

OWEN ELECTRIC COOPERATIVE, INC.  
RULES AND REGULATIONS NO. 40

Exhibit A

(As Amended June 1, 1997)

(Addendum to filings of 3/1/95 and 6/1/95)

AVERAGE COST DIFFERENTIALS  
FOR UNDERGROUND ELECTRIC DISTRIBUTION

- |    |  |        |
|----|--|--------|
| 1. | Underground primary cost differential<br>per trench foot                                 | \$5.63 |
| 2. | Underground service cost differential from<br>overhead or underground source<br>per foot | .50    |
| 3. | Cost to Consumer if Consumer opens and closes<br>trench and installs conduit             | \$0.00 |

PUBLIC SERVICE COMMISSION  
OF KENTUCKY  
EFFECTIVE

JUN 01 1997

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

BY: Jordan C. Neel  
FOR THE PUBLIC SERVICE COMMISSION

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**OWEN ELECTRIC COOPERATIVE, INC.  
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Methodology for Computing Underground Cost Differentials

**I. Underground Primary Cost Differential**

Underground primary line extensions for 1996:

Total Cost	\$1,037,285.98
Total Footage	86,902
Cost per Foot	\$ 11.94

Overhead primary line extension for 1996:

Total Cost	\$822,526.25
Total Footage	130,433
Cost per Foot	\$ 6.31

**Cost Differential:** \$11.94 - \$6.31 = \$5.63 per foot

**II. Underground Service Cost Differential**

Underground service extensions for 1996:

Total Cost	\$138,710.18
Total Footage	30,752
Cost per Foot	\$ 4.51

Overhead service extensions for 1996:

Total Cost	\$ 20,908.28
Total Footage	5,241
Cost per Foot	\$ 3.99

**Cost Differential:** \$4.51 - \$3.99 = \*\$.52 per foot

\*use \$.50 per foot

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