



Big Sandy Rural Electric Cooperative Corporation

504 11th Street
Paintsville, Kentucky 41240-1422
(606) 789-4095 • Fax (606) 789-5454
Toll Free (888) 789-RECC (7322)

2/8/2013

Dear Member,

Big Sandy RECC has filed a proposal with the Public Service Commission to upgrade from its old budget billing plan to a levelized budget billing plan effective July 1, 2013.

The levelized budget billing plan provides Big Sandy with a better way to manage its budget consumers by continuous monitoring of consumers' kwh usage. This type of budget plan assures an accurate calculation of your billing each month instead of having a large amount due or any overpayments at the end of the plan year.

The change referenced in this notice is the change proposed by Big Sandy RECC. The Public Service Commission may require changes that differ from Big Sandy's proposal.

If this proposal is accepted by the Public Service Commission, the attached form will need to be completed in order to continue on the budget billing plan. Any customer not wanting to continue on the budget billing plan should contact the utility.

A person may within thirty (30) days after the mailing of this notice submit a written request to intervene to the Public Service Commission, 211 Sower Boulevard, P.O. Box 615, Frankfort, Kentucky 40602 establishing the grounds for the request including the status and interest of the party.

A person may examine this filing and any other documents the utility has filed with the Public Service Commission at the offices of Big Sandy RECC located at 504 11th Street, Paintsville, Kentucky, and on the utility's Web site at www.bigsandyrecc.com.

This filing and any related documents are available on the Public Service Commission's Web site at <http://psc.ky.gov>.

Written comments regarding the proposed change may be submitted to the Public Service Commission by mail or through the Public Service Commission's Website.

Sincerely,

A handwritten signature in black ink, appearing to read "Bruce Aaron Davis".

Bruce Aaron Davis
Big Sandy RECC
Manager of Billing/Member Service Dept.
606-789-4095 ext. 235
badavis@bigsandyrecc.com

LEVELIZED BILLING PLAN

This Levelized Billing Plan is being offered to members of Big Sandy Rural Electric Cooperative presently being billed under Residential Classification for the specific purpose of assisting the member with averaging monthly payments.

TERMS AND CONDITIONS

- (1) Levelized Billing Plan is available to all qualifying residential customers.
- (2) The "Levelized Billing Plan" is available only for residential consumers that have not had more than one (1) late payment or no checks returned for insufficient funds in the preceding twelve (12) months.
- (3) If a member on levelized billing becomes delinquent more than (2) times in a twelve month period they will be removed from the levelized billing plan.
- (4) Levelized Billing statements will indicate the actual current month bill, state and local taxes (if applicable), and the levelized payment amount to be paid.
- (5) To determine the levelized amount, add the Bill Amounts (Energy, Fuel, Yard Lights) for the most current 12 months including the current bill (or the number of months available). The amounts of MISCCHG, OTHERCHG, PENALTY, CONTRACT, MBRFEE, CONSDEP, OTHERDEP, TAX, LOCALTAX, FRANCHISETAX, GROSSTAX, OTHERTAX, OTHER AMTS 1 3, ROUNDUP and Switch Credits (EQUIPMENT) are not included.

To this value, add the account balance prior to the calculation of the current bill and divide by 12 (or the number of months that are available). This value becomes the "Average Bill" (for the months that the consumer has been connected).

To the "Average Bill", add (from the current bill) the actual taxes, misc. charges, other charges, roundup, contract amounts, load management switch credits, Other Amounts 1 3, membership fee, consumer deposit, and other deposit that were billed. Then, round the amount to the nearest whole dollar amount.

The result is added to Budget Bill Balance as the Levelized Bill Amount for the account for the month.

The Total Bill, however, is the levelized amount calculated.

- (6) Billing under this rider may be terminated by either party at any time by giving reasonable notice to the other and shall be automatically terminated upon execution of discontinuance of service for any reason. In the event billing under this rider is terminated for any reason, then the accumulated balance of the consumers account attributable to this levelized billing plan shall be settled within thirty (30) days.

The above described Levelized Billing Plan, may become effective with the billing for the month of _____, 20____ and remain in effect until cancelled by either party upon notice or for other reasons.

MEMBER'S SIGNATURE

ACCOUNT: _____ LOCATION: _____

BSRECCC REP. _____ DATE: _____