SOUTH KENTUCKY R.E.C.C.
SOMERSET, KENTUCKY 42501

RULES AND REGULATIONS

5.40 DEPOSITS (T)

(a) Residential - Equal deposits shall be charged for each account connected as follows:

Consumers with Electric Heat	$150.00
Consumers without Electric Heat	$ 75.00

CANCELLED
MAR 10 2014
KENTUCKY PUBLIC
SERVICE COMMISSION

These amounts do not exceed 2/12 of the average annual bill of all like consumers served by the Cooperative and is approximately 2/12 of the average annual bill. An exception may be made if 12 months history is available and 2/12 would be less, then the lesser amount may be charged.

(b) Small Commercial (up to and including 50KVA) - Deposits shall be approximately 2/12 of the annual bills and shall be based upon actual usage of the Consumer at the same or similar premises for the most recent twelve (12) month period, if such information is available. If usage is not available the deposit will be based on the average bills of similar consumer and premises in the Cooperative. For a consumer which no similar consumer or history exists, an estimate will be calculated based on engineering data, such as requirements for transformer size, particular loads to be served and type and duration of usage.

(c) Industrial and Large Power (above 50KVA) - Deposits shall be approximately 2/12 of the annual bills and determined in the same manner as (b) above.

(d) All Other Accounts - Deposits shall be approximately 2/12 of the annual bills and determined in the same manner as (b) above. However, if the deposit amount so calculated would result in a deposit of less than $30.00, no deposit will be required.

5.41 EXCEPTION TO REQUIRED DEPOSITS (T)

A deposit may be waived for those classifications in section 5.40 Deposits - (a) Residential, (b) Small Commercial and (d) All Other, under the following conditions:

(a) If the consumer has a twelve (12) month history, with the Cooperative, of timely payments with no more than two cut-off notices generated within that period.

(b) If the consumer has an acceptable letter of credit from another electric utility which is no more than 18 months old.

PUBLIC SERVICE COMMISSION
OF KENTUCKY
EFFECTIVE

DATE OF ISSUE: MARCH 11, 1994 DATE EFFECTIVE: AUGUST 31, 1992

APR 13 1994

ISSUED BY: Keith Sloan PRESIDENT/GEN. MANAGER
SOUTH KENTUCKY R.E.C.C. P.O. BOX 910 SOMERSET, KENTUCKY 42502
Issued by authority of an order of the Public Service Commission of Kentucky in Case No._____ dated _____.

PURSUANT TO 807 KAR 5:011,
SECTION 9 (1)
BY: [signature]
PUBLIC SERVICE COMMISSION MANAGER