shall be the maximum kilowatt demand established by the customer for any period of fifteen (15) consecutive minutes during the month for which the bill is rendered, as indicated or recorded by demand meter and adjusted for power factor as follows:

POWER FACTOR ADJUSTMENT:

The customer agrees to maintain unity power factor as nearly as practicable. Should the demand meter indicate that the average power factor 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 percentage power factor.

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DATE EFFECTIVE: June 1, 2011
TITLE: PRESIDENT/GENERAL MANAGER

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KENTUCKY PUBLIC SERVICE COMMISSION
JEFF R. DEROUEN EXECUTIVE DIRECTOR
EFFECTIVE 6/1/2011 PURSUANT TO 807 KAR 5:011 SECTION 9 (1)

FORM FOR FILING RATE SCHEDULES

FOR ALL TERRITORIES SERVED

PSC NO. 2010-00496

BIG SANDY RURAL ELECTRIC
COOPERATIVE CORPORATION

ORIGINAL SHEET NO. 8

CANCELLING PSC NO. 2010-00168

ORIGINAL SHEET NO. 8

CLASSIFICATION OF SERVICE

SCHEDULE LP LARGE POWER SERVICE

RATE PER UNIT

FUEL ADJUSTMENT CLAUSE:

All rates are applicable to the Fuel Adjustment Clause and may be increased or decreased by an amount per KWH equal to the fuel adjustment amount per KWH as billed by the Wholesale Power Supplier plus an allowance for line losses. The allowance for line losses will not exceed 10% and is based on a 12-month moving average of such losses. This Fuel Clause is subject to all other applicable provisions as set out in 807 KAR 5:056.

MINIMUM MONTHLY CHARGE:

The minimum monthly charge shall be the highest one of the following charges as determined for the customer in question.

- (1) The minimum monthly charge specified in the contract for service.
- (2) A charge of seventy-five cents (\$.75) per KVA of installed transformer capacity.
- (3) A charge of Sixty-four Dollars and thirty-six cents (\$64.36).

MINIMUM ANNUAL CHARGE FOR SEASONAL SERVICE:

Customers requiring service only during certain seasons not exceeding nine (9) months per year may guarantee a minimum annual payment of twelve (12) times the minimum monthly charge determined in accordance with the foregoing section in which case there shall be no minimum monthly charge.

TYPE OF SERVICE:

Three-phase, 60 hertz, at Seller's standard voltage.

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dated *May 31, 2011*.

KENTUCKY PUBLIC SERVICE COMMISSION
JEFF R. DEROUEN EXECUTIVE DIRECTOR
EFFECTIVE 6/1/2011
PURSUANT TO 807 KAR 5:011 SECTION 9 (1)

FORM FOR FILING RATE SCHEDULES

FOR ALL TERRITORIES SERVED

PSC NO. 2010-00496

BIG SANDY RURAL ELECTRIC
COOPERATIVE CORPORATION

ORIGINAL SHEET NO. 9

CANCELLING PSC NO. 2010-00168

ORIGINAL SHEET NO. 9

CLASSIFICATION OF SERVICE

SCHEDULE LP LARGE POWER SERVICE

RATE PER UNIT

CONDITIONS OF SERVICE:

1. Motors having a rated capacity in excess of ten horsepower (10 hp) must be three-phase.
2. Both power and lighting shall be billed at the foregoing rate. If a separate meter is required for the lighting circuit, it shall be a kilowatt-hour meter only (not a demand meter). The registration of the two kilowatt-hour meters shall be added to obtain the total kilowatt hours used and the registration of the one demand meter shall determine the kilowatt demand for billing purposes.
3. All wiring, pole lines, and other electrical equipment beyond the metering point, shall be considered the distribution system of the customer and shall be furnished and maintained by the customer.
4. If service is furnished at primary distribution voltage, the primary meter energy charge shall apply.

TERMS OF PAYMENT:

All of the above rates are net, the gross rates being seven percent (7%) higher, In the event the current monthly bill is not paid within 15 days from the date of the bill, the gross rates shall apply.

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ISSUED BY: [Signature]

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TITLE: PRESIDENT/GENERAL MANAGER

Issued by authority of an Order of the Public Service Commission of Kentucky in Case No. 2010-00496, dated May 31, 2011.

[Signature]

KENTUCKY PUBLIC SERVICE COMMISSION
JEFF R. DEROUEN EXECUTIVE DIRECTOR
EFFECTIVE 6/1/2011
PURSUANT TO 807 KAR 5:011 SECTION 9 (1)

FORM FOR FILING RATE SCHEDULES

FOR ALL TERRITORIES SERVED

PSC NO. 2010-00496

ORIGINAL SHEET NO. 10

BIG SANDY RURAL ELECTRIC
COOPERATIVE CORPORATION

CANCELLING PSC NO. 2010-00168

ORIGINAL SHEET NO. 10

CLASSIFICATION OF SERVICE

SCHEDULE LPR LARGE POWER SERVICE

RATE PER UNIT

APPLICABLE:

In all territory served.

AVAILABILITY OF SERVICE:

Available to all commercial and industrial customers whose power requirements shall exceed 750 KVA of transformer capacity.

CONDITIONS:

An "Agreement for Purchase of Power" shall be executed by the customer for service under this schedule.

CHARACTER OF SERVICE:

The electric service furnished under this schedule will be 60 hertz, alternating current and at available nominal voltage.

RATE:

Maximum Demand Charge:	\$ 6.25	per KW of billing demand	6.25
Secondary Meter Energy Charge:	0.05742	per KWH	.06030
Primary Meter Energy Charge:	0.05552	per KWH	.05427
Customer Charge Per Delivery Point:	\$ 86.19	per month	107.68

DETERMINATION OF BILLING DEMAND:

The billing demand shall be the maximum kilowatt demand established by the customer for any period of fifteen (15) consecutive minutes during the month for which the bill is

DATE OF ISSUE: May 31, 2011
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[Signature]

EFFECTIVE

6/1/2011

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

KENTUCKY PUBLIC SERVICE COMMISSION
JEFF R. DEROUEN EXECUTIVE DIRECTOR
<i>[Signature]</i>
EFFECTIVE 6/1/2011 PURSUANT TO 807 KAR 5:011 SECTION 9 (1)

FORM FOR FILING RATE SCHEDULES

FOR ALL TERRITORIES SERVED

PSC NO. 2010-00496

BIG SANDY RURAL ELECTRIC
COOPERATIVE CORPORATION

ORIGINAL SHEET NO. 11

CANCELLING PSC NO. 2010-00168

ORIGINAL SHEET NO. 11

CLASSIFICATION OF SERVICE

SCHEDULE LPR LARGE POWER SERVICE

RATE PER UNIT

rendered, as indicated or recorded by a demand meter and adjusted for power factor as provided below.

POWER FACTOR ADJUSTMENT:

The customer agrees to maintain unity power factor as nearly as practicable. Should the demand meter indicate that the average power factor 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%), 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 percentage power factor.

MINIMUM CHARGES:

The minimum monthly charge shall be the highest one of the following charges:

- (a) The minimum monthly charge as specified in the contract for service.
- (b) A charge of seventy-five cents (\$.75) per KVA per month of contract capacity.

FUEL COST ADJUSTMENT:

All rates are applicable to the Fuel Adjustment Clause and may be increased or decreased by an amount per KWH equal to the fuel adjustment amount per KWH as billed by the Wholesale Power Supplier plus an allowance for line losses.

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ISSUED BY: [Signature]

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KENTUCKY PUBLIC SERVICE COMMISSION
JEFF R. DEROUEN EXECUTIVE DIRECTOR
[Signature] EFFECTIVE 6/1/2011 PURSUANT TO 807 KAR 5:011 SECTION 9 (1)

FORM FOR FILING RATE SCHEDULES

FOR ALL TERRITORIES SERVED

PSC NO. 2010-00496

BIG SANDY RURAL ELECTRIC
COOPERATIVE CORPORATION

ORIGINAL SHEET NO. 12

CANCELLING PSC NO. 2010-00168

ORIGINAL SHEET NO. 12

CLASSIFICATION OF SERVICE

SCHEDULE LPR LARGE POWER SERVICE

RATE PER UNIT

The allowance for line losses will not exceed 10% and is based on a 12-month moving average of such losses. This Fuel Clause is subject to all other applicable provisions as set out in 807 KAR 5:056.

SPECIAL PROVISIONS:

1. Delivery Point – If service is furnished at secondary voltage, the delivery point shall be the metering point unless otherwise specified in the contract for service. All wiring, pole lines, and other electric equipment on the load side of the delivery point shall be the point of attachment of Seller's primary line to customer's transformer structure unless otherwise specified in the contract for service. All wiring, pole lines, and other electrical equipment (except metering equipment on the load side of the delivery point) shall be owned and maintained by the customer.
2. Lighting – Both power and lighting shall be billed at the foregoing rate.
3. Primary Service – If service is furnished at 7620/13200 volts or above, the Primary Meter Energy Charge shall apply.

TERMS OF PAYMENT:

All of the above rates are net, the gross rates being seven percent (7%) higher. In the event the current monthly bill is not paid within 15 days from the date of the bill, the gross rates shall apply.

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TITLE: PRESIDENT/GENERAL MANAGER

Issued by authority of an Order of the Public Service Commission of Kentucky in Case No. 2010-00469, dated May 31, 2011.

[Signature]

KENTUCKY PUBLIC SERVICE COMMISSION
JEFF R. DEROUEN EXECUTIVE DIRECTOR
EFFECTIVE 6/1/2011 PURSUANT TO 807 KAR 5:011 SECTION 9 (1)

FORM FOR FILING RATE SCHEDULES

FOR ALL TERRITORIES SERVED

PSC NO. 2010-00496

BIG SANDY RURAL ELECTRIC
COOPERATIVE CORPORATION

ORIGINAL SHEET NO. 13

CANCELLING PSC NO. 2010-00168

ORIGINAL SHEET NO. 13

CLASSIFICATION OF SERVICE

SCHEDULE YL-1

RATE PER UNIT

APPLICABLE:

Entire territory served.

AVAILABILITY OF SERVICE:

Available to all members of the Cooperative subject to its established rules and regulations.

TYPE OF SERVICE:

Single-Phase, 120 volts, mercury vapor type or equivalent lighting unit.

RATES:

Flat rate per light per month as follows:

175	Watt	@	\$ 8.93	per month	9.49
400	Watt	@	13.42	per month	14.27
500	Watt	@	15.82	per month	16.82
1,500	Watt	@	36.81	per month	39.13
400	Watt Flood	@	18.14	per month	19.28

TERMS OF PAYMENT:

All of the above rates are net, the gross rates being seven percent (7%) higher. In the event the current monthly bill is not paid within 15 days from the date of the bill, the gross rates shall apply.

FUEL ADJUSTMENT CLAUSE:

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

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TITLE: PRESIDENT/GENERAL MANAGER

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May 31, 2011.

KENTUCKY PUBLIC SERVICE COMMISSION
JEFF R. DEROUEN EXECUTIVE DIRECTOR
DAVID A. RIFF BRANCH TITLE: PRESIDENT/GENERAL MANAGER
EFFECTIVE 6/1/2011 PURSUANT TO 807 KAR 5:011 SECTION 9 (1)

FORM FOR FILING RATE SCHEDULES

FOR ALL TERRITORIES SERVED

PSC NO. 2010-00496

BIG SANDY RURAL ELECTRIC
COOPERATIVE CORPORATION

ORIGINAL SHEET NO. 14

CANCELLING PSC NO. 2010-00168

ORIGINAL SHEET NO. 14

CLASSIFICATION OF SERVICE

SCHEDULE YL-1

RATE PER UNIT

and is based on a 12-month moving average of such losses. This Fuel Clause is subject to all other applicable provisions as set out in 807 KAR 5:056.

SPECIAL RULES:

Those members having primary metering or receiving service at a voltage other than approximately 120 volts shall not be eligible for service under this rate schedule except for special agreement.

DATE OF ISSUE: May 31, 2011

ISSUED BY: *[Signature]*

Issued by authority of an Order of the Public Service Commission of Kentucky in Case No. 2010-00496 dated *May 31, 2011.*

DATE EFFECTIVE: June 1, 2011

TITLE: PRESIDENT/GENERAL MANAGER

KENTUCKY PUBLIC SERVICE COMMISSION
JEFF R. DEROUEN EXECUTIVE DIRECTOR
<i>Brent Kirkley</i> PRESIDENT/GENERAL MANAGER
EFFECTIVE 6/1/2011 PURSUANT TO 807 KAR 5:011 SECTION 9 (1)

Big Sandy Rural Electric Cooperative
Case No. 2012-00030

Direct Testimony of Alan M. Zumstein

Q1 What is the purpose of your testimony?

A1 The purpose of my testimony is to explain the development of the rates based on the settlement that has been reached with the Office of the Attorney General (“OAG”) and Big Sandy Rural Electric Cooperative (“Big Sandy”). The OAG has agreed to allow Big Sandy to increase its rates by the amount of \$911,007, as was requested in the application.

Q2 What rates have been changed to accomplish this amount of increase?

A2 Big Sandy’s customer charge per month for its residential class (Schedule A-1 – Farm & Home) will be reduced from the steps of \$12.87 the first year, \$15.50 the second year, and \$18.00 the third year requested in the application to \$12.69 the first year to \$15.00 the next year. The energy charge has been adjusted to reflect the change in customer charges. The demand charges, customer charges, and energy charges for all other classes remain as contained in the original application.

Q3 How can it be determined that the proposed rate design will provide the amount of revenue agreed upon in the settlement?

A3 Exhibit J of the application can be referred to as the Revenue Analysis to provide the agreed upon revenue in the Settlement. Also, attached is Exhibit C, which develops the customer charge and energy charge for each customer charge level.

Q4 Will the proposed rates meet the needs of Big Sandy?

A4 The proposed rates as a result of this settlement will provide for the immediate financial needs of Big Sandy and should insure that Big Sandy will meet its mortgage requirements for several years.

Q5 What documentation is Big Sandy providing in support of this settlement?

A5 The following additional documents are provided as support:

- The proposed tariffs as Exhibit A, and,
- Change in rate design for Schedule A-1 – Farm & Home for the Settlement agreement as Exhibit C.

Q6 Have you made any other changes that need to be identified?

A6 No, there are none.

Q7 Does this conclude your testimony?

A7 This concludes my testimony.

Big Sandy Rural Electric Cooperative
Case No. 2012-00030
Effect of Customer Charge on Schedule A-1, Farm & Home

Calculation of Customer Charge and Energy Charge

Description	Test Year Billing Units	First Year	Settlement Revenues	Next Year	Settlement Revenues
Customer charge	144,933	\$12.69	\$1,839,200	\$15.00	\$2,173,995
Energy charge	182,561,395	\$0.09083	16,582,052	\$0.08900	16,247,964
rounding differences			530		(178)
			<u>\$18,421,781</u>		<u>\$18,421,781</u>

FORM FOR FILING RATE SCHEDULES

FOR ALL TERRITORIES SERVED

PSC NO. 2012-00030

ORIGINAL SHEET NO. 1

**BIG SANDY RURAL ELECTRIC
COOPERATIVE CORPORATION**

CANCELLING PSC NO. 2008-00401

ORIGINAL SHEET NO. 1

CLASSIFICATION OF SERVICE

SCHEDULE	CATV TELEVISION ATTACHMENT TARIFF	RATE PER UNIT
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APPLICABLE:

In all territory served by the company on poles owned and used by the Company for their electric plant.

AVAILABILITY:

To all qualified CATV operators having the right to receive service.

RENTAL CHARGE:

The yearly rental charge shall be as follows:

	<u>Annual</u>
Two-party pole attachment	\$ 7.86 (I)
Three-party pole attachment	6.04 (I)

BILLING:

Rental charges shall be billed yearly in advance based on the number of pole attachments. The rental charges are net, the gross being ten percent (10%) higher. In the event the current annual bill is not paid within thirty (30) days from the date of the bill, the gross rate shall apply.

DATE OF ISSUE: Sept. 17, 2012

DATE EFFECTIVE: Nov. 1, 2012

ISSUED BY: _____ TITLE: PRESIDENT/GENERAL MANAGER

Issued by authority of an Order of the Public Service Commission of Kentucky in Case No. 2012-00030, dated _____.

APPENDIX B

APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE
COMMISSION IN CASE NO. 2012-00030 DATED OCT 31 2012

The following rates and charges are prescribed for the customers in the area served by Big Sandy Rural Electric Cooperative Corporation. All other rates and charges not specifically mentioned herein shall remain the same as those in effect under authority of the Commission prior to the effective date of this Order.

SCHEDULE A-1 FARM AND HOME

<u>Rate Period</u>	<u>Per Month Customer Charge</u>	<u>All kWh</u>
Step One	\$ 12.69	\$.09083
Step Two	\$ 15.00	\$.08900
Off-Peak Energy Charge per kWh		\$.05441

SCHEDULE A-2
COMMERCIAL AND SMALL POWER

Customer Charge per Month	\$ 24.64
Demand Charge per kW	\$ 5.50
Energy Charge per kWh	\$.07880

SCHEDULE LP
LARGE POWER SERVICE

Customer Charge per Month	\$ 93.28
Demand Charge per kW	\$ 6.25
Energy Charge per kWh	
Primary Meter	\$.05507
Secondary Meter	\$.06119

SCHEDULE LPR
LARGE POWER SERVICE

Customer Charge per Month	\$ 107.68
Demand Charge per kW	\$ 6.25
Energy Charge per kWh	
Primary Meter	\$.05427
Secondary Meter	\$.06030

SCHEDULE YL-1
YARD SECURITY LIGHT SERVICE

Flat rate per light per month as follows:

175 Watt	\$ 9.49
400 Watt	\$ 14.27
500 Watt	\$ 16.82
1,500 Watt	\$ 39.13
400 Watt Flood	\$ 19.28

CABLE TELEVISION ATTACHMENTS

Annual charge as follows:

Two-party Pole Attachment	\$ 7.86
Three-party Pole Attachment	\$ 6.04

Honorable Albert A Burchett
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