P.S.C. No. 2 N
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Jackson Purchase Energy Corporation
2900 Irvin Cobb Drive
Paducah, KY 42003

RECEIVED
JUL 03 2008
PUBLIC SERVICE COMMISSION

Rates, Rules and Regulations for Furnishing

ELECTRIC SERVICE

In six counties in the State of Kentucky as
depicted on territorial maps as filed with the

PUBLIC SERVICE COMMISSION OF KENTUCKY

Date of Issue
July 2, 2008

Date Effective
With Service Rendered
On and After
June 25, 2008

PUBLIC SERVICE COMMISSION
OF KENTUCKY
EFFECTIVE
6/25/2008
PURSUANT TO 807 KAR 5:011
SECTION 9 (1)
By Stephanie Stumbo
Executive Director

Issued by
G. Kelly Nuckols, President and CEO

FOR Jackson Purchase Energy Corp.
Entire Territory Served
Community, Town or City

P.S.C. KY NO. 2

SHEET NO. 1

CANCELLING P.S.C. KY NO. Original

SHEET NO.

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ISSUED BY G. Kelly Nuckols
G. Kelly Nuckols

TITLE President & CEO

BY AUTHORITY OF ORDER OF THE PUBLIC SERVICE COMMISSION

IN CASE NO. 2007-00116 DATED June 17, 2008

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SHEET NO. 4

CANCELLING P.S.C. KY NO. Original

SHEET NO.

RATES AND CHARGES
SCHEDULE R – RESIDENTIAL

Applicability N

Entire service territory. N

Availability of Service N

Available to all residential Members for use in the home and on the farm. Residential electric service is available for uses customarily associated with residential occupation, including lighting, cooking, heating, cooling, refrigeration, household appliances and other domestic purposes. N

Residential rates are based on service to single family units and are not applicable to multi-family dwellings served through a single meter. Where two or more families occupy a residential building, JPEC may require as a condition precedent to the application of the residential rate that the wiring in the building be so arranged as to permit each family to be served through a separate meter. In those cases where such segregation of wiring would involve undue expense to the Member, at the Member's option in lieu of the foregoing, electric service rendered to a multi-family residential building through a single meter will be classified as commercial and billed on the basis of service to a Member at an appropriate non-residential rate. N

If a separate meter is used to measure the consumption to remotely located buildings, such as garages, barns, pump houses, grain bins or other outbuildings, or facilities, such as electric fences, it will be considered a separate service and be billed as a separate service at the applicable non-residential rate. N

Type of Service N

Single phase, 60 cycle at available secondary service voltages. N

Rates N

Facilities Charge:	Per month	$9.00	N
All Energy:	Per kWh per month	$0.06211	N

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IN CASE NO. 2007-00016 DATED June 17, 2008

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P.S.C. KY NO. 2

SHEET NO. 5

CANCELLING P.S.C. KY NO. Original

SHEET NO.

RATES AND CHARGES
SCHEDULE R – RESIDENTIAL

Delivery Point N

The delivery point shall be the connection between conductors furnished and installed by JPEC and the conductors furnished and installed by the Member. Normally, JPEC will furnish a meter base to the Member which shall be installed by the Member in the Member's service entrance facilities. All wiring and other equipment (except metering equipment) located on the load side of the delivery point shall be owned and maintained by the Member. N N N N N

Condition of Service N

Service will be furnished under JPEC's Rules and Regulations applicable hereto. N

Compensating starting equipment may be required for all motors rated fifteen (15) horsepower or greater and for smaller motors when specified by JPEC because of power line characteristics. N N

Payment Terms N

The above rates are net, the gross rates being five percent (5%) higher. In the event the current bill is not paid on or before the due date as shown on the bill, the gross rates shall apply to any unpaid portion. N N

Adjustment Clauses N

The bill amount computed at the rates specified above shall be increased or decreased in accordance with: N

Cost Reduction Adjustment	Sheet	74	N
Franchise Fee Rider	Sheet	76	N
School Tax	Sheet	78	N

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SHEET NO. 6

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SHEET NO.

RATES AND CHARGES

SCHEDULE C-1 – SMALL COMMERCIAL SINGLE PHASE

Applicability N

Entire service territory. N

Availability of Service N

To general lighting and small power commercial loads served at single phase available voltage levels. N

Service under this schedule will be limited to maximum loads not exceeding 25 kW. Service to existing Members with a maximum load exceeding 25 kW is restricted to those Members being billed under the rate schedule as of its effective date of June 25, 2008. New Members, upon demonstrating an average demand of 25 kW or greater, will be served under the appropriate rate schedule, other than this schedule. N N N N

Type of Service N

Single phase, 60 cycle at available voltages. N

Rates N

Facilities Charge:	Per month	$10.00	N
All Energy:	Per kWh per month	$0.06312	N

Payment Terms N

The above rates are net, the gross rates being five percent (5%) higher. In the event the current bill is not paid on or before the due date as shown on the bill, the gross rates shall apply to any unpaid portion. N N

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P.S.C. KY NO. 2

SHEET NO. 7

CANCELLING P.S.C. KY NO. Original

SHEET NO.

RATES AND CHARGES

SCHEDULE C-1 – SMALL COMMERCIAL SINGLE PHASE

Adjustment Clauses N

The bill amount computed at the rates specified above shall be increased or decreased in accordance with: N

Cost Reduction Adjustment	Sheet	74
Franchise Fee Rider	Sheet	76
School Tax	Sheet	78

Terms and Conditions N

Service will be furnished under JPEC's Rules and Regulations applicable hereto. N

Delivery Point N

The point of delivery of electric energy shall be the connection between conductors furnished and installed by JPEC and the conductors furnished and/or installed by the Member. Normally, JPEC shall furnish a meter base to the Member, which shall be installed by the Member in the Member's service entrance facilities.

Primary Service N

If service is furnished at JPEC's primary voltage, a primary discount shall not be applicable in order to offset JPEC's additional equipment costs of the primary metering installation. Primary metering installations shall be evaluated on an individual basis.

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SHEET NO. 8

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SHEET NO.

RATES AND CHARGES

SCHEDULE C-3 – SMALL COMMERCIAL THREE PHASE

Applicability N

Entire service territory. N

Availability of Service N

To general lighting and small power commercial loads served at three phase available voltage levels and not exceeding 25 kW. N N

Type of Service N

Three phase, 60 cycle at available voltages. N

Rates N

Facilities Charge:	Per month	$18.00	N
All Energy:	Per kWh per month	$0.05939	N

Payment Terms N

The above rates are net, the gross rates being five percent (5%) higher. In the event the current bill is not paid on or before the due date as shown on the bill, the gross rates shall apply to any unpaid portion. N N

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SHEET NO. 9

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SHEET NO.

RATES AND CHARGES

SCHEDULE C-3 – SMALL COMMERCIAL THREE PHASE

Adjustment Clauses N

The bill amount computed at the rates specified above shall be increased or decreased in accordance with: N

Cost Reduction Adjustment	Sheet	74
Franchise Fee Rider	Sheet	76
School Tax	Sheet	78

Terms and Conditions N

Service will be furnished under JPEC's Rules and Regulations applicable hereto. N

Compensating starting equipment may be required for all motors rated fifteen (15) horsepower or greater, and for smaller motors when specified by JPEC because of power line characteristics.

All wiring, pole lines and other electrical equipment (except metering equipment), starters, switches and fuses beyond the delivery point will be considered the distribution system of the Member and shall be furnished and maintained by the Member.

Delivery Point N

The point of delivery of electric energy shall be the connection between conductors furnished and installed by JPEC and the conductors furnished and/or installed by the Member. Normally, JPEC shall furnish a meter base to the Member, which shall be installed by the Member in the Member's service entrance facilities.

Primary Service N

If service is furnished at JPEC's primary voltage, a primary discount shall not be applicable in order to offset JPEC's additional equipment costs of the primary metering installation. Primary metering installations shall be evaluated on an individual basis.

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SHEET NO. 10

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SHEET NO.

RATES AND CHARGES

SCHEDULE OL – OUTDOOR LIGHTING

Applicability

Applicable to any class Member.

Type of Service

JPEC will install and maintain automatic lighting fixtures and lamps for high pressure sodium (HPS) or metal halide (Metal) lamps controlled by a photo cell. Existing mercury vapor (MV) lamps will be maintained for existing Members as long as ballasts and bulbs are available but will not be offered for new applications. MV lights will be converted to equivalent high pressure sodium or metal halide lights at the current rates if a mercury vapor light is not repairable.

Rate Per Month

Watts	Lamp Type	Standard Fixture Lumens	Monthly kWh	Rate per Unit
175	MV	7,000	70	$ 7.51
400	MV	20,000	145	11.22
100	HPS	8,000	40	7.51
250	HPS	23,000	95	10.00
250	HPS - Flood	23,000	95	10.56
175	Metal	14,000	72	12.67
400	Metal	34,000	163	17.82
1,000	Metal - Flood	110,000	367	25.04

Terms of Payment

The above terms are net, the gross rates being five percent (5%) higher. In the event the current bill is not paid on or before the date shown on the bill, the gross rates shall apply.

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Executive Director

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P.S.C. KY NO. 2

SHEET NO. 11

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SHEET NO.

RATES AND CHARGES

SCHEDULE OL – OUTDOOR LIGHTING

Upon initial request for lighting, Member shall agree to a minimum service period of two (2) years. If Member disconnects the lighting service before the end of the two year period any remaining balance will be billed to the Member. This term shall apply to a new lighting installation or when an on-site trip is required to energize a previously existing light.

Conditions of Service

Service will be furnished under JPEC's Rules and Regulations applicable hereto.

JPEC will furnish and install one complete lighting unit consisting of the light fixture, arm, ballast, photo cell and lamp. Service may be installed on any existing facility owned by JPEC other than a meter pole. In the event that facilities other than the preceding items (i.e., added cost ornamental lighting and/or poles) are required, the member shall pay a non-refundable contribution-in-aid of construction equal to the total additional cost incurred by JPEC for the additional facilities. Such cost shall include all added material, labor and applicable overhead costs. The contribution-in-aid of construction shall be deposited by the Member or Members based on the estimated cost of the additional facilities. When construction is completed, the Member shall be billed for the actual cost of construction, and credit for advance payment shall be given.

Should the Member require that the lighting be placed in a location other than on an existing facility, the Member shall agree to pay the entire cost of any required facility (less light fixture, ballast, photo cell and lamp) over a twenty-four (24) month period. Member shall agree that should they disconnect the light service before the completion of the twenty-four (24) month period they shall be immediately billed any remaining balance unless any succeeding Member shall agree to continue that obligation. It will be incumbent on the existing member to arrange responsibility with the succeeding member.

Illumination shall be furnished from dusk until dawn using JPEC's best efforts. Outages or malfunctions of the light should be reported as promptly as possible by the Member.

Lamp, ballast, standard globe, standard shade and photo cell replacements will be made by JPEC without cost during normal work hours. Any maintenance outside of the lamp, ballast, standard globe, standard shade or photo cell, including replacement of any existing facility used solely to provide light shall be paid for by the

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RATES AND CHARGES

SCHEDULE OL – OUTDOOR LIGHTING

Member. The Member is responsible for painting of any ornamental fixtures or will reimburse JPEC for any painting requested by the Member. JPEC may require pre-payment before painting and/or replacement is performed. N N N

Any damage to the lamps, luminaries and other equipment resulting from actions other than those performed by JPEC personnel may be charged to the Member at cost, on a separate invoice, if not reimbursed to JPEC by a third party. N N N

The above rate is predicated on JPEC furnishing the basic lamp facility including fixture, arm, ballast, photo cell and lamp and the Member providing (or reimbursing JPEC for) any material or pole needed to mount the fixture in a location other than on existing JPEC facilities. JPEC will not mount light fixtures on a meter pole. N N N

Adjustment Clauses N

The bill amount computed at the rates specified above shall be increased or decreased in accordance with: N

Cost Reduction Adjustment	Sheet 74	N
Franchise Fee Rider	Sheet 76	N
School Tax	Sheet 78	N

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SHEET NO. 13

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SHEET NO.

RATES AND CHARGES

SCHEDULE D – COMMERCIAL AND INDUSTRIAL DEMAND LESS THAN 3,000 kW

Applicability

Entire service territory.

Availability of Service

To commercial and industrial Members with maximum single or three phase load greater than 25 kW and less than 3,000 kW.

Members, upon demonstrating a billed demand of 3,000 kW or greater in two (2) months of any consecutive thirteen (13) month period, will be served under the appropriate (excluding this) rate schedule and shall remain on that schedule for a minimum of twelve (12) consecutive months. For the first billed demand above 3,000 kW as referenced above, the Member's consumption will be billed at the existing rate. For the second billed demand above 3,000 kW as referenced above, the Member's consumption will be billed at the appropriate (excluding this) rate schedule.

Type of Service

Single phase or three phase, 60 cycle at available voltages.

Rates

Facilities Charge:	Per month	$35.00
Demand Charge:	Per kW per month	$6.50
Energy:		
First	200 kWh per kW per month	$0.03422 per kWh per month
Next	200 kWh per kW per month	$0.02692 per kWh per month
Next	200 kWh per kW per month	$0.02321 per kWh per month
Over	600 kWh per kW per month	$0.01961 per kWh per month

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SHEET NO. 14

CANCELLING P.S.C. KY NO. Original

SHEET NO.

RATES AND CHARGES

SCHEDULE D – COMMERCIAL AND INDUSTRIAL DEMAND LESS THAN 3,000 kW

The monthly billing shall be the sum of the Facilities Charge, Demand Charge, Energy Charge, any applicable Adjustment Clause, and applicable taxes.

Determination of Billing Demand

The billing demand shall be the maximum integrated thirty (30) minute demand of the Member at the Member's delivery point as indicated or recorded by a demand meter. Member shall maintain a power factor at the delivery point as nearly practical to unity (100%). Power factor during normal operation may range from unity to ninety percent (90%). If Member's power factor is less than ninety percent (90%) at time of maximum load, JPEC reserves the right to adjust the maximum monthly metered demand for billing purposes in accordance with the following formula:

$$\text{Monthly Billing Demand (kW)} = \frac{\text{Maximum Actual Measured Demand (kW) X 90\%}}{\text{Power Factor (\%)}}$$

Minimum Monthly Demand

The minimum monthly demand under this schedule shall be determined from the greater of (1), (2), (3) or (4):

1. The maximum demand registered in the current billing period.
2. The maximum power factor adjusted demand registered in the current billing period.
3. Sixty percent (60%) of the highest monthly maximum billing demand in the preceding twelve (12) billing periods.
4. Sixty percent (60%) of the agreement or contract capacity, based on the expected maximum kW demand upon the system.

Terms and Conditions

Service will be furnished under JPEC's Rules and Regulations applicable hereto.

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RATES AND CHARGES

SCHEDULE D – COMMERCIAL AND INDUSTRIAL DEMAND LESS THAN 3,000 kW

Compensating starting equipment may be required for all motors rated fifteen (15) horsepower or greater, and for smaller motors when specified by JPEC because of power line characteristics. All wiring, pole lines and other electrical equipment (except metering equipment), starters, switches and fuses beyond the delivery point will be considered the distribution system of the Member and shall be furnished and maintained by the Member. N N N N

Delivery Point N

The point of delivery of electric power and energy shall be the connection between conductors furnished and installed by JPEC and the conductors furnished and/or installed by the Member. JPEC may furnish a meter base to the Member, which shall be installed by the Member in the Member's service entrance facilities. The Member's conductors may be terminated by JPEC at a location as determined by JPEC. N N N N

Primary Service N

A two and one-half percent (2 ½%) primary discount will be applied to rates in the bill, including minimum charge, of any primary delivery Member who has a demand of 100 kW or more during the billing period. For those Members with demand less than 100 kW, two and one-half percent (2 ½%) primary discount shall not be applicable in order to offset the additional equipment costs of the primary metering installation. Primary service under this rate schedule is restricted to those Members being billed under the rate schedule as of its effective date of June 25, 2008. Primary metering installations shall be evaluated on an individual basis. N N N N N N

Adjustment Clauses N

The bill amount computed at the rates specified above shall be increased or decreased in accordance with: N

Cost Reduction Adjustment	Sheet	74
Franchise Fee Rider	Sheet	76
School Tax	Sheet	78

N
N
N

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ISSUED BY G. Kelly Nuckols

TITLE President & CEO

BY AUTHORITY OF ORDER OF THE PUBLIC SERVICE COMMISSION

IN CASE NO. 2007-00116 DATED June 17, 2008

PUBLIC SERVICE COMMISSION
OF KENTUCKY
EFFECTIVE
6/25/2008
PURSUANT TO 807 KAR 5:011
SECTION 9 (1)

By Stephanie Stumbo
Executive Director

FOR Jackson Purchase Energy Corp.
Entire Territory Served
Community, Town or City

P.S.C. KY NO. 2

SHEET NO. 16

CANCELLING P.S.C. KY NO. Original

SHEET NO.

RATES AND CHARGES

SCHEDULE D – COMMERCIAL AND INDUSTRIAL DEMAND LESS THAN 3,000 kW

Payment Terms N

The above rates are net, the gross rate being five percent (5%) higher. In the event the current bill is not paid on or before the due date as shown on the bill, the gross rate shall apply to any unpaid portion. N N

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By Stephanie Bumbaugh
Executive Director

FOR Jackson Purchase Energy Corp.
Entire Territory Served
Community, Town or City

P.S.C. KY NO. 2

SHEET NO. 17

CANCELLING P.S.C. KY NO. Original

SHEET NO.

RATES AND CHARGES

SCHEDULE I-E – LARGE COMMERCIAL AND INDUSTRIAL – EXISTING

Applicability N

Entire service territory. N

Availability of Service N

To existing Members as of the effective date of this rate schedule, June 25, 2008. Service under this schedule shall be for Members with maximum load greater than 3,000 kW and less than 10,000 kW contracting for service under terms and conditions set forth in the Large Industrial Customer Tariff of Big Rivers Electric Corporation. N N N

The Member will continue to be billed under this rate schedule until such time as the billed demand for the Member is less than 3,000 kW for twelve (12) consecutive months. N N

Service under this schedule will be limited to maximum loads not exceeding 10,000 kW. Members with new or increased load requirements that exceed 10,000 kW will have a rate developed as part of their agreement or contract based upon their electrical characteristics. N N N

Type of Service N

Three phase, 60 cycle served at primary or transmission voltage. N

Conditions of Service N

Service will be furnished under JPEC's Rules and Regulations applicable hereto. N

It is the responsibility of the Member to keep JPEC fully informed of any change or expected change in operations which will affect the Member's qualification to be served on this rate. N N

Service hereunder shall be subject to the following conditions: N

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FOR Jackson Purchase Energy Corp.
Entire Territory Served
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P.S.C. KY NO. 2

SHEET NO. 18

CANCELLING P.S.C. KY NO. Original

SHEET NO.

RATES AND CHARGES

SCHEDULE I-E – LARGE COMMERCIAL AND INDUSTRIAL – EXISTING

1. Member shall be served under this rate schedule as of the effective date of this schedule, June 25, 2008. N
2. Member's service characteristics shall meet the qualifications for service specified in the Big Rivers Large Industrial Customer Tariff. N
3. It shall be the responsibility of the Member to coordinate through JPEC or its authorized agent all transactions that JPEC must take on behalf of the Member pursuant to the Big Rivers Large Industrial Tariff. N

Monthly Charges N

Service Charge:	Per month	$300.00
Demand Charge:	First 3,000 kW of billing demand per month	$34,500.00
	All additional kW per kW per month	$11.50
All Energy:	Per kWh per month	$0.01735

Minimum Monthly Charge N

The minimum monthly charges under this rate shall be the sum of the monthly Service Charge ($300.00) and $34,500.00 where 3,000 kVA or less of transformer capacity is required. For Members requiring more than 3,000 kVA of transformer capacity, the minimum monthly charge shall be increased by $1.00 for each kVA or fraction thereof required above 3,000 kVA. Where it is necessary to extend or reinforce facilities in excess of standard service facilities, the minimum monthly charge may be increased to assure adequate compensation for the added facilities of one and one-half percent (1 1/2%) per month of the total cost of the excess facilities as a facilities charge for which no power and energy would be delivered. Any applicable Adjustment Clause, and applicable taxes shall be in addition to the charges above.

Determination of Billing Demand N

The billing demand, in kilowatts (kW), shall be the Member's maximum integrated thirty (30) minute demand at such delivery point during each billing period as determined by JPEC provided meter(s) which record at the end

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RATES AND CHARGES

SCHEDULE I-E – LARGE COMMERCIAL AND INDUSTRIAL – EXISTING

of each thirty (30) minute period the integrated kilowatt demand during the preceding thirty (30) minutes. Demand charges will be adjusted to correct for power factor lower than ninety percent (90%) when JPEC deems necessary. The monthly billing demand shall be adjusted when necessary in accordance with the following formula: N N N N

$$\text{Monthly Billing Demand (kW)} = \frac{\text{Maximum Actual Measured Demand (kW) X 90\%}}{\text{Power Factor (\%)}}$$ N N

Delivery Point N

Unless otherwise specified in the service agreement, the delivery point shall be the connection between conductors furnished and installed by JPEC and the conductors furnished and installed by the Member. All wiring, pole lines, and other equipment (except metering equipment) located on the load side of the delivery point shall be owned and maintained by the Member. N N N N

Facilities Charge N

JPEC will provide investment in facilities up to $11.00 per kW times the estimated or known average twelve (12) month billing demand. A monthly facilities charge, determined at time of execution of agreement between parties, shall be applied to any investment in excess of the base amount. N N N

Terms and Conditions N

Service will be furnished under JPEC's Rules and Regulations applicable hereto. N

Compensating starting equipment may be required for all motors rated fifteen (15) horsepower or greater, and for smaller motors when specified by JPEC because of power line characteristics. N N

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FOR Jackson Purchase Energy Corp.
Entire Territory Served
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P.S.C. KY NO. 2

SHEET NO. 20

CANCELLING P.S.C. KY NO. Original

SHEET NO.

RATES AND CHARGES

SCHEDULE I-E – LARGE COMMERCIAL AND INDUSTRIAL – EXISTING

Adjustment Clauses N

The bill amount computed at the rates specified above shall be increased or decreased in accordance with: N

Cost Reduction Adjustment	Sheet	74
Franchise Fee Rider	Sheet	76
School Tax	Sheet	78

Payment Terms N

The above rates are net, the gross rate being five percent (5%) higher. In the event the current bill is not paid on or before the due date shown on the bill, the gross rate shall apply to any unpaid portion.

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Executive Director

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P.S.C. KY NO. 2

SHEET NO. 21

CANCELLING P.S.C. KY NO. Original

SHEET NO.

RATES AND CHARGES

SCHEDULE L – LARGE COMMERCIAL AND INDUSTRIAL 3,000-5,000 kW

Applicability N

Entire service territory. N

Availability of Service N

To new Members or Members changing rate class after the effective date of this rate schedule, June 25, 2008. N
Service under this schedule shall be for Members demonstrating a maximum load of at least 3,000 kW and less N
than 5,000 kW. N

The Member will execute a service agreement or contract with JPEC as approved by JPEC's Board of Directors N
and the Kentucky Public Service Commission. N

Service under this schedule will be limited to maximum loads not exceeding 5,000 kW. Members with new load N
requirements that exceed 5,000 kW or existing Members with increased load requirements that exceed 5,000 kW N
above the historical load level will have a rate developed as referenced in Schedule L-E. N

Type of Service N

Three phase, 60 cycle served at primary or transmission voltage. N

Conditions of Service N

Service will be furnished under JPEC's Rules and Regulations applicable hereto. N

It is the responsibility of the Member to keep JPEC fully informed of any change or expected change in operations N
which will affect the Member's qualification to be served on this rate. N

Service hereunder shall be subject to the following conditions: N

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Executive Director

FOR Jackson Purchase Energy Corp.
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SHEET NO. 22

CANCELLING P.S.C. KY NO. Original

SHEET NO.

RATES AND CHARGES

SCHEDULE L – LARGE COMMERCIAL AND INDUSTRIAL 3,000-5,000 kW

1. Member shall be served under this rate schedule as of the effective date of this schedule, June 25, 2008. N
2. It shall be the responsibility of the Member to coordinate through JPEC or its authorized agent all transactions that JPEC must take on behalf of the Member pursuant to the Big Rivers Large Industrial Tariff. N N N N

Monthly Charges N

Service Charge:	Per month	$300.00	N
Demand Charge:	Per kW per month	$11.30	N
All Energy:	Per kWh per month	$0.01735	N

The monthly billing shall be the sum of the Service Charge, Demand Charge, Energy Charge, Facilities Charge (if any), any applicable Adjustment Clause, and applicable taxes. N N

Determination of Billing Demand N

The billing demand, in kilowatts (kW), shall be the Member's maximum integrated thirty (30) minute demand at such delivery point during each billing period as determined by JPEC provided meter(s) which record at the end of each thirty (30) minute period the integrated kilowatt demand during the preceding thirty (30) minutes. Demand charges will be adjusted to correct for power factor lower than ninety percent (90%) when JPEC deems necessary. The monthly billing demand shall be adjusted when necessary in accordance with the following formula: N N N N N N

$$\text{Monthly Billing Demand (kW)} = \frac{\text{Maximum Actual Measured Demand (kW) X 90\%}}{\text{Power Factor (\%)}}$$ N N

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SHEET NO. 23

CANCELLING P.S.C. KY NO. Original

SHEET NO.

RATES AND CHARGES

SCHEDULE L – LARGE COMMERCIAL AND INDUSTRIAL 3,000-5,000 kW

Delivery Point N

Unless otherwise specified in the service agreement, the delivery point shall be the connection between conductors furnished and installed by JPEC and the conductors furnished and installed by the Member. All wiring, pole lines, and other equipment (except metering equipment) located on the load side of the delivery point shall be owned and maintained by the Member. N N N N

Facilities Charge N

JPEC may provide facilities to fulfill the estimated or known average twelve (12) month billing demand of the Member. A monthly facilities charge, determined at time of execution of agreement between parties, shall be applied to any investment. The Member may elect to provide its own facilities and JPEC will not bill for any facilities charges. N N N N

Terms and Conditions N

Service will be furnished under JPEC's Rules and Regulations applicable hereto. N

Compensating starting equipment may be required for all motors rated fifteen (15) horsepower or greater, and for smaller motors when specified by JPEC because of power line characteristics. N N

Adjustment Clauses N

The bill amount computed at the rates specified above shall be increased or decreased in accordance with: N

Cost Reduction Adjustment	Sheet	74
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SHEET NO. 24

CANCELLING P.S.C. KY NO. Original

SHEET NO.

RATES AND CHARGES
SCHEDULE L – LARGE COMMERCIAL AND INDUSTRIAL 3,000-5,000 kW

Payment Terms N

The above rates are net, the gross rate being five percent (5%) higher. In the event the current bill is not paid on or before the due date shown on the bill, the gross rate shall apply to any unpaid portion. N N

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RATES AND CHARGES

SCHEDULE L-E – LARGE INDUSTRIAL MEMBER EXPANSION

Applicability N

This rate shall apply to those power requirements of any Member with load subject to service under terms and conditions set forth in the Large Industrial Customer Expansion Rate of Big Rivers Electric Corporation. This rate shall cease to be available should Big Rivers Large Industrial Expansion Rate be discontinued. N N N

Conditions of Service N

Service hereunder shall be subject to the following conditions: N

1. The Member must execute a written agreement or contract for electric service or amend an existing agreement or contract; and N N
2. The Member's service characteristics must qualify all or some portion of the Member's load for service under the Big Rivers Large Industrial Customer Expansion Tariff; and N N
3. It shall be the responsibility of the Member to coordinate through JPEC or its authorized agent all transactions that JPEC must take on behalf of the Member pursuant to the Big Rivers Large Industrial Customer Expansion Tariff. N N N

Monthly Rate N

A. Wholesale Power Cost: N
An annual amount equal to all monthly charges levied by Big Rivers pursuant to the Big Rivers Large Industrial Customer Expansion Rates for wholesale electric service (including transmission service) hereunder. N N N

B. Retail Adders: N
Retail Adders shall be determined on a case-by-case basis for that portion of each Member's load served under this tariff. N N

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RATES AND CHARGES
NON-RECURRING FEES

Applicability N

Entire service territory. N

Availability of Service N

Non-recurring fees are fees to members due to a specific request or action for certain types of service activity for which, when the activity is completed, no additional fees may be incurred. Such fees are intended to be limited in nature and to recover the specific cost of the activity. N N N

Rates N

Collection Fee	$20.00	N
Returned Check Fee	$20.00	N
Connection or Reconnection (Regular Hours) Fee	$25.00	N
Connection or Reconnection (After Hours) Fee	$75.00	N
Meter Test Request Fee	$35.00	N

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RATES AND CHARGES

SCHEDULE NM – NET METERING

Applicable

To entire territory served.

Available

To all Members who own and operate an eligible electric generating facility that is located on the Member's premises, for the primary purpose of supplying all or part of the Member's own electricity requirements. "Eligible electric generating facility" means an electric generating facility that: (a) is connected in parallel with JPEC's electric distribution system; (b) generates electricity using solar energy; and (c) has a rated capacity of not greater than fifteen (15) kilowatts (kW).

Notification; Inspection

1. The Member shall submit a completed Net Metering Program Notification Form (Attachment 1) to JPEC at least 60 days prior to the date the Member desires to interconnect an eligible electric generating facility to JPEC's facilities. The Member shall have all equipment necessary to complete the interconnection installed prior to such notification. The notification shall be delivered to JPEC or mailed by certified mail, return receipt requested. Member may interconnect on the date stated in the form unless JPEC notifies Member in writing of noncompliance prior to said date.
2. JPEC may require an on-site inspection and may impose a fee on the Member of not more than fifty dollars ($50.00) for such inspection. If JPEC conducts an on-site inspection and determines that Member is not in compliance with the tariff, Member shall be so notified and shall bring the electric generating facility into compliance within thirty (30) days or shall be required to file a new completed Net Metering Program Notification Form.

Metering

JPEC shall utilize a standard kilowatt-hour meter capable of registering (but not necessarily displaying) the flow of electricity in two (2) directions. Any additional meter, meters or distribution upgrades needed to monitor the flow *in each direction shall be installed at the Member's expense. If additional meters are installed, the net metering*

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Executive Director

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SCHEDULE NM – NET METERING

calculation shall yield the same result as when a single meter is used. "Kilowatt hour" means a measure of electricity defined as a unit of work of energy, measured as one (1) kilowatt of power expended for one (1) hour. "Net metering" means measuring the difference between the electricity supplied by the electric grid and the electricity generated by the Member that is fed back to the electric grid over a billing period. N N N N

Billing N

1. The amount of electricity billed to the Member shall be calculated by taking the difference between the electricity supplied by JPEC to the Member and the electricity generated and fed back by the Member. If time-of-day or time-of-use metering is used, the electricity fed back to the electric grid by the Member shall be net-metered and accounted for at the specific time it is fed back to the electric grid in accordance with the time-of-day or time-of-use billing agreement with the Member then currently in place. N N N N N N
2. If the electricity supplied by JPEC exceeds the electricity generated and fed back to JPEC during the billing period, the Member shall be billed for the net electricity supplied. If the electricity fed back to JPEC by the Member exceeds the electricity supplied by JPEC during a billing period, the Member shall be credited for the excess kilowatt hours, and this electricity credit shall appear on the Member's next bill. N N N N
3. The energy rates, rate structure, and monthly charges shall be identical to those in the contract or tariff to which the Member would be assigned if the Member were not receiving service under this tariff. N N
4. Excess electricity credits are not transferable between Members or locations. N
5. No cash refund for residual generation-related credits shall be paid if an account under this tariff is closed. N N

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SHEET NO.

RATES AND CHARGES

SCHEDULE NM – NET METERING

Net Metering Service Interconnection Guidelines N

The Member shall operate the eligible electric generating facility in parallel with JPEC's system under the following conditions and any other conditions that may be required by JPEC where unusual conditions arise that are not covered herein:

1. The electric generating facility shall include, but not be limited to, necessary control equipment to synchronize frequency, voltage, etc. between Member's and JPEC's systems as well as adequate protective equipment between the two (2) systems. Member's voltage at the point of interconnection will be the same as JPEC's system voltage.
2. Member shall be responsible for operating all facilities owned by Member, except as specified hereinafter. Member shall maintain its system in synchronization with JPEC's system.
3. Member will be responsible for any damage to JPEC's equipment due to failure of Member's control, safety or other equipment.
4. JPEC at its discretion may require a suitable lockable, JPEC accessible, load breaking manual disconnect switch or similar equipment, as specified by JPEC, to be furnished by Member at a location designated by JPEC to enable the separation or disconnection of the two (2) electrical systems. The load breaking manual disconnect switch must by accessible to JPEC at all times.
5. After initial installation, Member shall not make any changes to the electric generating facility without the written consent of JPEC.
6. JPEC shall have the right from time to time to inspect Member's generating facility and conduct any test necessary to determine that such facility is installed and operating properly. However, JPEC will have no obligation to inspect, witness tests, or in any manner by responsible for Member's facility or operation.
7. The Member assumes all responsibility for electric service on the Member's premises at and from the point of delivery of electricity from JPEC.

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Executive Director

RATES AND CHARGES

SCHEDULE NM – NET METERING

Conditions of Interconnection N

A Member may begin operation of an electric generating facility on an interconnected basis when all of the following have been satisfied: N N

1. The Member has properly notified JPEC of intent to interconnect by submission of a completed Net Metering Program Notification Form and the Member has met all of the provisions of this tariff. N N
2. The Member has installed a lockable, JPEC accessible, load breaking manual disconnect switch, if required by JPEC. N N
3. A licensed, qualified electrician has signed the Net Metering Program Notification Form certifying that the required load breaking manual disconnect switch has been installed properly and that the generator has been installed in accordance with the manufacturer's specifications, as well as all applicable provisions of the National Electrical Code. N N N N
4. The vendor of the generating facility has signed the Net Metering Program Notification Form certifying that the Member's generator is in compliance with the requirements established by Underwriters Laboratories, or any other accredited testing laboratory. N N N

Additional Controls and Tests N

JPEC may install additional controls, meters, or distribution upgrades needed to monitor the flow of electricity in each direction, or may conduct additional tests as it may deem necessary, at Member's expense. N N

Liability Insurance; Indemnification N

1. Member shall at all times maintain general liability insurance in an amount of at least $300,000.00 per occurrence insuring the Member against loss arising out of or in connection with the use and operation of Member's electric generating facility, or otherwise caused by actions of the Member under this tariff. JPEC shall be named as an additional insured under this coverage and a certificate evidencing such coverage shall be provided to JPEC. N N N N N

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SCHEDULE NM – NET METERING

2. Member shall fully indemnify and hold harmless JPEC from and against all claims, costs, expenses and liabilities arising from or in connection with Member's ownership or operation of an electric generating facility under this tariff, or as a result of Member's actions or inactions under this tariff. N N N

Special Rules N

1. If the cumulative generating capacity of net metering systems reaches one-tenth of one percent (0.1%) of JPEC's single hour peak load during the previous calendar year, the obligation of JPEC to offer net metering to a new Member under this tariff may be limited by action of the Commission. N N N N

2. The net electricity produced or consumed during a billing period shall be read, recorded and measured at all times in accordance with metering practices that may be prescribed by the Commission, which shall take precedent over the terms and conditions of this tariff. N N N

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SECTION 9 (1)

By Stephanie Stumbo
Executive Director

FOR Jackson Purchase Energy Corp.
Entire Territory Served
Community, Town or City

P.S.C. KY NO. 2

SHEET NO. 32

CANCELLING P.S.C. KY NO. Original

SHEET NO.

RATES AND CHARGES

SCHEDULE NM – NET METERING

ATTACHMENT 1
Net Metering Program Notification Form

Applicant hereby gives notice of intent to operate an electric generating facility.

Section 1. Applicant Information

Name: _____

Mailing Address: _____

City: _____ State: _____ Zip Code: _____

Location of generating facility: _____

Daytime Phone Number: _____

Account Number: _____

Section 2. Generating Facility Information

Generator Manufacturer, Model Name & Number:

_____

Power Rating in Kilowatts: AC: _____ DC: _____

Inverter Manufacturer, Model Name & Number:

_____

Continued on next page

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DATE EFFECTIVE June 25, 2008
Month / Date / Year

ISSUED BY G. Kelly Nuckols
G. Kelly Nuckols

TITLE President & CEO

BY AUTHORITY OF ORDER OF THE PUBLIC SERVICE COMMISSION

IN CASE NO. 2007-00116 DATED June 17, 2008

PUBLIC SERVICE COMMISSION
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Community, Town or City

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RATES AND CHARGES

SCHEDULE NM – NET METERING

Battery Backup? (yes or no) _____

Section 3. Installation Information

Installation Date: _____ Proposed Interconnection Date: _____

Section 4. Certifications

1. The generator is in compliance with requirements established by Underwriters Laboratories or other accredited testing laboratory.

Signed (Vendor): _____ Date: _____

Name (Printed): _____

Company: _____ Phone Number: _____

2. The load breaking manual disconnection switch has been installed properly and the generator has been installed in accordance with the manufacturer's specifications as well as all applicable provisions of the National Electrical Code.

Signed (Licensed Electrician): _____ Date: _____

License Number: _____ Phone Number: _____

Mailing Address: _____

City: _____ State: _____ Zip Code: _____

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RATES AND CHARGES

SCHEDULE NM – NET METERING

3. JPEC signature signifies only receipt of this form. N

Signed (JPEC Representative): _____ N

Date: _____ N

I hereby certify that, to the best of my knowledge all of the information provided in this Notification Form is true and correct. N N

Signature of Applicant _____ N

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RATES AND CHARGES

SCHEDULE SPC-A – SMALL POWER PRODUCTION OR COGENERATION LESS THAN 100 kW

Availability of Service N

Available only to qualifying small power production or cogeneration facilities, 100 kW or below, which have executed an "Agreement for Purchase of Electric Energy" (a sample of which is attached hereto as an exhibit for reference) with JPEC. N N N

Rate Schedule N

Base payment of $0.01694 per kWh plus current fuel adjustment. N

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By Stephanie Bumbaugh
Executive Director

FOR Jackson Purchase Energy Corp.
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RATES AND CHARGES

SCHEDULE SPC-B – SMALL POWER PRODUCTION OR COGENERATION GREATER THAN 100 kW

Availability of Service N

Available only to qualifying small power production or cogeneration facilities, above 100 kW, which have executed an "Agreement for Purchase of Electric Energy" (a sample of which is attached hereto as an exhibit for reference) with JPEC. Rates below are to be used as the basis for negotiating a final purchase rate and are not to be taken as a firm rate for any facilities. N N N N

Rate Schedule N

A. Capacity (if applicable) N

1. When connected to electric distribution lines of 15 kV or below: N
   A payment of $4.12 per kilowatt per month, provided capacity is delivered for a minimum of 520 hours during the month. Payment will be based upon the average capacity delivered each month as determined by dividing the metered kWh delivered by the number of hours in the billing period. Deliveries for less than 520 hours will receive the energy payment only. N N N N N
2. When connected to electric transmission lines above 25 kV: N
   A payment of $4.04 per kilowatt per month provided capacity is delivered for a minimum of 520 hours during the month. Payment will be based upon the average capacity delivered each month as determined by dividing the metered kWh delivered by the number of hours in the billing period. Deliveries for less than 520 hours will receive the energy payment only. N N N N N

B. Energy N

Base payment of $0.01694 per kWh plus current fuel adjustment. N

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RATES AND CHARGES

SAMPLE AGREEMENT FOR PURCHASE OF ELECTRIC ENERGY

[NOTE: THIS SAMPLE CONTRACT IS DESIGNED FOR USE ONLY WHEN A QUALIFYING COGENERATION OR SMALL POWER PRODUCTION FACILITY HAVING A POWER PRODUCTION CAPACITY OF 100 KW OR LESS INTERCONNECTS DIRECTLY WITH THE DISTRIBUTION SYSTEM OF JPEC. JPEC RESERVES THE RIGHT TO REVISE THIS STANDARD FORM TO INCORPORATE ANY MODIFICATIONS WHICH IT BELIEVES APPROPRIATE UNDER THE CIRCUMSTANCES WHEN CONTRACTING WITH A PARTICUALR QUALIFYING FACILITY. THE TERMS IN THIS STANDARD CONTRACT MAY BE USED AS A BEGINNING POINT FOR NEGOTIATION OF A CONTRACT WITH A QUALIFYING COGENERATION OR SMALL POWER PRODUCTION FACILITY HAVING A POWER PRODUCTION CAPACITY OF OVER 100 KW.]

AGREEMENT FOR PURCHASE OF ELECTRIC ENERGY FROM A
QUALIFYING SMALL POWER PRODUCTION OR COGENERATION
FACILITY, 100 KW OR LESS

THIS AGREEMENT is made and entered into on this _____

day of _____, 20 ____ by and between Jackson Purchase

Energy Corporation

(JPEC), a retail electric distribution cooperative corporation, and _____

_____

(the seller), a _____

WITNESSETH:

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RATES AND CHARGES

SAMPLE AGREEMENT FOR PURCHASE OF ELECTRIC ENERGY

WHEREAS, JPEC is engaged in the distribution and sale at retail of electric energy in certain counties in Western Kentucky; and N N

WHEREAS, JPEC owns and operates, or intends to construct, own and operate, electric distribution lines with which the seller desires to interconnect its electric generation facilities; and N N

WHEREAS, the seller owns and operates, or intends to construct, own and operate, an electric generating facility which qualifies as a small power production facility or cogeneration facility under Section 201 of the Public Utility Regulatory Policies Act of 1978, and N N N

desires to sell electric power and energy to JPEC beginning on or about _____ N

, 20 ____ , or as soon thereafter as the qualifying facility is ready for service; and N

WHEREAS, JPEC desires to purchase electric power and energy from the seller; and N

WHEREAS, JPEC is willing to permit the seller's electric generation facilities to be interconnected and operated in parallel with JPEC's electric system so that the seller will be able to deliver to JPEC electric power and energy; N N N

NOW, THEREFORE, the parties agree as follows: N

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RATES AND CHARGES

SAMPLE AGREEMENT FOR PURCHASE OF ELECTRIC ENERGY

ARTICLE I

Definition of Terms

1.1 The term "qualifying facility" or "QF" as used in this contract is defined to include all the seller's electric generation facilities and all interconnection and safety equipment owned by the seller and used in connection with the electric generation facilities owned by it which will produce electric power and energy for sale under this agreement.

1.2 The terms specifically defined in 807 KAR 5:054 and 18 C.F.R. Part 292, when used in this agreement, shall have the same definitions as in those regulations.

ARTICLE II

Ownership and Maintenance of Facilities

2.1 The seller shall have sole responsibility for the design, construction, installation, ownership, safety, operation and maintenance of the qualifying facility (hereinafter referred to as the "QF").

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2.2 The seller, in designing, constructing, installing, operating and maintaining the QF, shall N
comply with all rules, regulations, policies, standards and codes generally recognized in the utility N
industry as applicable to such operations, including, but not limited to, the National Electrical Safety N
Code, IEEE Standard 1547, regulations of the Kentucky Public Service Commission, requirements and N
bulletins of the Rural Utilities Service, all federal, state and local safety codes, statutes and regulations N
and all applicable policies of JPEC now in existence or that may be adopted from time to time. N

2.3 The seller shall pay JPEC the "additional interconnection cost" as defined in 807 KAR 5:054 N
Section 6 of interconnecting the QF with the distribution system of JPEC. N

2.4 The seller shall pay for and JPEC shall own and maintain the metering equipment which it N
determines is necessary based upon the size and other characteristics of the QF to measure the power N
and energy sold by the seller. Upon termination of this agreement, the meters and metering equipment N
will be turned over to the seller if requested. JPEC shall test and calibrate meters by comparison with N
accurate standards at intervals not exceeding twelve (12) months and shall also make special meter N
tests at any time at the seller's request. The cost of all tests shall be borne by JPEC; provided, N

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however, that if any special meter test made at the request of the seller shall disclose that the meters are recording accurately, the seller shall reimburse JPEC for the cost of such test. Meters registering not more than two (2%) percent above or below normal shall be deemed to be accurate. The readings of any meter which shall have been disclosed by tests to be inaccurate shall be corrected for the ninety (90) days previous to such test in accordance with the percentage of inaccuracy found by such test. If any meter shall fail to register for any period, the seller and JPEC shall agree as to the amount of energy furnished during such period and JPEC shall render payment therefore. JPEC shall meter all power and energy at voltage as mutually agreed to with the seller. JPEC shall, when requested, notify the seller in advance of the time of any meter reading or test so that the seller's representative may be present at such meter reading or test.

2.5 The original and any revisions to the plans, specifications and operating characteristics for the QF must be approved by JPEC before the seller connects its QF to JPEC's system. Prior to energization of the interconnection between the QF and JPEC's system, JPEC shall have the right to inspect the QF for any purpose. However, inspection and acceptance of any plans, design theory,

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specifications and operating characteristics observed or provided respecting the QF, shall not be construed as confirming or endorsing the design, or as warranting the safety, durability or reliability of the QF. JPEC shall not, by reason of any review, acceptance, inspection or failure to review or inspect, be responsible for the QF, including, but not limited to, the strength, safety, details of design, adequacy or capacity thereof, nor shall acceptance or approval by either be construed as an endorsement of any QF. N N N N N

2.6 The seller will be responsible for furnishing or paying for all rights-of-way and easements necessary to install, operate, maintain, replace and remove the interconnection facility and the metering equipment. Duly authorized representatives of JPEC shall be permitted to enter the premises of the seller at all reasonable times as may be necessary in connection with the proper performance of the terms and conditions of this agreement. N N N N N N

2.7 The seller shall install, own and maintain the necessary substation equipment at the point of connection to the system of JPEC unless otherwise agreed. N N

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ARTICLE III

3.1 JPEC shall take and purchase all of the power and energy produced by the seller that is delivered to the point at which the QF is interconnected with JPEC's distribution system. The power and energy delivered by the seller and purchased by JPEC shall be metered and paid for in accordance with the terms of this agreement. Electric power and energy to be purchased under this agreement shall be alternating current, single or three-phase, 60 Hertz. The parties will agree upon the delivery voltage and capacity prior to the commencement of purchase under this agreement.

3.2 The QF shall at all times operate in such manner as to maintain a power factor of not less than 90% leading or lagging.

3.3 The capacity delivered in kilowatts shall be the QF's average hourly output which is delivered for the required minimum number of hours during each billing period, as determined by dividing the kWh delivered during the billing period by the actual number of hours in the billing period. For purposes of this agreement each calendar month during the term of this agreement shall be a separate billing period.

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3.4 JPEC shall read meters monthly. Electric power and energy furnished under this agreement shall be paid for within fifteen (15) days after the meters are read and the bill is issued. N N

3.5 Electric power and energy purchased by the seller shall be purchased from JPEC under arrangements separate from this agreement, and shall be metered and accounted for separately from the power and energy delivered and sold by the seller to JPEC. N N N

ARTICLE IV N

Rates and Charges N

4.1 JPEC shall pay for the power and energy purchased from the seller upon the terms and conditions contained in its tariff, rate schedule SPC, which is attached to this agreement and incorporated herein by reference, subject to any revisions in that rate schedule that may from time to time be approved by the Kentucky Public Service Commission (hereinafter called "PSC") N N N N

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SAMPLE AGREEMENT FOR PURCHASE OF ELECTRIC ENERGY

ARTICLE V N

Protection of System Owned by JPEC N

5.1 The seller shall be responsible for operating and maintaining the QF in a safe manner and N for providing the protective equipment needed to prevent damage to the system owned by JPEC, injury N to the personnel of JPEC, or interference with JPEC's consumers. JPEC shall have the right to review N the seller's proposed protection system, operating procedures and system characteristics in order to N determine whether the seller's operation of the QF will have an adverse impact on the system owned N by JPEC. The following areas, among others, may be reviewed for possible adverse effects: N

1. Fault protection. N
2. Voltage regulation and balance. N
3. Grounding. N
4. Synchronizing systems. N
5. Disconnecting and isolating systems. N
6. Flicker. N
7. Harmonics. N

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5.2 If the operation of the QF results in undesirable or harmful effects to the system of JPEC, or to consumers of JPEC, JPEC may require the seller to discontinue parallel operation until the circumstances have been corrected by installing appropriate equipment or otherwise. N N N

5.3 JPEC may discontinue purchases from the seller and may break the interconnection between the QF and JPEC's system, without prior notice, during any system emergency. By first giving reasonable written notice, JPEC may break the interconnection between the QF and the system of JPEC for a reasonable period of time for the purpose of necessary inspections, modifications, repairs or other maintenance of JPEC's system, the interconnection facility or the metering equipment. N N N N N

ARTICLE VI N

Term N

6.1 The initial term of this agreement shall be one (1) year from the effective date. N

6.2 This agreement shall be automatically renewed each year for consecutive one-year terms unless JPEC or the seller has notified the other at least one hundred eighty (180) days prior to the expiration of the term of its intent to terminate the agreement. N N N

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6.3 The effective date of this agreement shall be the date on which the last of the following events occurs: N N

1. This agreement is approved by the Administrator of the Rural Utilities Service (if required). N N
2. This agreement is filed with and approved or otherwise accepted by the Kentucky Public Service Commission. N N
3. This agreement has been approved and executed by the seller and JPEC. N

ARTICLE VII N

7.1 The seller shall protect, indemnify and hold harmless JPEC and its directors, officers, employees, agents, representatives and contractors against and from all loss, claims, actions or suits, including costs and attorney fees, for or on account of any injury or death of persons or damage to property caused by the seller or the seller's employees, agents, representatives and contractors in tampering with, repairing, maintaining or operating the QF or any facilities owned by JPEC except where such injury, death or damage was caused or contributed to by the fault or negligence of JPEC or its employees, agents, representatives or contractors. his obligation shall survive termination of this N N N N N N N N N

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agreement with respect to any act, occurrence or omission occurring prior to termination of this agreement, whether or not then accrued or known.

7.2 Without regard to any negligence by any of the parties to this agreement, JPEC shall not be liable to the seller for:

1. Any loss or damage to the seller's electric system or other property or any injury to the seller or the seller's employees, agents, contractors, representative licensees or invitees, including, without limitation, damage or injury caused by reclosing of the transmission or distribution system; or

2. Any loss of profits or revenues or any other indirect or consequential damage or injury to the seller resulting from interruption or partial interruption in the delivery of energy from the seller.

ARTICLE VIII

Insurance

8.1 The seller shall obtain and provide satisfactory evidence of insurance covering such risks and providing such coverage as JPEC may from time to time reasonably request.

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ARTICLE IX

Miscellaneous

9.1 If there shall be imposed by federal, state or other governmental authority, any tax payable by the seller upon the gross revenue or earnings, or upon the seller's production or sale of electric energy, such additional tax or taxes shall be paid solely by the seller.

9.2 This agreement contains the entire agreement between the parties. This agreement cannot be amended except in writing signed by the parties.

9.3 The waiver on the part of either party to enforce a provision of this contract at any time shall not be deemed a waiver with respect to any subsequent default or other matter.

9.4 This agreement may not be assigned without the written consent of JPEC.

9.5 This agreement shall be governed by the laws of the Commonwealth of Kentucky.

9.6 This agreement shall not be construed to create a joint venture, to impose a trust or to otherwise create a business relationship between or among any of the parties.

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9.7 The invalidity of any provision or provisions in this agreement shall not affect the validity of the remaining provisions. N N N

ARTICLE X

Notices and Other Communications N

10.1 Any notice required by this agreement to be given in writing shall be deemed properly given if and when delivered in person, telegraphed or sent by registered or certified mail, postage prepaid, to: N N N N

JPEC: _____ N
_____ N
_____ N

Seller: _____ N
_____ N
_____ N

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10.2 Any communications regarding operational emergencies or other operational problems may be made orally or in any manner reasonable under the circumstances and should be directed to the persons specified below: N N N

If to JPEC: N N N N

If to seller: N N N N

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G. Kelly Nuckols

TITLE President & CEO

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RATES AND CHARGES

SAMPLE AGREEMENT FOR PURCHASE OF ELECTRIC ENERGY

IN WITNESS WHEREOF, the parties have caused this agreement to be executed by their duly N
authorized officers on this the day and date first hereinabove written. N

N

Jackson Purchase Energy Corporation

(Cooperative)	(Seller) N
Print Name	Print Name N
Signature	Signature N
Title	Title N
Date	Date N

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RATES AND CHARGES

CABLE TELEVISION ATTACHMENT TARIFF (CTAT)

Applicability N

In all territory served by JPEC on poles owned and used by JPEC for their electric plant. N

Availability of Service N

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

Rental Charge N

The yearly rental charges shall be as follows: N

Two-party pole attachment	$4.84	N
Three-party pole attachment	$4.09	N
Two-party anchor attachment	$5.88	N
Three-party anchor attachment	(not available)	N
Two-party ground attachment	$0.24	N
Three-party ground attachment	$0.16	N

Billing N

Rental charges shall be billed yearly based on the number of pole attachments. The rental charges are net, the gross rate being five percent (5%) higher. In the event the current bill is not paid on or before the date shown on the bill, the gross rates shall apply. Failure of the CATV operator to receive a bill or a correctly calculated bill shall not relieve the CATV operator of its obligation to pay for the service it has received. N N N N

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ISSUED BY G. Kelly Nuckols
G. Kelly Nuckols

TITLE President & CEO

BY AUTHORITY OF ORDER OF THE PUBLIC SERVICE COMMISSION

IN CASE NO. 2007-00116 DATED June 17, 2008

PUBLIC SERVICE COMMISSION
OF KENTUCKY
EFFECTIVE
6/25/2008
PURSUANT TO 807 KAR 5:011
SECTION 9 (1)
By Stephanie Stumbo
Executive Director

RATES AND CHARGES

CABLE TELEVISION ATTACHMENT TARIFF (CTAT)

Specifications N

1. The attachment to poles covered by this tariff shall at all times conform to the requirements of the National Electrical Safety Code, latest edition, and subsequent revisions thereof, except where the lawful requirements of public authorities may be more stringent, in which case the latter will govern. N N N
2. The strength of poles covered by this agreement shall be sufficient to 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. N N N

Establishing Pole Use N

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

   JPEC 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 JPEC that the cost estimate is approved, JPEC shall proceed with the necessary changes in pole lines covered by the 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 its own expense, make attachments in such manner as not to interfere with the service of JPEC. N N N N N N N N
2. Upon completion of all changes, the CATV operator shall pay to JPEC the actual cost (including overhead and less salvage value of materials) of making such changes. The obligations of the CATV operator N N

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Executive Director

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CABLE TELEVISION ATTACHMENT TARIFF (CTAT)

hereunder shall not be limited to amounts shown on estimates made by JPEC hereunder. An itemized statement of the actual cost of all such changes shall be submitted by JPEC to the CATV operator, in a form mutually agreed upon. N N N

3. 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. N N
4. All poles to which attachments have been made under this tariff shall remain the property of JPEC, and any payments made by the CATV operator for changes in pole lines under this tariff shall not entitle the CATV operator to the ownership of any of said poles. N N N
5. Any charges necessary for correction of substandard installation made by the CATV operator, where notice of intent had not been requested, shall be billed at a rate equal to twice the charges that would have been imposed if the attachment had been properly authorized. N N N

Easements and Rights-of-Way N

JPEC 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 JPEC's poles, no liability on account thereof shall attach to JPEC. Each party shall be responsible for obtaining its own easements and rights-of-way. N N N N

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By Stephanie Stumbo
Executive Director

FOR Jackson Purchase Energy Corp.
Entire Territory Served
Community, Town or City

P.S.C. KY NO. 2

SHEET NO. 56

CANCELLING P.S.C. KY NO. Original

SHEET NO.

RATES AND CHARGES

CABLE TELEVISION ATTACHMENT TARIFF (CTAT)

Maintenance of Poles, Attachments and Operations N

1. Whenever right-of-way considerations of public regulations make relocation of a pole, or poles, necessary, such relocation shall be made by JPEC at its own expense, except that each party shall bear the cost of transferring its own attachments. N N N
2. Whenever it is necessary to replace or relocate an attachment, JPEC shall, before making such replacement or relocation, give forty-eight (48) hours written 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 attachments to the new or relocated pole at the time specified for such transfer of attachments, JPEC may elect to do such work and the CATV operator shall pay JPEC the cost thereof. In the event the CATV operator fails to transfer its attachments and JPEC does such work, JPEC shall not be liable for any consequential damages such as loss of service to the CATV operator customers. N N N

RATES AND CHARGES

CABLE TELEVISION ATTACHMENT TARIFF (CTAT)

JPEC 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 or 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 JPEC.

Inspections

1. Periodic Inspection: Any unauthorized or unreported attachment by the CATV operator will be billed at a rate of two (2) times the amount equal to the rate that would have been due, had the installation been made the day after the last inspection.
2. Make-Ready Inspection: Any "make-ready" inspection or "walk-through" inspection required of JPEC will be paid for by the CATV operator at a rate equal to JPEC's actual expenses, plus appropriate overhead charges.

Insurance or Bond

1. The CATV operator agrees to defend, indemnify and save harmless JPEC from any and all damage, loss, claim, demand, suit, liability, penalty or forfeiture of every kind and nature, including but not limited to, costs and expenses of defending against the same and payment of any settlement or judgment therefore, by reason of (a) injuries or death to persons, (b) damages to or destruction of properties, (c) pollutions, contaminations of or other adverse effects on the environment, or (d) violations of governmental laws, regulations or orders whether suffered directly by JPEC 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 JPEC, either solely or in concurrence with any alleged joint negligence of JPEC. JPEC shall be liable for sole active negligence.
2. The CATV operator will provide coverage from a company authorized to do business in the Commonwealth of Kentucky:

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Executive Director

FOR Jackson Purchase Energy Corp.
Entire Territory Served
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P.S.C. KY NO. 2

SHEET NO. 58

CANCELLING P.S.C. KY NO. Original

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RATES AND CHARGES

CABLE TELEVISION ATTACHMENT TARIFF (CTAT)

A. Protection for its employees to the extent required by Worker's Compensation Law of Kentucky. N
B. 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 or property damage. N N N N N

Before beginning operations under this tariff, the CATV operator shall cause to be furnished to JPEC a certificate for such coverage evidencing the existence of such coverage. Each policy required hereunder shall contain a contractual endorsement written as follows: N N N

"The insurance or bond provided herein shall also be for the benefit of Jackson Purchase Energy 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 Jackson Purchase Energy Corporation." N N N N

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G. Kelly Nuckols

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By Stephanie Bumbo
Executive Director

FOR Jackson Purchase Energy Corp.
Entire Territory Served
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P.S.C. KY NO. 2

SHEET NO. 59

CANCELLING P.S.C. KY NO. Original

SHEET NO.

RATES AND CHARGES

CABLE TELEVISION ATTACHMENT TARIFF (CTAT)

Change of Use Provision

When JPEC subsequently requires a change in its poles or attachment for reasons unrelated to the CATV operator 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 JPEC's time schedule for such changes, JPEC may do the work and charge to the CATV operator its reasonable cost for performing the change of the CATV operator attachments.

Abandonment

1. If JPEC desires at any time to abandon any pole to which the 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, JPEC shall have no attachments on such pole, but the CATV operator shall not have removed all of its attachments there from, such pole shall thereupon become the property of the CATV operator, and the CATV operator shall save harmless JPEC from all obligation, liability, damages, cost, expenses, or charges incurred thereafter; and shall pay JPEC for such pole an amount equal to JPEC's depreciated cost thereof. JPEC shall further evidence transfer to the CATV operator of title to the pole by means of a bill of sale.
2. The CATV operator may, at any time, abandon the use of the attached pole by giving due notice thereof in writing to JPEC and by removing there from any and all attachments it my have thereon. The CATV operator shall, in such case, pay to JPEC the full rental for said pole for the then current billing period.

Rights of Others

Upon notice from JPEC 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.

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Executive Director

FOR Jackson Purchase Energy Corp.
Entire Territory Served
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P.S.C. KY NO. 2

SHEET NO. 60

CANCELLING P.S.C. KY NO. Original

SHEET NO.

RATES AND CHARGES

CABLE TELEVISION ATTACHMENT TARIFF (CTAT)

Payment of Taxes N

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 JPEC's poles solely because of their fee by the CATV operator shall be paid by the CATV operator.

Bond or Depositor Performance N

1. The CATV operator shall furnish a 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 (2,500) poles of JPEC 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 JPEC 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 JPEC of written notice of the desire of the Bonding or Insurance Company to terminate such bond or insurance. Upon receipt of such notice, JPEC shall request the CATV operator to immediately remove its cables, wires, and all other facilities from all poles of JPEC.

   If the CATV operator should fail to complete the removal of all its facilities from the poles of JPEC within thirty (30) days after receipt of such request from JPEC, then JPEC shall have the right to remove 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 JPEC 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.

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Executive Director

RATES AND CHARGES

CABLE TELEVISION ATTACHMENT TARIFF (CTAT)

2. After the CATV operator has been a customer of JPEC and not in default for a period of two (2) years, JPEC shall reduce the bond by fifty percent (50%), or, at JPEC's option, require a deposit in keeping with 807 KAR 5:006, Section 7. N N N

Use of Anchors N

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

Discontinuance of Service N

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

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FOR Jackson Purchase Energy Corp.
Entire Territory Served
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P.S.C. KY NO. 2

SHEET NO. 62

CANCELLING P.S.C. KY NO. Original

SHEET NO.

CLASSIFICATION OF SERVICE

BALLARD RURAL TELEPHONE COOPERATIVE CORPORATION (BRTC) TARIFF

Applicability N

In all territory of Ballard and McCracken counties jointly served by JPEC and Ballard Rural Telephone. N

Availability N

To Ballard Rural Telephone Cooperative Corporation, Inc. (BRTC) only. N

Rental Charge N

The yearly rental charges shall be as follows: N

Two-party pole attachment	$4.84	N
Three-party pole attachment	$4.09	N
Two-party anchor attachment	$5.88	N
Three-party anchor attachment (not available)		N
Two-party ground attachment	$0.24	N
Three-party ground attachment	$0.16	N

Billing N

Rental charges shall be billed yearly based on the number of pole attachments. The rental charges are net, the gross rate being five percent (5%) higher. In the event the current bill is not paid on or before the date shown on the bill, the gross rates shall apply. Failure of BRTC to receive a bill or a correctly calculated bill shall not relieve BRTC of its obligation to pay for the service it has received. N N N N

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FOR Jackson Purchase Energy Corp.
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CLASSIFICATION OF SERVICE

BALLARD RURAL TELEPHONE COOPERATIVE CORPORATION (BRTC) TARIFF

Specifications N

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

B. The strength of poles covered by this agreement shall be sufficient to 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. N N N

Establishing Pole Use N

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

JPEC shall, on the basis of such detailed construction plans and drawings, submit to BRTC 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 BRTC to JPEC that the cost estimate is approved, JPEC shall proceed with the necessary changes in pole lines covered by the cost estimate. Upon completion of all changes, BRTC shall have the right hereunder to make attachments in accordance with the terms of the application of this tariff. BRTC shall, at its own expense, make attachments in such manner as not to interfere with the service of JPEC. N N N N N N N

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BALLARD RURAL TELEPHONE COOPERATIVE CORPORATION (BRTC) TARIFF

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

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 BRTC. N N

D. All poles to which attachments have been made under this tariff shall remain the property of JPEC, and any payments made by BRTC for changes in pole lines under this tariff shall not entitle BRTC to the ownership of any of said poles. N N N

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

Easements and Rights-Of-Way N

JPEC does not warrant nor assure to BRTC any rights-of-way privileges or easements, and if BRTC shall at any time be prevented from placing or maintaining its attachments on JPEC's poles, no liability on account thereof shall attach to JPEC. Each party shall be responsible for obtaining its own easements and rights-of-way. N N N

Maintenance of Poles, Attachments and Operation N

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

B. Whenever it is necessary to replace or relocate an attachment, JPEC shall, before making such replacement or relocation, give forty-eight (48) hours written notice (except in cases of emergency) N N

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to BRTC, specifying in said notice the time of such proposed replacement or relocation, and BRTC shall, at the time so specified, transfer its attachments to the new or relocated pole. Should BRTC fail to transfer its attachments to the new or relocated pole at the time specified for such transfer of attachments, JPEC may elect to do such work and BRTC shall pay JPEC the cost thereof. In the event BRTC fails to transfer its attachments and JPEC does such work, JPEC shall not be liable for any consequential damages such as loss of service to BRTC customers. N N N N N N

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

D. JPEC reserves to itself, its successor and assigns, the right to maintain its poles and operate its facilities thereon in such manner as will, in its own judgment best enable it to fulfill its own service requirements. JPEC shall not be liable to BRTC for any interruption of service of BRTC or for interference with the operation of the cables, wires and appliances of BRTC arising in any manner out of the use of JPEC's poles hereunder. N N N N N N N

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

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By Stephanie Stumbo
Executive Director

FOR Jackson Purchase Energy Corp.
Entire Territory Served
Community, Town or City

P.S.C. KY NO. 2

SHEET NO. 66

CANCELLING P.S.C. KY NO. Original

SHEET NO.

CLASSIFICATION OF SERVICE

BALLARD RURAL TELEPHONE COOPERATIVE CORPORATION (BRTC) TARIFF

Inspections N

A. Periodic Inspection: Any unauthorized or unreported attachment by BRTC will be billed at a rate of two (2) times the amount equal to the rate that would have been due, had the installation been made the day after the last inspection. N N N

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

Insurance or Bond N

A. BRTC agrees to defend, indemnify and save harmless JPEC from any and all damage, loss, claim, demand, suit, liability, penalty or forfeiture of every kind and nature, including but not limited to, costs and expenses of defending against the same and payment of any settlement or judgment therefore, by reason of (a) injuries or death to persons, (b) damages to or destruction of properties, (c) pollutions, contaminations of or other adverse effects on the environment, or (d) violations of governmental laws, regulations or orders whether suffered directly by JPEC 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 BRTC, its employees, agents or other representatives or from their presence on the premises of JPEC, either solely or in concurrence with any alleged joint negligence of JPEC. JPEC shall be liable for sole active negligence. N N N N N N N N N N N

B. BRTC will provide coverage from a company authorized to do business in the Commonwealth of Kentucky: N N

1. Protection for its employees to the extent required by Worker's Compensation Law of Kentucky. N

2. Public Liability coverage with separate coverage for each town or city in which BRTC operates under this contract to a minimum amount of $100,000.00 for each person and $300,000.00 for N N

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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 or property damage. N N

Before beginning operations under this tariff, BRTC shall cause to be furnished to JPEC a certificate for such coverage evidencing the existence of such coverage. Each policy required hereunder shall contain a contractual endorsement written as follows: N N N

"The insurance or bond provided herein shall also be for the benefit of Jackson Purchase Energy 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 Jackson Purchase Energy Corporation." N N N N N

Change of Use Provision N

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

Abandonment N

A. If JPEC desires at any time to abandon any pole to which BRTC has attachments, it shall give BRTC 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, JPEC shall have no attachments on such pole, but BRTC shall not have removed all of its attachments therefrom, such pole shall thereupon become the property of BRTC, and BRTC shall save harmless JPEC from all obligation, liability, damages, cost, expenses, or charges incurred thereafter; and shall pay JPEC for such pole an amount equal to JPEC's depreciated cost thereof. JPEC shall further evidence transfer to BRTC of title to the pole by means of a bill of sale. N N N N N N N N N

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BALLARD RURAL TELEPHONE COOPERATIVE CORPORATION (BRTC) TARIFF

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

Rights of Others N

Upon notice from JPEC to BRTC 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 BRTC 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. N N N N

Payment of Taxes N

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 JPEC's poles solely because of their fee by BRTC shall be paid by BRTC. N N N

Bond or Depositor Performance N

A. BRTC shall furnish a 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 BRTC shall occupy twenty-five hundred (2,500) poles of JPEC 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 BRTC, evidence of which shall be presented to JPEC 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 JPEC of written notice of the desire of the Bonding or Insurance Company to terminate such bond or insurance. Upon receipt of such notice, JPEC shall request BRTC to immediately remove its cables, wires, and all other facilities from all poles of JPEC. N N N N N N N N N N N

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ISSUED BY G. Kelly Nuckols
G. Kelly Nuckols

TITLE President & CEO

BY AUTHORITY OF ORDER OF THE PUBLIC SERVICE COMMISSION

IN CASE NO. 2007-00116 DATED June 17, 2008

PUBLIC SERVICE COMMISSION
OF KENTUCKY
EFFECTIVE
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By Stephanie Stumbo
Executive Director

CLASSIFICATION OF SERVICE

BALLARD RURAL TELEPHONE COOPERATIVE CORPORATION (BRTC) TARIFF

If BRTC should fail to complete the removal of all its facilities from the poles of JPEC within thirty (30) days after receipt of such request from JPEC, then JPEC shall have the right to remove them at the cost and expense of BRTC and without being liable for any damage to BRTC's wires, cables, fixtures, or appurtenances. Such bond or insurance shall guarantee the payment of any sums which may become due to JPEC for rentals, inspections, or work performed for the benefit of BRTC under this tariff, including the removal of attachments upon termination of service by any of its provisions. N N N N N N

B. After BRTC has been a customer of JPEC and not in default for a period of two (2) years, JPEC shall reduce the bond by fifty percent (50%), or, at JPEC's option, require a deposit in keeping with 807 KAR 5:006, Section 7. N N N

Use of Anchors N

JPEC reserves the right to prohibit the use of any existing anchors by BRTC where the strength or conditions of said anchors cannot be readily identified by visual inspection. N N

Discontinuance of Service N

JPEC may refuse or discontinue serving an applicant or customer under the conditions set out in 807 KAR 5:006, Section 14 (1). N N

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RULES AND REGULATIONS
POWER CURTAILMENT PROCEDURE

General N

The Kentucky Public Service Commission has required that a Power Curtailment Procedure be established for all electric utilities under its jurisdiction (Administrative Case Number 353). N N

Objective N

This plan provides guidelines for the reduction and conservation of power usage during severe generation shortages, power deficiencies, certain mechanical failures and other emergency situations. N N

This procedure will define the following priority levels; N

Level 1: Essential Health and Safety – to be given special consideration in these procedures shall, insofar as the situation permits, include the following types of use: N N

A. "Hospitals", which shall be limited to institutions providing medical care to patients. N
B. "Life Support Equipment", which shall be limited to kidney machines, respirators, and similar equipment used to sustain the life of a person. N N
C. "Police Stations and Government Detention Institutions", which shall be limited to essential uses required for police activities and the operation of facilities used for the detention of persons. These uses shall include essential street, highway, and signal lighting services. N N N
D. "Fire Stations", which shall be limited to facilities housing mobile fire-fighting apparatus. N
E. "Communications Services", which shall be limited to essential uses required for telephone, telegraph, television, radio, and newspaper operations, and operation of state and local emergency services. N N
F. "Water and Sewage Services", which shall be limited to essential uses required for the supply of water to a community, flood pumping and sewage disposal. N N
G. "Transportation and Defense-related Services", which shall be limited to essential uses required for the operation, guidance control and navigation of air, rail and mass transit systems, including those uses essential to the national defense and operation of state and local emergency services. N N N

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RULES AND REGULATIONS

POWER CURTAILMENT PROCEDURE

H. "Other Energy Source Services", which shall be limited to essential uses required for the production, transportation, transmission and distribution -- for fuel -- of natural or manufactured gas, coal, oil or gasoline. N N N

I. "Perishable Food or Medicine", which shall be limited to the use of refrigeration for the storage and preservation of perishable food or medicine when that use is substantially all of a customer's load. N N

J. "Critical Commercial and Industrial", which shall be limited to commercial or industrial operations requiring regimented shutdowns to prevent conditions hazardous to the general population, and to energy utilities and their support facilities critical to the production, transportation, and distribution of service to the general population. N N N N

Level 2: Residential N

This class will include power consumption essential usage only – limited to homes, apartments, hotels and motels. N N

Level 3: Non-critical Commercial and Industrial N

This class will include all Rate Schedule "C-1", "C-3", 'D", "I-E", "L", and "L-E" except for those consumers that are classified in Level 1 or 2. N N

Level 4: Non-Essential Uses N

A. Outdoor flood and advertising lighting, except for the minimum level to protect life and property, and a single illuminated sign identifying commercial facilities when operating after dark. N N

B. General interior lighting levels greater than minimum functional levels. N

C. Show window and display lighting. N

D. Parking lot lighting above minimum functional levels. N

E. Energy use greater than that necessary to maintain a temperature of not less than 78 degrees during operation of cooling equipment and not more than 65 degrees during operation of heating equipment. N N N

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RULES AND REGULATIONS

POWER CURTAILMENT PROCEDURE

F. Elevator and escalator use in excess of the minimum necessary for off peak hours of use. N

G. Energy use greater than that which is the minimum required for lighting, heating, or cooling of commercial or industrial facilities for maintenance cleaning or business-related activities during non-business hours. N N N N

When to Implement this Procedure N

This procedure is to be implemented only when a state of emergency exists or a disaster has been declared by governmental authorities that dictate curtailment of power consumption. A state of emergency can also be declared by the President/CEO in the event load exceeds JPEC's system capacity or for other such system disturbances that may occur if internal efforts fail to alleviate the problem. N N N N N

Curtailment Procedure N

The following order of actions should be implemented to curtail the consumption of power use. When the curtailment goal is established, no further action is required unless the goal is updated or additional loads are experienced. N N N N

1. Determine the extent of the emergency and estimate the amount of consumption curtailment required. Estimate the kW and kWh system use for the immediate future. Set a goal for the kWh and/or kW curtailment. N N N
2. Notify the news media within the service territory and ask that JPEC Members be notified of the emergency and asked to reduce their consumption until further notice. N N N
3. Curtail Members having their own internal generation capacity. Curtail Members on curtailable agreements and contracts for the maximum hours and load allowable under their agreement or contract. N N N N
4. Call all large Members and inform them of the emergency and ask them to curtail all non-essential power consumption. N N N
5. Notify the Kentucky Public Service Commission of the situation.

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RULES AND REGULATIONS

POWER CURTAILMENT PROCEDURE

6. If the presently established curtailment level is not met, proceed with the following mandatory measures. Establish necessary phone answering stations to answer Member questions and concerns. Notify the media with up-to-date information on the status of the emergency and all future actions to be taken.
7. Initiate mandatory curtailments by terminating all Priority Level 4 service. Reduce Priority Level 3 by twenty-five percent (25%) and Priority Level 2 by fifteen percent (15%).
8. Implement interruption of distribution circuits on a rotational basis while minimizing interruption of Priority Level 1 Members.

Enforcement

Members who try to use more power consumption than allotted should be given verbal and written warnings. They shall have a maximum of 24 hours to comply. If they do not cooperate, they shall be disconnected until the curtailment is over.

Termination of the Curtailment of Power Consumption

The termination of this procedure will occur when the emergency is over. All services will be restored in reverse order and in a manner that will not create adverse effects on JPEC. If the curtailment goal is reduced, service can be restored to the most essential Members first.

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FOR Jackson Purchase Energy Corp.
Entire Territory Served
Community, Town or City

P.S.C. KY NO. 2

SHEET NO. 74

CANCELLING P.S.C. KY NO. Original

SHEET NO.

RATES AND CHARGES

SCHEDULE CRA – COST REDUCTION ADJUSTMENT

Applicability

Entire service territory.

Availability of Service

1. Billings to Members Served from Non-Dedicated Delivery Points:
   Billings computed pursuant to rate schedules to which this cost reduction adjustment is applicable shall be decreased during each refund month by the following restitution adjustment factor applied to each kilowatt hour sold:

   $$\text{Cost Reduction Adjustment Factor} = \frac{RA\ (m)}{P\ (m)}$$

   Where RA is the monthly credit from JPEC's wholesale power supplier (Big Rivers) for all non-dedicated delivery points for cost reduction adjustment (plus any over/under recovery from the prior refund) and P is the total kWh purchased, less line losses equal to a twelve (12) month moving average not to exceed ten percent (10%), (m) period shall be the first month preceding the month in which the cost reduction adjustment is refunded.
2. Billings to Members Served from Dedicated Delivery Points (No Line Losses to JPEC):
   Billings computed pursuant to rate schedules or special agreements or contracts to which this restitution adjustment is applicable shall be decreased during each month equal to the amount refunded to JPEC for the Member's dedicated delivery point by Big Rivers for restitution adjustment.
3. Rate schedule (1) above shall apply to JPEC rate schedules "R", "C-1", "C-3", "D", "OL", "I-E" and "L" and rate schedule (2) above shall apply to JPEC's rate schedule "I-E" and "L" served from a dedicated delivery point.

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P.S.C. KY NO. 2

SHEET NO. 75

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SHEET NO.

RATES AND CHARGES

SCHEDULE CRA – COST REDUCTION ADJUSTMENT

Term N

This Cost Reduction Adjustment (CRA) shall be terminated at such time that all of the Big Rivers Member Discount Adjustment credit to be received by JPEC has been passed through to JPEC's Members. The CRA may be terminated or modified prior to receiving the last credit from Big Rivers such that the cumulative amount credited to JPEC's Members will not exceed the cumulative amount credited by Big Rivers. N N N N

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SHEET NO. 76

CANCELLING P.S.C. KY NO. Original

SHEET NO.

RATES AND CHARGES

FRANCHISE FEE

Applicability N

Entire service territory. N

Availability of Service N

Available as an option for collection of revenues within governmental jurisdictions which impose on JPEC franchise fees, permitting fees, local taxes or other charges by ordinance, franchise or other governmental directive and not otherwise collected in the charges of JPEC's base rate schedules. N N N

Definitions N

Base Year: The twelve (12) month period ending December 31. N

Collection Year: The full calendar year following the Base Year. N

Base Year Amount: N

1. A percentage of revenues, as determined in the franchise agreement, for the Base Year; and N
2. License fees, permit fees or other cost specifically borne by JPEC for the purpose of maintaining the franchise as incurred in the Base Year and applicable specifically to JPEC by ordinance or franchise for operation and maintenance of its facilities in the franchise area, including but not limited to costs incurred by JPEC as a result of governmental regulation or directives requiring construction or installation of facilities beyond that normally provided by JPEC in accordance with applicable Rules and Regulations approved by JPEC's Board of Directors and under the direction of the Kentucky Public Service Commission; and N N N N N N N N N N
3. Any adjustment for over or under collection of revenues associated with the amounts in (1) or (2). N

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CANCELLING P.S.C. KY NO. Original

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RATES AND CHARGES

FRANCHISE FEE

Rates N

The franchise percentage will be calculated by dividing the Base Year amount by the total revenues in the Base Year for the franchise area. The franchise percentage will be monitored during the Collection Year and adjusted to recover the Base Year Amount in the Collection Year as closely as possible. N N N

Billing N

1. The franchise charge will be applied exclusively to the base rate and all riders of bills of Members receiving service within the franchising governmental jurisdiction, before taxes. N N
2. The franchise charge will appear as a separate line item on the Member's bill and show the unit of government requiring the franchise. N N
3. Payment of the collected franchise charges will be made to the governmental franchising body as agreed to in the franchise agreement. N N

Term of Contract N

As agreed to in the franchise agreement. In the event such franchise agreement should lapse but payment of franchise fees, other local taxes or permitting fees paid by JPEC by ordinance franchise or other governmental directive should continue, collection shall continue under this tariff. N N N

Terms and Conditions N

Service will be furnished in accordance with the provisions of the franchise agreement insofar as those provisions do not conflict with the Terms and Conditions applicable to JPEC approved by and under the direction of JPEC's Board of Directors and the Kentucky Public Service Commission. N N N

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RATES AND CHARGES

SCHOOL TAX

Applicability N

Entire service territory. N

Availability of Service N

This schedule is applied as a rate increase to all other schedules pursuant to KRS 160 for the recovery by JPEC of school taxes in any county requiring a utility gross receipts license tax for schools under KRS 160. N N

Rate N

The utility gross receipts license tax imposed by the county but not to exceed the maximum as established by applicable KRS. N N

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SHEET NO.

RATES AND CHARGES

SCHEDULE G-1 – RENEWABLE RESOURCE ENERGY SERVICE

Applicable N

Applicable in all territory served. N

Availability of Service N

Renewable Resource Energy service is available in accordance with the terms of this tariff rider to any Member purchasing retail electric service under a schedule listed in Section D of this rider, subject to JPEC's general rules and regulations on file with the Public Service Commission of Kentucky. For purposes of this renewable resource energy service tariff rider, (i) the term "Renewable Resource Energy" means electric energy generated from solar, wind, ocean, geothermal energy, biomass, or landfill gas, and (ii) the term "biomass: means any organic material that is available on a renewable or recurring basis, including dedicated energy crops, trees grown for energy production, wood waste and wood residues, plants (including aquatic plants, grasses and agricultural crops), residues, fibers, animal wastes and other organic waste materials (but not including unsegregated municipal solid waste (garbage)), and fats and oils. N N N N N N N N N N N

Conditions of Service N

(1) Renewable Resource Energy service availability is contingent upon the availability from JPEC's wholesale power supplier of a wholesale supply of Renewable Resource Energy in the quantity and at the quality requested by a Member. N N N

(2) Subject to the other requirements of this tariff rider, JPEC will make Renewable Resource Energy service available to a Member if the Member signs a Renewable Resource Energy service contract in the form attached to this tariff rider agreeing to purchase a specified number of 100 kWh blocks of Renewable Resource Energy per month for a period of not less than one year, and that contract is accepted by JPEC's wholesale power supplier. JPEC will have the right, but not the obligation, to terminate a Renewable Resource Energy service contract at the request of the Member before the end of the contract term. N N N N N N N N

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RATES AND CHARGES

SCHEDULE G-1 – RENEWABLE RESOURCE ENERGY SERVICE

Monthly Rate N

(1) The rate for Renewable Resource Energy is the rate schedule applicable to service to a Member, plus a premium per kilowatt hour of Renewable Resource Energy contracted for as follows, subject to any adjustment, surcharge or surcredit that is or may become applicable under the Member's rate schedule: N N N N

	A Per Kilowatt Hour Premium Of	
Rate Schedule "R" – Residential	$0.036500	N
Rate Schedule "C-1" – Small Commercial Single Phase	$0.036500	N
Rate Schedule "C-3" – Small Commercial Three Phase	$0.036500	N
Rate Schedule "OL" – Outdoor Lighting	$0.036500	N
Rate Schedule "D" – Commercial and Industrial Demand Less Than 3,000 kW	$0.036500	N
Rate Schedule "I-E" – Large Commercial and Industrial – Existing	$0.041285	N
Rate Schedule "L" – Large Commercial and Industrial 3,000-5,000 kW	$0.041285	N
Rate Schedule "L-E" – Large Industrial Member Expansion	$0.041285	N
Rate Schedule "SPC-A"	$0.036500	N
Rate Schedule "SPC-B"	$0.036500	N

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RATES AND CHARGES

SCHEDULE G-1 – RENEWABLE RESOURCE ENERGY SERVICE

(2) Renewable Resource Energy purchased by a Member in any month will be conclusively presumed to be the first kilowatt hours delivered to that Member in that month. N N

Billing N

Sales of Renewable Resource Energy are subject to the terms of service and payment of the Rate schedule under which Renewable Resource Energy is purchased. N N

N

Member Discount Adjustment Rider

Revenue collected by JPEC under this Renewable Resource Energy tariff rider will be included in Unadjusted Billing Revenues for purposes of the Member Discount Adjustment Rider. N N

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SHEET NO.

RATES AND CHARGES

SCHEDULE G-1 – RENEWABLE RESOURCE ENERGY SERVICE

RENEWABLE ENERGY CONTRACT N

JPEC: JACKSON PURCHASE ENERGY CORPORATION N

MEMBER: _____ N

MEMBER ACCOUNT NUMBER: _____ N

BEGINNING DATE OF RENEWABLE ENERGY SALE: _____, 20____ N

ENDING DATE OF RENEWABLE ENERGY SALE (WHICH IS A DATE NOT LESS THAN ONE YEAR AFTER THE BEGINNING DATE): _____, 20____ N N

NUMBER OF BLOCKS OF 100 KILOWATT HOURS EACH OF RENEWABLE ENERGY PURCHASED: _____ N

JPEC agrees to sell, and Member agrees to buy Renewable Energy in the amounts and for the period stated above, in accordance with JPEC's Renewable Energy Rider, a copy of which Member has received from JPEC. The retail rate premium that will be added to Member's monthly bill for each 100 kWh block of Renewable Energy is $3.65, or $_____ in total per billing month based upon the number of blocks of Renewable Energy Member will purchase from JPEC, subject to any changes in JPEC's Renewable Energy Rider approved by the Kentucky Public Service Commission from time to time. N N N N N N

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RATES AND CHARGES

SCHEDULE G-1 – RENEWABLE RESOURCE ENERGY SERVICE

RENEWABLE ENERGY CONTRACT N

This Renewable Energy Contract contains the entire agreement of the JPEC and the Member regarding Member's purchase of Renewable Energy from JPEC, and may not be amended except in writing, signed by JPEC and Member. N N N N

AGREED BY JPEC: N

JACKSON PURCHASE ENERGY CORPORATION N

BY: _____ N

ITS: _____ N

DATE: _____, 20_____ N

AGREED BY MEMBER: N

BY: _____ N

DATE: _____, 20_____ N

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P.S.C. KY NO. 2

SHEET NO. 84

CANCELLING P.S.C. KY NO. Original

SHEET NO.

TERMS AND CONDITIONS

MEMBERS BILL OF RIGHTS

As a residential Member of a regulated public utility in the Commonwealth of Kentucky, you are guaranteed the following rights subject to Kentucky Revised Statutes and the provisions of the Kentucky Public Service Commission Administrative Regulations: N N N

- You have the right to service, provided you (or a Member of your household whose debt was accumulated at your address) are not indebted to JPEC. N N
- You have the right to inspect and review JPEC's rates and tariffed operating procedures during JPEC's *normal office hours.* N N
- You have the right to be present at any routine JPEC inspection of your service conditions. N
- You must be provided a separate, distinct disconnect notice alerting you to a possible disconnection of your service, if payment is not received. N N
- You have the right to dispute the reasons for any announced termination of your service. N
- You have the right to negotiate a partial payment plan when your service is threatened by disconnection for non-payment. N N
- You have the right to participate in near equal, levelized payment plan for your electric service. N
- You have the right to maintain your utility service for up to thirty (30) days upon presentation of a medical certificate issued by a health official. N N
- You have the right to prompt (within 24 hours) restoration of your service when the cause for discontinuance has been corrected. N N

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P.S.C. KY NO. 2

SHEET NO. 85

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SHEET NO.

TERMS AND CONDITIONS

MEMBERS BILL OF RIGHTS

- If you have not been disconnected, you have the right to maintain your electric service for up to thirty (30) days, when you present a Certificate of Need issued by the Kentucky Cabinet for Human Resources between the months of November and the end of March. N N N

- If you have been disconnected due to non-payment, you have the right to have your electric service reconnected between the months of November through March provided you: N N

  1. Present a Certificate of Need issued by the Kentucky Cabinet for Human Resources; and N
  2. Pay one third (1/3) of your outstanding bill ($200.00 maximum); and N
  3. Accept referral to the Human Resources' Weatherization Program; and N
  4. Agree to a repayment schedule that will cause your bill to become current by October 15 N

- You have the right to contact the Kentucky Public Service Commission regarding any dispute that you have been unable to resolve with JPEC (call Toll Free 1-800-772-4863). N N

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ISSUED BY G. Kelly Nuckols

TITLE President & CEO

BY AUTHORITY OF ORDER OF THE PUBLIC SERVICE COMMISSION

IN CASE NO. 2007-00116 DATED June 17, 2008

PUBLIC SERVICE COMMISSION
OF KENTUCKY
EFFECTIVE
6/25/2008
PURSUANT TO 807 KAR 5:011
SECTION 9 (1)

By Stephanie Stumbo
Executive Director

FOR Jackson Purchase Energy Corp.
Entire Territory Served
Community, Town or City

P.S.C. KY NO. 2

SHEET NO. 86

CANCELLING P.S.C. KY NO. Original

SHEET NO.

RULES AND REGULATIONS

(1) SCOPE N

This schedule of Rules and Regulations is hereby made a part of all agreements and contracts for electric service received from Jackson Purchase Energy Corporation, hereinafter referred to as JPEC, and applies to all service received, whether such service is based upon a contract, agreement, signed application or otherwise. No employee or director of JPEC is permitted to make an exception to rates and rules. Regulations are on file at the JPEC office, can be inspected at the JPEC office, or on the JPEC website (www.jpenergy.com). All Rules and Regulations shall be in effect so long as they do not conflict with Kentucky Public Service Commission Rules and Regulations. N N N N N N N

(2) REVISIONS N

These Rules and Regulations may be revised, amended, supplemented or otherwise changed from time to time after approval by JPEC's Board of Directors and the Kentucky Public Service Commission. Such changes, when effective, shall have the same force as the present Rules and Regulations. N N N

(3) SUPERSEDE PREVIOUS RULES AND REGULATIONS N

These Rules and Regulations supersede all previous Rules and Regulations under which JPEC has supplied electric service. N N

(4) SERVICE AREA N

JPEC furnishes electric power and energy in portions of Ballard, Carlisle, Graves, Livingston, Marshall and McCracken Counties. N N

(5) AVAILABILITY N

Available to all Members and non-Members of JPEC as specified in the tariff sheets and classifications of service. N N

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(6) AVAILABILITY OF SERVICE TO DELINQUENT MEMBERS N

If an application is received by a person residing with a delinquent Member at the premises where power and/or energy was supplied to the delinquent Member, the application will be denied on the grounds that the applicant is applying as the agent of the delinquent Member. N N N

(7) APPLICATION FOR ELECTRIC SERVICE N

Each prospective Member and/or spouse desiring electric service will be required to complete the "Application for Membership and Electric Service". Where applicable, the prospective Member must sign an agreement or contract pertaining to their particular service. Also, where applicable, the prospective Member must provide JPEC with all necessary electrical permits and fully executed right of way easements for his/her property, and all necessary load information at the time of application for service. The Member may be required to furnish his/her social security number, federal tax identification number, telephone number(s), date of birth, permanent address, place of employment, name of spouse and other information. N N N N N N N N

(8) MEMBERSHIP N

The Membership fee shall be zero dollars ($0.00). No Member may hold more than one (1) Membership in JPEC. Discontinuance of service will automatically terminate the Membership, and any Membership fee will be applied against any unpaid bills of the Member and/or refunded. No refund of any membership fee will be distributed unless the membership is terminated. Membership fees are not transferable from one Member to another. N N N N N

(9) CONTINUITY OF SERVICE N

JPEC shall use reasonable diligence to provide a constant and uninterrupted supply of electrical power and energy, but if such a supply shall fail or be interrupted or become defective through an act of God, or the public enemy, terrorist actions, or by accident, strikes or labor troubles, or by actions of the elements, or other regulatory action or for any other cause beyond the reasonable control of JPEC, JPEC shall not be liable. N N N N N

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For the purpose of making repairs to or changes in JPEC's facilities, JPEC may without incurring any liability therefore, suspend service for such period as may be required but will not inconvenience the Member unnecessarily. Whenever possible, JPEC will give reasonable notice to the Member prior to such suspension of service. N N N N

(10) EASEMENTS N

Each Member, together with his/her spouse and all other real estate title owners, shall grant or convey to JPEC, without cost, any permanent easements reasonably required by JPEC to provide electric service to that Member for the installation, maintenance, and operation of JPEC's electrical distribution system, both existing and future, with right of ingress and egress for these purposes over the Member's property, provided such electrical distribution system is located on real estate owned, rented or otherwise controlled by the Member. The failure or refusal to convey easements shall constitute grounds for discontinuing service. N N N N N N N

(11) RIGHT OF ACCESS N

Each Member shall, at the time of application provide JPEC with permits or shall sign right of way easements if applicable. JPEC shall at all reasonable hours have access to meters, service connections and other property owned by it and located on the Member's premises for purposes of placing, locating, building, constructing, operating, replacing, rebuilding, relocating, repairing, improving, enlarging, extending and maintaining on, over or under such lands and premises or removing there from its electrical distribution system, new or existing lines, wires, poles, anchors and other necessary parts. N N N N N N

(12) NO PREJUDICE OF RIGHTS N

Failure by JPEC to enforce any of the terms of these Rules and Regulations shall not be deemed as a waiver of the right to do so. N N

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(13) NON-STANDARD SERVICE N

The Member shall pay the cost of any special installation necessary to meet his/her requirements for service at other than standard voltage, or for the supply of closer voltage regulation than required by standard practices. N N N

(14) BILLING N

A bill for electric service is mailed to all Members each month a few days after the meter is read. Normally, the bill is for approximately 30 days of service, but may vary from 27 to 35 days depending on the number of working days in a month, bad weather or holiday schedules. Electric service is billed as per tariffs and/or special agreements as approved by JPEC's Board of Directors and the Kentucky Public Service Commission. Members may also be required to pay school, sales and/or franchise taxes as required by state and/or local governments. N N N N N N

If JPEC cannot obtain a reading of the Member's meter due to factors beyond JPEC's control, the reading may then be estimated. JPEC will estimate the Member's bill using information available to JPEC. This information may include previous billing information for this Member, billing information from similar services of other Members, weather data, and other applicable information. When the reading is estimated, it will be noted on the bill. After the next actual reading, the bill will be adjusted automatically if the estimated reading was too high or too low. Failure to receive a statement shall not release the Member from payment obligation. N N N N N N N

JPEC shall not be responsible for any payment lost in the mail or for any payment made to any person not an employee of JPEC or to anyone who has not been authorized to accept such payments on behalf of JPEC. The gross rates shall apply to any such lost payments if not received by JPEC on or before the due date. N N N N

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(15) DEPOSITS N

JPEC may require a minimum deposit to secure payment of bills except for Members qualifying for service connection pursuant to 807 KAR 5:006, Section 15, Winter Hardship Reconnection. Service may be refused or discontinued for failure to pay the requested deposit. N N N

The residential deposit amount shall not exceed 2/12's of the average annual residential usage at the current rates. Interest, as prescribed by KRS 278.460, will be paid annually either by refund or credit to the Member's bill, except that no refund or credit will be made if the Member's bill is delinquent on the anniversary date of the deposit. N N N N

The residential deposit may be waived upon a Member's showing of satisfactory credit, based on the credit information received from a credit bureau as determined by JPEC at the time the service is requested by the Member. If a deposit has been waived and the Member fails to maintain a satisfactory payment record, a deposit may then be required. JPEC may require a deposit in addition to the initial deposit if the Member's classification of service changes or if there is a substantial change in usage. Upon termination of service, the deposit, any principal amounts and any interest earned and owing, will be credited to the final bill with any remainder refunded to the Member. N N N N N N N

The non-residential deposit shall be based on existing load information or information provided by Member. The deposit will be equal to 2/12's of the existing usage or 2/12's of the anticipated usage based upon information provided by Member. JPEC may require a deposit in addition to the initial deposit if the Member's classification of service changes or if there is a substantial change in usage. Interest, as prescribed by KRS 278.460, will be paid annually either by refund or credit to the Member's bill, except that no refund or credit will be made if the Member's bill is delinquent on the anniversary date of the deposit. N N N N N N N

If a deposit is held longer than eighteen (18) months, the deposit will be recalculated at the Member's request based on the Member's actual usage. If the deposit for the account differs from the recalculated amount ten percent (10%) for a Member, JPEC may collect any underpayment and shall refund any overpayment by check or credit to the Member's bill. No refund shall be made if the Member's bill is delinquent at the time of the recalculation. N N N N N

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(16) LEVELIZED BILLING N

JPEC will provide a voluntary levelized billing plan for any residential Member who wishes to reduce variations in monthly electric bills based on the latest twelve (12) months usage. The levelized billing plan will not allow the accumulation of large credit or debit balances on a Member's account. The plan enables members to pay a monthly, levelized amount instead of monthly billings for actual usage. JPEC determines the levelized amount based on the following calculation: N N N N N

Average Monthly kWh Usage = $\frac{\text{Current month's kWh usage + Previous 11 months' kWh usage}}{12}$ N N

Average Monthly kWh Charge = Average Monthly kWh Usage X Current Rate N

1/12 Previous kWh Charge Balance = $\frac{\text{Previous kWh charge balance}}{12}$ N N

Current Levelized Amount (round to nearest dollar) = N
Average Monthly kWh Charge +/- 1/12 Previous kWh Charge Balance + Any Additional Fees Due N

All current state, federal, and local taxes that are immediately paid by JPEC, service charges, arrears, and any recurring monthly charges such as security lights are added to the monthly levelized amount in order to calculate the current total levelized payment due. N N N

Payment dates and payment terms remain the same as for normal billing. Participants in levelized billing must pay the full amount of the levelized payment each month by the due date. N N

Failure to pay the full levelized amount, failure to pay a collection fee, disconnect for nonpayment, illegal use of service, or theft of service will result in removal of the account from the levelized program. Accounts removed from the levelized program are placed on the normal billing program and any levelized balance is applied to the actual current billing. N N N N

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Requirements for levelized billing are: (1) twelve (12) months of service at the location; (2) account is paid up-to-date; (3) satisfactory credit history. N N

JPEC may, at its discretion, offer this program to Members with less than twelve (12) months of service at the location with appropriate changes made to the formulas. N N

(17) PARTIAL PAYMENT PLAN N

Residential Members who are unable to pay their bills in accordance with JPEC's regular payment terms may come to JPEC's office during normal business hours to make arrangements for a partial payment plan and retention of service. Such arrangements must be made before the scheduled disconnect date as printed on the late notice. The agreement will be mutually agreed upon and be reasonable and in accordance with the provisions set forth in 807 KAR 5:006, Section 14, Refusal or Termination of Service and Section 15, Winter Hardship Reconnection. The agreement shall be in writing and signed by the Member or by verbal agreement as recorded by JPEC equipment. The agreement will state and the Member will be advised that should he/she fail to honor the payment schedule mutually agreed upon, the Member's service may be disconnected without prior additional notice. JPEC shall not be obligated or required to negotiate additional partial payment plans with Members who are currently delinquent under a previous payment plan. N N N N N N N N N N N N

(18) LOCATION OF METERS N

Meters shall be easily accessible for reading, testing, making necessary adjustments and repairs and shall be located at a site designated by JPEC personnel. N N

(19) METER TESTS N

JPEC will, at its own expense, make periodic tests and inspections of its meters in order to maintain a high standard of accuracy and to conform with the regulations of the Kentucky Public Service Commission. JPEC will make a test of any meter upon written request of any Member. The Member will be given the opportunity of being present at such a "request test". Should the test made at the Member's request show the meter to be accurate within two percent (2%) slow or fast, no adjustment will be made N N N N N

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to the Member's bill and the Member will be billed in accordance with the non-recurring fees as approved by JPEC's Board of Directors and the Kentucky Public Service Commission to cover the cost of the "request test". Such charge would be subject to the same collection policies as any other amount due and owing JPEC. Should the test show the meter to be in excess of two percent (2%) slow or fast, an adjustment shall be made to the Member's bill as prescribed by 807 KAR 5:006, Section 10 (5). Should the test show the meter to be in excess of two percent (2%) slow or fast, the cost of the meter test shall be borne by JPEC.

(20) SERVICES PERFORMED FOR MEMBERS

JPEC personnel are prohibited from making repairs or performing services to the Member's equipment or property except in cases of emergency or to protect the public or Member's person or property. When such emergency service(s) is/are performed, the Member shall be charged for such service(s) at the rate of time and material(s) used.

(21) RESALE OF POWER BY MEMBERS

All purchased electric power and energy used on the premises of the Member shall be supplied exclusively by JPEC and the Member shall not directly sell, sublet or otherwise dispose of the electric power and energy or any part thereof.

(22) NOTICE OF TROUBLE

Member or Member's representative should notify JPEC immediately should service be unsatisfactory for any reason or should there be any defects, trouble or accidents affecting the supply of electricity.

(23) POINT OF DELIVERY

The point of delivery is the point as designated by JPEC on the Member's premises where electric power and energy is to be delivered to a building or premises, namely, the point of attachment, which is normally the point closest to the utility line. A Member requesting a delivery point different from the one designated by JPEC will be required to pay the additional cost of the special construction. All wiring and

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equipment, excluding the metering, beyond this point of delivery shall be supplied and maintained by the Member. N N

(24) FAILURE OF METER TO REGISTER N

In the event a Member's meter should fail to register, the Member shall be billed from the date of such failure at the average consumption of the Member, based on the twelve (12) months period immediately preceding the failure and other information as deemed appropriate. N N N

(25) MEMBER'S WIRING AND INSTALLATION N

A. The electric system of the Member's premises shall be installed to be in compliance with the standards of the most recent edition of NFPA 70, National Electrical Code, Rules and Regulations of JPEC and with the codes and regulations of any government authority having jurisdiction. Any required inspection by any governmental agency shall be secured by the Member. No connection or hookup shall be made until JPEC has received a certificate of inspection or certificate of exemption from the agency having jurisdiction. N N N N N N

B. All wiring, pole lines, equipment and appliances beyond the metering point or delivery point shall be installed, owned and maintained by the Member. JPEC assumes no duty or liability for any appliances or wiring not installed by JPEC or for any injury to persons or property resulting from appliances or wiring installed by the Member on its side of the meter or delivery point. N N N N N

C. JPEC shall have the right, but does not assume the duty, to inspect the Member's entrance equipment installation at any reasonable time. JPEC may refuse to commence or continue service whenever entrance equipment installation could subject any person to imminent harm or result in substantial damage to the property of JPEC or others, but no inspection by JPEC, nor the failure by it to identify deficiencies in the Member's entrance equipment installation shall render JPEC liable or responsible for any loss or damage resulting from defects in installation, wiring or equipment. When a dangerous condition is found to exist on the Applicant/Member's premises, the service shall be refused or discontinued without notice, provided that JPEC notifies the Applicant/Member immediately of the reasons for the refusal or discontinuance and the corrective action to be taken by the Applicant/Member before service can be connected or restored. N N N N N N

RULES AND REGULATIONS

(26) FRANCHISE FEE N

The franchise fee of any local governmental unit shall be assessed only against Members located within the boundaries of the franchising unit of government and shall be listed as a separate item on the bill of the consumers located within the franchised area with a designation on the bill of the amount of the franchise fee and the unit of government to which the fee is payable. N N N N

(27) INSPECTIONS N

JPEC shall not connect a new or modified electric service until the required certificate of approval has been issued by a certified electrical inspector, as required by local and/or state laws. N N

(28) PROTECTION OF JPEC EQUIPMENT N

The Member shall protect the equipment of JPEC on his/her premises and shall not interfere with or alter or permit interference with or alteration of JPEC's meter or other property except by duly authorized representatives of JPEC. For any loss or damage to the property of JPEC due to or caused by or arising from carelessness, neglect, vandalism or misuses by the Member or other unauthorized persons, the cost of the necessary replacement and repairs shall be paid by the Member. After proper negotiations with JPEC and if unable to reach an agreement, a court of law having jurisdiction over the parties shall determine the cost. N N N N N N N

(29) RELOCATION OF LINES N

When JPEC is requested or required to relocate its facilities for any reason, any expense involved will be paid by the Member, firm, person or persons requesting the relocation, unless one or more of the following conditions are met: N N N

A. The relocation is made for the convenience of JPEC. N
B. The relocation will result in a substantial improvement in JPEC's facilities. N
C. The relocation is associated with other regularly scheduled conversion or construction work and can be completed at the same time. N N

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(30) VOLTAGE FLUCTUATIONS CAUSED BY THE MEMBER N

Electric service must not be used in such a manner as to cause unusual fluctuations or disturbances to JPEC's distribution system. JPEC may require the Member, at his/her own expense, to install suitable apparatus which will reasonably limit such fluctuations or disturbances. N N N

(31) REFUSAL OR TERMINATION OF SERVICE N

JPEC may refuse or terminate service to a Member under the following conditions, except as provided in 807 KAR 5:006: N N

A. *For noncompliance with JPEC's tariffed rules or Kentucky Public Service Commission regulations.* JPEC may terminate service for failure to comply with applicable tariffed rules or Kentucky Public Service Commission regulations pertaining to that service. However, JPEC shall not terminate or refuse service to any Member for noncompliance with its tariffed rules or commission regulations without first having made a reasonable effort to obtain Member compliance. After such effort by JPEC, service may be terminated or refused only after the Member has been given at least ten (10) days written termination notice pursuant to 807 KAR 5:006. N N N N N N N N N

B. *For dangerous conditions.* If a dangerous condition relating to JPEC's service which could subject any person to imminent harm or result in substantial damage to the property of JPEC or others is found to exist on the Member's premises, the service shall be refused or terminated without advance notice. JPEC shall notify the Member immediately in writing and, if possible, orally of the reasons for the termination or refusal. Such notice shall be recorded by JPEC and shall include the corrective action to be taken by the Member or JPEC before service can be restored or provided. N N N N N N N N N

C. *For refusal of access.* When a Member refuses or neglects to provide reasonable access to the premises for installation, operation, meter reading, maintenance or removal of JPEC property, JPEC may terminate or refuse service. Such action shall be taken only when corrective action negotiated between JPEC and the Member has failed to resolve the situation and after the Member has been given at least ten (10) days written notice of termination pursuant to 807 KAR 5:006. N N N N N N N

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D. *For outstanding indebtedness.* Except as provided in 807 KAR 5:006, JPEC shall not be required to furnish new service to any Member who is indebted to JPEC for service furnished or other tariffed charges until that Member has paid his/her indebtedness. N

E. *For noncompliance with state, local or other codes.* JPEC may refuse or terminate service to a Member if the Member does not comply with state, municipal, local or other codes and rules and regulations applying to such service. JPEC may terminate service pursuant to 807 KAR 5:006 only after ten (10) days written notice is provided, unless ordered to terminate immediately by a governmental official. N

F. *For nonpayment of bills.* JPEC may terminate service at a point of delivery for nonpayment of charges incurred for JPEC service at that point of delivery; however, JPEC shall not terminate service to any Member for nonpayment of bill for any tariffed charge without first having mailed or otherwise delivered an advance termination notice which complies with the requirements of 807 KAR 5:006. N

1. Termination notice requirements for electric service. JPEC shall mail or otherwise deliver the Member ten (10) day written notice of intent to terminate. Under no circumstances shall service be terminated before twenty-seven (27) days after the mailing date of the original unpaid bill unless, prior to discontinuance, a residential Member presents to JPEC a written certificate, signed by a physician, registered nurse, public health officer or other qualified medical provider, that such discontinuance will aggravate an existing illness or infirmity on the affected premises, in which case discontinuance may be effective not less than thirty (30) days from the date JPEC notifies the Member, in writing, of state and federal programs which may be available to aid in payment of bills and the office to contact for such possible assistance The termination notice to residential Members shall include written notification to the Member of the existence of local, state and federal programs providing for payment of JPEC bill under certain conditions, and the address and telephone number of the Department of Social Insurance of the Cabinet for Human Resources to contact for possible assistance. N

2. The termination notice requirements of this subsection shall not apply if termination notice requirements to a particular Member or Members are otherwise dictated by the terms of a special agreement or contract between JPEC and the Member which has been approved by JPEC's Board of Directors and the Kentucky Public Service Commission. N

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G. *For illegal use or theft of service.* JPEC may terminate service to a Member without advance notice if it has evidence that the Member has obtained unauthorized service by illegal use or theft or if the meter or other equipment belonging to JPEC is tampered or interfered with. Within twenty-four (24) hours after such termination, JPEC shall send written notification to the Member of the reasons for termination or refusal of service upon which JPEC relies and of the Member's right to challenge the termination by filing a formal complaint with the Kentucky Public Service Commission. This right of termination is separate from and in addition to any other legal remedies which JPEC may pursue for illegal use or theft of service. JPEC shall not be required to restore service until the Member has complied with all tariffed rules of JPEC and laws and regulations of the Kentucky Public Service Commission. The Member supplied shall pay the amount JPEC estimates is due for service rendered but not registered on JPEC's meter and for such repairs and replacements as are necessary. In disconnecting the illegal service, actual cost to disconnect will be charged if it is required to be disconnected at the transformer. This actual cost, including overheads and transportation, shall be determined based on wages, as determined by collective bargaining agreement, at the time of the disconnect at the transformer. N

H. *Collection Fee.* Should a collection agent be dispatched by JPEC and arrives at Member's premises, a collection fee in accordance with the non-recurring fees as approved by JPEC's Board of Directors and the Kentucky Public Service Commission shall be added to the Member's bill to defray the cost of the collection agent and mileage to effect such collection. JPEC will make a collection charge only once in any billing period. This charge is to be made regardless whether the agent collects the amount due or disconnects the service. N

(32) TEMPORARY SERVICE N

A Member requesting temporary service may be required to pay all cost of constructing, removing, connecting and disconnecting service. Facilities that are temporary in nature such as for construction contractors, sawmills, carnivals, fairs, camp meetings, etc., will be provided to Members making application for same, provided they pay an advance fee equal to the reasonable cost of constructing and removing such facilities along with a deposit (amount to be determined by JPEC), for estimated consumption. Upon termination of temporary service, the payment made on estimated consumption will be adjusted to actual consumption and either a refund or additional billing will be issued to such temporary Member. N

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(33) NEW SERVICE TO BARNS, CAMPS, PUMPS AND MISCELLANEOUS SERVICES NOT CONSIDERED PERMANENT PREMISES N N

A. This rule shall apply to services where the amount of consumption and/or the permanency of service cannot be reasonably assured as determined by JPEC. N

B. All wiring shall be in accordance with JPEC's Rules and Regulations and the most recent edition of NFPA 70, National Electrical Code. N N N

C. A contribution-in-aid of construction shall be required from the Applicant/Member for all facilities installed to provide service under this section . Aid of construction payment shall be estimated and received by JPEC before construction is begun. When construction is completed, the Member shall be billed for the actual cost of construction and credit for advance payment shall be given. N N N N N N N

D. The Member requesting service may clear right-of-way, to JPEC specifications, inspection(s) and approval, for initial installation in order to reduce cost. N N N

(34) DISTRIBUTION LINE EXTENSIONS N

A. A single phase extension to a permanent premises of one thousand (1,000) feet or less shall be made by JPEC to its existing distribution line without charge for a prospective Member who shall apply for and agree to use the service for one year or more and provides guarantee for such service. The "service drop" to the structure from the distribution line at the last power pole shall not be included in the foregoing measurements. This distribution line extension shall be limited to service where the installed transformer capacity does not exceed 25 kVA. Any extensions to a Member who may require polyphase service or whose installed transformer capacity will exceed 25 kVA will be required to pay in advance additional cost of construction which exceeds that for a single phase line where the installed transformer capacity does not exceed 25 kVA. N N N N N N N

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average cost per foot of the total extension, and credit for advance payment shall be given. N

2. Each Member receiving service under such extension will be reimbursed under the following plan: N

Each year for a period of ten (10) years, which for purpose of this rule shall be the refund period, JPEC shall refund to the Member or Members who paid for the excess footage the cost of one thousand (1,000) feet of the extension in place for each additional Member connected during the year whose service line is directly connected to the extension installed and not to extensions or laterals therefrom, but in no case shall the total amount refunded exceed the amount paid JPEC. No refund shall be made after the refund period ends. For additional Members connected to an extension or lateral from the distribution line, JPEC shall refund to any Member who paid for excessive footage the cost of one thousand (1,000) feet of line less the length of the lateral or extension. No refund shall be made to any Member who did not make the advance originally. N

C. An applicant desiring an extension to a proposed real estate subdivision may be required to pay the entire cost of extension. Each year for a period of ten (10) years, JPEC shall refund to applicant who paid for the extension, a sum equivalent to the cost of one thousand (1,000) feet of the extension installed for each additional Member connected during the year, but in no case shall the total amount refunded exceed the amount paid to JPEC. After the end of the refund period, no refund will be required. N

D. The applicant or applicants may elect to clear the right-of-way, to JPEC specifications, inspections and approval, to reduce the cost of the extension. N

E. The applicant or applicants shall grant the necessary easement for JPEC to construct lines off the original line extension to all adjacent property in order to receive a refund on the original deposit. N

(35) DISTRIBUTION LINE EXTENSION TO MOBILE HOMES N

JPEC will extend service to an individual mobile home under the following terms and conditions. N

A. The Member shall enter into a standard agreement (as determined by Section 3 through 5 below) with JPEC. Members shall agree to abide by the Bylaws as adopted and approved by JPEC's N

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Board of Directors and the Rules and Regulations as adopted and approved by JPEC's Board of Directors and the Kentucky Public Service Commission. N

B. A contribution-in-aid of construction will be charged for extending service to an individual mobile home when JPEC provides the service termination pole (meter pole). This fee shall be determined by calculation of the actual materials costs, including any applicable taxes and overhead costs of JPEC in providing the meter pole. This contribution-in-aid of construction is in addition to the advance for construction fees listed below and shall be payable prior to connection of service. The meter pole thus furnished shall become the property of the Member. In the event the Member furnishes a meter pole which meets the specifications of JPEC, the above contribution-in-aid of construction will not be charged. Should it be necessary for JPEC to furnish necessary grounding, guying, etc. on the Member-furnished meter pole, the Member shall pay a fee for actual material costs, including any applicable taxes and overhead costs to JPEC in providing the necessary grounding, guying, etc. JPEC shall not be responsible for any maintenance associated with meter poles or hardware attached to meter poles. N

C. All extensions of up to three hundred (300) feet from the nearest distribution facility shall be made without charge. N

D. For extensions greater than three hundred (300) feet and less than one thousand (1,000) feet from the nearest distribution facility, JPEC may charge an advance equal to the reasonable costs incurred by it for that portion of the service beyond three hundred (300) feet. N

1. This advance shall be refunded to the Member over a four (4) year period in equal amounts for each year the service is continued. N
2. If the service is discontinued for a period of sixty (60) days, or should the mobile home be removed and another not take its place within sixty (60) days or be replaced by a permanent structure, the remainder of the advance shall be forfeited. N
3. No refunds shall be made to any Member who did not make the advance originally. N

E. For extensions beyond one thousand (1,000) feet from the nearest distribution facility, JPEC may charge, in addition to the charges and refunds listed in Item 35, Section D above, an advance equal to the reasonable costs incurred by it for that portion of the service. Beyond one thousand (1,000) feet the extension shall conform to Item (34), Section B, above and shall conform to 807 KAR 5:041 Section 11. N

F. The Member requesting service may clear right-of-way for initial installation, to JPEC specifications, inspections and approval, in order to reduce cost. N

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ISSUED BY G. Kelly Nuckols
G. Kelly Nuckols

TITLE President & CEO

BY AUTHORITY OF ORDER OF THE PUBLIC SERVICE COMMISSION

IN CASE NO. 2007-00116 DATED June 17, 2008

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G. All mobile homes not on a foundation and/or not connected to sanitary sewer, septic system or disposal field shall be considered in a readily removable condition and will be considered as a temporary service. N

H. Mobile homes which are located in an established Mobile Home park or placed on a permanent foundation, with the transport equipment removed (axel(s) and tongue), and connected to a sanitary sewer system, septic tank or disposal field as required by the Commonwealth of Kentucky, shall be considered as a permanent home. N

(36) EXTENSION OF UNDERGROUND SERVICE AND PRIMARY N

JPEC will extend underground electric distribution systems for all new Members and subdivisions in accordance with Kentucky Public Service Commission Regulation 807 KAR 5:041, Section 21 and the following conditions and terms: N

A. *Right of Way and Easements*. Applicant/Member shall furnish suitable right of way and easements for JPEC's underground facilities. Applicant/Member shall perform such services as necessary to facilitate construction and accessibility by JPEC to area, including approximation of final grade. N

B. *Land Rights*. Suitable land rights shall be granted to JPEC, obligating the applicant and any subsequent property owners to provide continuing access to JPEC for the operations, maintenance and/or replacement of its facilities and to prevent any encroachments upon JPEC's easement or any substantial change in grade or elevation. N

C. *Contractual Agreements*. Individual contractual agreements may be required with respect to individual service applications, including but not limited to subdivisions, commercial or business services or unusual cases. N

D. *Underground Cost Differential Charge*. Applicants/Members shall not be required to pay a non-refundable "cost differential charge" for underground services when the terms and conditions specified below are met. N

E. *Primary Extensions*. Applicant/Member shall install a suitable conduit system for the installation by JPEC of its primary cables. The conduit system may include: N

1. Electric grade conduit as specified by JPEC. N

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2. Long radius elbows or bends shall be required. The maximum number of bends in any single run of conduit shall be limited to the equivalent of three (3) ninety degree (90°) bends. N
3. JPEC furnished equipment, such as vaults or pull boxes. N
4. Pull string of sufficient strength to allow JPEC to install the necessary pulling rope. N
5. JPEC will provide the riser and any junction or pull vaults. The conduit system shall be installed to meet all applicable codes and regulations and JPEC specifications. JPEC reserves the right to inspect any conduit system during installation and prior to backfilling of trench(es) by Applicant/Member. JPEC shall not accept an Applicant/Member installed conduit system unless inspection was made by JPEC prior to backfilling any trench. N
6. Upon acceptance of the conduit system by JPEC, JPEC shall assume ownership, liability, and future maintenance of the conduit system. N

F. *Secondary or Service Extensions*. Applicant/Member shall install a suitable conduit system for the installation by JPEC of its secondary/service cables. The conduit system may include: N

1. Electric grade conduit as specified by JPEC. N
2. Standard radius elbows and bends shall be required. The maximum number of bends in any single run of conduit shall be limited to the equivalent of three (3) ninety degree (90°) bends. N
3. Pull string of sufficient strength to allow JPEC to install the necessary pulling rope. N
4. JPEC will provide the riser and any secondary junction or pull vaults or enclosures. The conduit system shall be installed to meet any applicable codes and regulations and JPEC specifications. JPEC reserves the right to inspect any conduit system during installation and prior to backfilling of trench by Applicant/Member. JPEC shall not accept an Applicant/Member installed conduit system unless inspection was made by JPEC prior to backfilling any trench. N
5. Upon acceptance of the conduit system by JPEC, JPEC shall assume ownership, liability, and future maintenance of the conduit system. N

G. *Subdivisions* – Each subdivision will be evaluated to determine the necessary facilities to be installed. The subdivision developer or Member will be required to comply with the Primary Extension and Secondary or Service Extensions requirements as defined above. N

H. *Overhead to Underground* – When an existing Member requests underground facilities and is currently served with adequate overhead facilities, the entire cost of the requested change from N

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overhead to underground shall be borne by the Member as a non-refundable contribution-in-aid of construction prior to the beginning of such conversion. JPEC shall provide an estimate to the Member of the expected cost. The cost shall include:

1. Labor, materials and applicable overhead for the new underground installation.
2. Labor and applicable overhead for the removal of the existing overhead facilities.
3. Less the value of any reusable materials removed.

The total cost of the conversion shall be deposited by the Member based on the estimated cost of the total conversion. When construction is completed, the Member shall be billed for the actual cost of construction based on the average cost per foot of the total conversion, and credit for advance payment shall be given.

All other terms and conditions specifically set forth in Section 36 and any other terms and conditions within these Rules and Regulations shall apply.

(37) CONNECTION OR RECONNECTION OF SERVICE

JPEC shall charge a fee in accordance with the non-recurring fees as approved by JPEC's Board of Directors and Kentucky Public Service Commission to cover costs for a Member to connect or reconnect service during regularly scheduled hours. This charge offsets time spent by JPEC in dispatching personnel to the meter location. If a Member requests to be connected or reconnected at a time outside regularly scheduled hours, an after hours fee in accordance with the non-recurring fees as approved by JPEC's Board of Directors and Kentucky Public Service Commission shall be made. The after hour charge shall be in lieu of the regular scheduled fee.

Should a service disconnected for non-payment require reconnection at the transformer, the Member may be levied actual JPEC incurred costs including overhead charges.

(38) RETURNED CHECKS

Checks returned to JPEC by the bank which are marked "insufficient funds," "no account," etc. will not be regarded as a payment. Postdated checks will not be accepted by JPEC as a payment of any account.

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Upon receiving a returned check from the bank, a letter shall be prepared and mailed to the Member stating that such check has been returned to JPEC, and that the account is still due and payable in addition to a returned check charge fee, billed in accordance with the non-recurring fees as approved by JPEC's Board of Directors and the Kentucky Public Service Commission, for handling the returned check. If reimbursement is made by the Member for such check prior to the delinquent date, then the net charge will prevail. However, if reimbursement by the Member to JPEC is made following the delinquent date, the gross charges shall apply. N N N N N N N

In the event a collection agent is dispatched to effect collection of such returned check, then the same charges and procedures listed under Section 31, REFUSAL OR TERMINATION OF SERVICE, shall apply. N N

(39) MONITORING OF MEMBER USAGE N

JPEC will monitor the usage of each Member according to the following procedure: N

A. JPEC will monitor the consumption of its Members each month. N

B. If the current month's consumption is approximately the same or if any difference is known to unique circumstance, such as unusual weather conditions common to all Members, or if the Member's previous month's consumption has been estimated, no further review will be done. N N N N

C. If the monthly consumption differs by two hundred percent (200%) higher or fifty percent (50%) lower than the previous month's consumption and cannot be attributed to a readily identified common cause, JPEC will compare the Member's consumption records for the twelve (12) month period with the same months of the preceding year. N N N N N N N

D. If the cause for the deviation in consumption cannot be determined from analysis of the Member's meter reading and billing records, JPEC will contact the Member to determine whether there have been changes such as different number of household members, additional and different appliances, any problems with the heating or cooling unit(s) or other reasons for the deviation in consumption. N N N N N N N

E. Where the deviation is not otherwise explained, JPEC will test the Member's meter to determine whether it shows an average error greater than two percent (2%) fast or slow. N N N

F. JPEC will notify the Member of the investigation, its findings, and any refunds or back billing in accordance with 807 KAR 5:006, Section 10 (4) and (5). N N

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G. In addition to the monthly monitoring, JPEC will immediately investigate deviations in consumption brought to its attention as a result of its on-going meter reading or billing process or Member inquiry. N N N

(40) JOINT USE AND ATTACHMENTS N

Occasionally, it becomes necessary or advantageous for JPEC and other entities to occupy the same pole line. Where it is more advantageous to build jointly, an agreement shall be prepared and executed by the parties involved fixing the rental payments, terms and conditions of the joint facilities. N N N

No Member's or third party's equipment shall be permitted on JPEC's poles except the authorized joint-use attachments as referenced above. N N

(41) COMPLAINTS N

Upon complaint to JPEC by a Member either at its office or in writing, JPEC shall make a prompt and complete investigation and advise the complainant thereof. JPEC shall keep a record of all such complaints concerning its service which shall show the name and address of the complainant, the date and the nature of the complaint and the adjustment or disposition thereof. N N N N

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