




Shelby Energy
Cooperative, Inc.

Your Touchstone Energy® Partner 

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PUBLIC SERVICE
COMMISSION

January 10, 2005

Ms. Beth O'Donnell
Executive Director
Public Service Commission
P. O. Box 615
Frankfort, KY 40602

RE: PSC CASE NO. 2004-00481

Dear Ms. O'Donnell:

In accordance with the above case, we are enclosing an original and five (5) copies of the information regarding the fuel adjustment for the period from November 1, 2002 through October 31, 2004.

Should you have any questions or need further information, please contact our office.

Sincerely,

A handwritten signature in black ink that reads "Dudley Bottom, Jr." with a stylized flourish at the end.

Dudley Bottom, Jr., P.E.
President & CEO

Enclosure

DB:dm

COMMONWEALTH OF KENTUCKY

BEFORE THE PUBLIC SERVICE COMMISSION

In Matter of:

**AN EXAMINATION OF THE)
APPLICATION OF THE FUEL)
ADJUSTMENT CLAUSE OF SHELBY)
ENERGY COOPERATIVE, INC. FROM)
NOVEMBER 1, 2002 THROUGH)
OCTOBER 31, 2004)**

**CASE NO.
2004-00481**

RESPONSE TO ORDER FOR INFORMATION

DATED DECEMBER 13, 2004

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

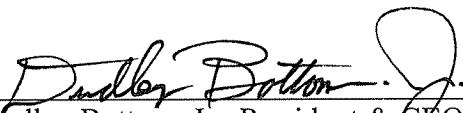
In the Matter of:

AN EXAMINATION BY THE PUBLIC SERVICE)
COMMISSION OF THE APPLICATION OF THE)
FUEL ADJUSTMENT CLAUSE OF SHELBY ENERGY) CASE NO. 2004-00481
COOPERATIVE, INC. FROM NOVEMBER 1, 2002)
THROUGH OCTOBER 31, 2004.)

AFFIDAVIT

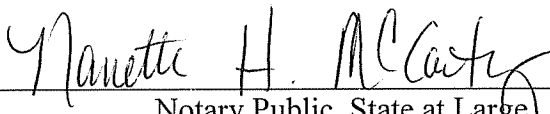
The affiant, Dudley Bottom, Jr., President & CEO, Shelby County, states that for the period of November 1, 2002 through October 31, 2004, Shelby Energy Cooperative, Inc. has operated in compliance with the provisions of the uniform fuel adjustment clause, as prescribed in 807 KAR 5:056, and that no inquiries or complaints regarding the fuel adjustment clause have been received during said period.

Witness my hand this 10th day of January, 2005



Dudley Bottom, Jr., President & CEO

Subscribed and sworn before me this 10th day January, 2005



Notary Public, State at Large

My Commission Expires 4-17-08

CASE NO. 2004-00481

SHELBY ENERGY COOPERATIVE, INC.

Witnesses who will be available to respond to questions concerning the information requested:

Dudley Bottom, Jr., President & CEO

Debbie Martin, VP, Accounting & Finance

APPENDIX A

APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE COMMISSION IN CASE NO. 2004-00481 DATED December 13, 2004.

1.
 - a. Provide a schedule of the calculation of the 12-month average line loss by month for November 2002 through October 2004.
 - b. Describe the measures that Shelby has taken to reduce line loss during this period.
2. Provide a schedule showing the calculation of monthly over- or under-recovery of fuel costs from November 1, 2002 through October 31, 2004.
3. Provide Shelby's monthly revenue reports (monthly billing summaries) showing the total revenue collected, including adjustments under the fuel adjustment clause reported in Shelby's monthly filings required by the Commission from November 1, 2002 through October 31, 2004.
4. Provide a schedule showing the calculation of the increase or decrease in Shelby's base fuel costs per KWH as proposed by its wholesale electric supplier adjusted for Shelby's 12-month average line loss for November 2002 through October 2004.
5. Provide a schedule of the present and proposed rates that Shelby seeks to change pursuant to 807 KAR 5:056 as calculated in Item 4 above, shown in comparative form.
6. Provide a statement showing by cross-outs and italicized inserts all proposed change in rates. A copy of the current tariff may be used.

SHELBY ENERGY COOPERATIVE, INC.
12-MONTH AVERAGE LINE LOSS BY MONTH
NOVEMBER, 2002 - OCTOBER, 2004

| | KWH PURCHASED | KWH SALES TO MEMBERS | LINE LOSS | 12 MTH AVG % |
|-----------------|-------------------|-------------------------|--------------------|-----------------|
| OCTOBER, 2002 | 427,660,599 | 411,883,431 | 15,777,168 | 3.69% |
| NOVEMBER, 2001 | 30,782,926 | 27,804,944 | 2,977,982 | |
| NOVEMBER, 2002 | <u>35,166,825</u> | <u>29,921,287</u> | <u>5,245,538</u> | |
| | 432,044,498 | 413,999,774 | 18,044,724 | 4.18% |
| DECEMBER, 2001 | 36,262,040 | 30,828,845 | 5,433,195 | |
| DECEMBER, 2002 | <u>40,465,234</u> | <u>38,227,012</u> | <u>2,238,222</u> | |
| | 436,247,692 | 421,397,941 | 14,849,751 | 3.40% |
| JANUARY, 2002 | 38,973,162 | 38,837,256 | 135,906 | |
| JANUARY, 2003 | <u>46,485,537</u> | <u>40,857,190</u> | <u>5,628,347</u> | |
| | 443,760,067 | 423,417,875 | 20,342,192 | 4.58% |
| FEBRUARY, 2002 | 35,242,927 | 35,913,506 | (670,579) | |
| FEBRUARY, 2003 | <u>40,709,141</u> | <u>40,508,701</u> | <u>200,440</u> | |
| | 449,226,281 | 428,013,070 | 21,213,211 | 4.72% |
| MARCH, 2002 | 36,845,576 | 34,769,143 | 2,076,433 | |
| MARCH, 2003 | <u>35,939,187</u> | <u>39,886,109</u> | <u>(3,946,922)</u> | |
| | 448,319,892 | 433,130,036 | 15,189,856 | 3.39% |
| APRIL, 2002 | 31,450,181 | 33,473,238 | (2,023,057) | |
| APRIL, 2003 | <u>31,442,492</u> | <u>31,934,004</u> | <u>(491,512)</u> | |
| | 448,312,203 | 431,590,802 | 16,721,401 | 3.73% |
| MAY, 2002 | 32,342,856 | 31,069,976 | 1,272,880 | |
| MAY, 2003 | <u>31,608,726</u> | <u>32,033,023</u> | <u>(424,297)</u> | |
| | 447,578,073 | 432,553,849 | 15,024,224 | 3.36% |
| JUNE, 2002 | 37,379,715 | 34,191,337 | 3,188,378 | |
| JUNE, 2003 | <u>33,488,217</u> | <u>29,439,880</u> | <u>4,048,337</u> | |
| | 443,686,575 | 427,802,392 | 15,884,183 | 3.58% |
| JULY, 2002 | 41,015,783 | 36,185,004 | 4,830,779 | |
| JULY, 2003 | <u>38,187,119</u> | <u>35,391,064</u> | <u>2,796,055</u> | |
| | 440,857,911 | 427,008,452 | 13,849,459 | 3.14% |
| AUGUST, 2002 | 40,113,689 | 41,731,579 | (1,617,890) | |
| AUGUST, 2003 | <u>39,565,013</u> | <u>35,871,646</u> | <u>3,693,367</u> | |
| | 440,309,235 | 421,148,519 | 19,160,716 | 4.35% |
| SEPTEMBER, 2002 | 34,797,113 | 36,026,542 | (1,229,429) | |
| SEPTEMBER, 2003 | <u>32,187,131</u> | <u>36,456,559</u> | <u>(4,269,428)</u> | |
| | 437,699,253 | 421,578,536 | 16,120,717 | 3.68% |
| OCTOBER, 2002 | 32,454,631 | 31,052,061 | 1,402,570 | |
| OCTOBER, 2003 | <u>31,479,442</u> | <u>30,441,511</u> | <u>1,037,931</u> | |
| | 436,724,064 | 420,967,986 | 15,756,078 | 3.61% |
| NOVEMBER, 2002 | 35,166,825 | 29,921,287 | 5,245,538 | |
| NOVEMBER, 2003 | <u>33,334,132</u> | <u>28,969,757</u> | <u>4,364,375</u> | |
| | 434,891,371 | 420,016,456 | 14,874,915 | 3.42% |
| DECEMBER, 2002 | 40,465,234 | 38,227,012 | 2,238,222 | |
| DECEMBER, 2003 | <u>41,147,472</u> | <u>36,087,392</u> | <u>5,060,080</u> | |
| | 435,573,609 | 417,876,836 | 17,696,773 | 4.06% |

**SHELBY ENERGY COOPERATIVE, INC.
12-MONTH AVERAGE LINE LOSS BY MONTH
NOVEMBER, 2002 - OCTOBER, 2004**

| | KWH PURCHASED | KWH SALES TO MEMBERS | LINE LOSS | 12 MTH AVG % |
|-----------------|-------------------|-------------------------|--------------------|-----------------|
| JANUARY, 2003 | 46,485,537 | 40,857,190 | 5,628,347 | |
| JANUARY, 2004 | <u>45,499,843</u> | <u>39,183,874</u> | <u>6,315,969</u> | |
| | 434,587,915 | 416,203,520 | 18,384,395 | 4.23% |
| FEBRUARY, 2003 | 40,709,141 | 40,508,701 | 200,440 | |
| FEBRUARY, 2004 | <u>39,905,051</u> | <u>42,480,206</u> | <u>(2,575,155)</u> | |
| | 433,783,825 | 418,175,025 | 15,608,800 | 3.60% |
| MARCH, 2003 | 35,939,187 | 39,886,109 | (3,946,922) | |
| MARCH, 2004 | <u>36,250,537</u> | <u>37,791,106</u> | <u>(1,540,569)</u> | |
| | 434,095,175 | 416,080,022 | 18,015,153 | 4.15% |
| APRIL, 2003 | 31,442,492 | 31,934,004 | (491,512) | |
| APRIL, 2004 | <u>31,834,138</u> | <u>34,071,061</u> | <u>(2,236,923)</u> | |
| | 434,486,821 | 418,217,079 | 16,269,742 | 3.74% |
| MAY, 2003 | 31,608,726 | 32,033,023 | (424,297) | |
| MAY, 2004 | <u>34,940,833</u> | <u>32,303,532</u> | <u>2,637,301</u> | |
| | 437,818,928 | 418,487,588 | 19,331,340 | 4.42% |
| JUNE, 2003 | 33,488,217 | 29,439,880 | 4,048,337 | |
| JUNE, 2004 | <u>37,084,941</u> | <u>35,025,664</u> | <u>2,059,277</u> | |
| | 441,415,652 | 424,073,372 | 17,342,280 | 3.93% |
| JULY, 2003 | 38,187,119 | 35,391,064 | 2,796,055 | |
| JULY, 2004 | <u>37,693,836</u> | <u>36,571,997</u> | <u>1,121,839</u> | |
| | 440,922,369 | 425,254,305 | 15,668,064 | 3.55% |
| AUGUST, 2003 | 39,565,013 | 35,871,646 | 3,693,367 | |
| AUGUST, 2004 | <u>37,700,206</u> | <u>35,436,440</u> | <u>2,263,766</u> | |
| | 439,057,562 | 424,819,099 | 14,238,463 | 3.24% |
| SEPTEMBER, 2003 | 32,187,131 | 36,456,559 | (4,269,428) | |
| SEPTEMBER, 2004 | <u>34,393,837</u> | <u>34,514,701</u> | <u>(120,864)</u> | |
| | 441,264,268 | 422,877,241 | 18,387,027 | 4.17% |
| OCTOBER, 2003 | 31,479,442 | 30,441,511 | 1,037,931 | |
| OCTOBER, 2004 | <u>31,944,277</u> | <u>31,546,227</u> | <u>398,050</u> | |
| | 441,729,103 | 423,981,957 | 17,747,146 | 4.02% |

SHELBY ENERGY COOPERATIVE, INC.
JANUARY, 2005

Programs to analyze and implement line loss reductions are continuously in effect. These involve a monthly substation phase balance analysis for each distribution circuit on the system, an extensive annual right-of-way clearing and tree trimming project, the purchase of equipment on loss-price evaluation and system voltage drop studies.

SHELBY ENERGY COOPERATIVE, INC.
MONTHLY OVER-RECOVERY OR UNDER-RECOVERY OF FUEL COSTS
NOVEMBER 1, 2002 - OCTOBER 31, 2004

| | FUEL ADJ FROM WHOLESALE SUPPLIER Ln13a - Curr Mth (Top) | FLOW THRU TO SHELBY ENERGY CUSTOMERS Ln 11 - Prev Mth (Bottom) | NET OVER UNDER RECOVERY | CUMULATIVE BALANCE |
|--------|---|--|----------------------------------|-----------------------|
| Nov-02 | \$50,993.00 | \$70,652.58 | (\$19,659.58) | \$0.00 |
| Dec-02 | \$53,008.00 | \$34,820.87 | \$18,187.13 | (\$1,472.45) |
| Jan-03 | \$50,669.00 | \$34,682.73 | \$15,986.27 | \$14,513.82 |
| Feb-03 | \$254,026.00 | \$208,185.41 | \$45,840.59 | \$60,354.41 |
| Mar-03 | \$162,803.00 | \$153,729.74 | \$9,073.26 | \$69,427.67 |
| Apr-03 | \$77,348.00 | \$118,620.06 | (\$41,272.06) | \$28,155.61 |
| May-03 | \$54,051.00 | \$77,489.18 | (\$23,438.18) | \$4,717.43 |
| Jun-03 | \$4,688.00 | \$8,936.99 | (\$4,248.99) | \$468.44 |
| Jul-03 | (\$63,389.00) | (\$51,393.37) | (\$11,995.63) | (\$11,527.19) |
| Aug-03 | \$46,292.00 | \$23,691.53 | \$22,600.47 | \$11,073.28 |
| Sep-03 | \$4,432.00 | (\$16,791.81) | \$21,223.81 | \$32,297.09 |
| Oct-03 | \$70,826.00 | \$110,034.21 | (\$39,208.21) | (\$6,911.12) |
| Nov-03 | \$21,668.00 | \$24,668.36 | (\$3,000.36) | (\$9,911.48) |
| Dec-03 | \$155,948.00 | \$148,640.16 | \$7,307.84 | (\$2,603.64) |
| Jan-04 | \$158,338.00 | \$133,735.81 | \$24,602.19 | \$21,998.55 |
| Feb-04 | \$261,378.00 | \$207,905.30 | \$53,472.70 | \$75,471.25 |
| Mar-04 | \$145,364.00 | \$163,833.65 | (\$18,469.65) | \$57,001.60 |
| Apr-04 | \$148,029.00 | \$218,532.43 | (\$70,503.43) | (\$13,501.83) |
| May-04 | \$146,754.00 | \$162,712.16 | (\$15,958.16) | (\$29,459.99) |
| Jun-04 | \$118,300.00 | \$90,321.92 | \$27,978.08 | (\$1,481.91) |
| Jul-04 | \$200,907.00 | \$177,381.19 | \$23,525.81 | \$22,043.90 |
| Aug-04 | \$183,224.00 | \$158,949.45 | \$24,274.55 | \$46,318.45 |
| Sep-04 | \$233,534.00 | \$220,220.83 | \$13,313.17 | \$59,631.62 |
| Oct-04 | \$168,346.00 | \$230,063.46 | (\$61,717.46) | (\$2,085.84) |

SHELBY ENERGY COOPERATIVE, INC.
KWH SALES ANALYSIS
NOVEMBER 1, 2002 - OCTOBER 31, 2004

| | ORIGINAL KWH BILLED TO CUSTOMERS | KWH ADJUSTMENT TO BILLING | NET KWH BILLED TO CUSTOMERS |
|--------|--|---------------------------------|-----------------------------------|
| Nov-02 | <u>29,932,098</u> | <u>(10,811)</u> | <u>29,921,287</u> |
| Dec-02 | <u>38,269,156</u> | <u>(42,144)</u> | <u>38,227,012</u> |
| Jan-03 | <u>41,020,879</u> | <u>(163,689)</u> | <u>40,857,190</u> |
| Feb-03 | <u>40,624,887</u> | <u>(116,186)</u> | <u>40,508,701</u> |
| Mar-03 | <u>40,017,406</u> | <u>(131,297)</u> | <u>39,886,109</u> |
| Apr-03 | <u>32,001,104</u> | <u>(67,100)</u> | <u>31,934,004</u> |
| May-03 | <u>32,079,876</u> | <u>(46,853)</u> | <u>32,033,023</u> |
| Jun-03 | <u>29,504,817</u> | <u>(64,937)</u> | <u>29,439,880</u> |
| Jul-03 | <u>35,418,739</u> | <u>(27,675)</u> | <u>35,391,064</u> |
| Aug-03 | <u>35,943,335</u> | <u>(71,689)</u> | <u>35,871,646</u> |
| Sep-03 | <u>36,477,347</u> | <u>(20,788)</u> | <u>36,456,559</u> |
| Oct-03 | <u>30,268,452</u> | <u>176,059</u> | <u>30,444,511</u> |
| Nov-03 | <u>29,047,848</u> | <u>(78,091)</u> | <u>28,969,757</u> |
| Dec-03 | <u>36,181,338</u> | <u>(93,946)</u> | <u>36,087,392</u> |
| Jan-04 | <u>39,335,843</u> | <u>(151,969)</u> | <u>39,183,874</u> |
| Feb-04 | <u>42,503,380</u> | <u>(23,174)</u> | <u>42,480,206</u> |
| Mar-04 | <u>37,819,358</u> | <u>(28,252)</u> | <u>37,791,106</u> |
| Apr-04 | <u>34,128,901</u> | <u>(57,840)</u> | <u>34,071,061</u> |
| May-04 | <u>32,376,605</u> | <u>(73,073)</u> | <u>32,303,532</u> |
| Jun-04 | <u>35,009,345</u> | <u>16,319</u> | <u>35,025,664</u> |
| Jul-04 | <u>36,707,342</u> | <u>(135,345)</u> | <u>36,571,997</u> |
| Aug-04 | <u>35,453,655</u> | <u>(17,215)</u> | <u>35,436,440</u> |
| Sep-04 | <u>34,620,800</u> | <u>(106,099)</u> | <u>34,514,701</u> |
| Oct-04 | <u>31,613,748</u> | <u>(67,521)</u> | <u>31,546,227</u> |
| | 846,356,259 | (1,403,316) | 844,952,943 |

SHELBY ENERGY COOPERATIVE, INC.
ANALYSIS OF FUEL ADJUSTMENT REVENUE
NOVEMBER, 2002 - OCTOBER, 2004

| | ORIG FAC SALES TO CUSTOMERS | CALC OF FAC ADJ | FC FACTOR | ADJ TO FAC | NET FAC TO CUSTOMERS |
|--------|-----------------------------------|--------------------|--------------|---------------|----------------------------|
| Nov-02 | 62,850.67 | (10,811) | 0.00210 | (22.70) | 62,827.97 |
| Dec-02 | 107,876.28 | (42,144) | 0.00282 | (118.85) | 107,757.43 |
| Jan-03 | 70,935.86 | (163,689) | 0.00173 | (283.18) | 70,652.68 |
| Feb-03 | 34,920.79 | (116,186) | 0.00086 | (99.92) | 34,820.87 |
| Mar-03 | 34,796.96 | (131,297) | 0.00087 | (114.23) | 34,682.73 |
| Apr-03 | 208,622.90 | (67,100) | 0.00652 | (437.49) | 208,185.41 |
| May-03 | 153,954.63 | (46,853) | 0.00480 | (224.89) | 153,729.74 |
| Jun-03 | 118,881.76 | (64,937) | 0.00403 | (261.70) | 118,620.06 |
| Jul-03 | 77,549.79 | (27,675) | 0.00219 | (60.61) | 77,489.18 |
| Aug-03 | 8,954.91 | (71,689) | 0.00025 | (17.92) | 8,936.99 |
| Sep-03 | (51,434.95) | (20,788) | (0.00200) | 41.58 | (51,393.37) |
| Oct-03 | 23,483.86 | 173,059 | 0.00120 | 207.67 | 23,691.53 |
| Nov-03 | (16,837.10) | (78,091) | (0.00058) | 45.29 | (16,791.81) |
| Dec-03 | 110,320.75 | (93,946) | 0.00305 | (286.54) | 110,034.21 |
| Jan-04 | 24,764.10 | (151,969) | 0.00063 | (95.74) | 24,668.36 |
| Feb-04 | 148,721.27 | (23,174) | 0.00350 | (81.11) | 148,640.16 |
| Mar-04 | 133,835.82 | (28,252) | 0.00354 | (100.01) | 133,735.81 |
| Apr-04 | 208,282.42 | (57,840) | 0.00652 | (377.12) | 207,905.30 |
| May-04 | 164,182.21 | (73,073) | 0.00477 | (348.56) | 163,833.65 |
| Jun-04 | 218,430.60 | 16,319 | 0.00624 | 101.83 | 218,532.43 |
| Jul-04 | 163,314.45 | (135,345) | 0.00445 | (602.29) | 162,712.16 |
| Aug-04 | 90,365.82 | (17,215) | 0.00255 | (43.90) | 90,321.92 |
| Sep-04 | 177,926.54 | (106,099) | 0.00514 | (545.35) | 177,381.19 |
| Oct-04 | 159,289.76 | (67,521) | 0.00504 | (340.31) | 158,949.45 |
| | 2,433,990.10 | (1,406,316) | | (4,066.03) | 2,429,924.07 |

SHELBY ENERGY COOPERATIVE, INC.
INCREASE OR DECREASE IN SHELBY'S 12 MONTH AVERAGE LINE LOSS
NOVEMBER, 2002 - OCTOBER, 2004

| | KWH PURCHASED | KWH SALES TO CUSTOMERS | KWH LINE LOSS |
|--------|------------------|------------------------------|---------------------|
| Nov-02 | 35,166,825 | 29,921,287 | 5,245,538 |
| Dec-02 | 40,465,234 | 38,227,012 | 2,238,222 |
| Jan-03 | 46,485,537 | 40,857,190 | 5,628,347 |
| Feb-03 | 40,709,141 | 40,508,701 | 200,440 |
| Mar-03 | 35,939,187 | 39,886,109 | (3,946,922) |
| Apr-03 | 31,442,492 | 31,934,004 | (491,512) |
| May-03 | 31,608,726 | 32,033,023 | (424,297) |
| Jun-03 | 33,488,217 | 29,439,880 | 4,048,337 |
| Jul-03 | 38,187,119 | 35,391,064 | 2,796,055 |
| Aug-03 | 39,565,013 | 35,871,646 | 3,693,367 |
| Sep-03 | 32,187,131 | 36,456,559 | (4,269,428) |
| Oct-03 | 31,479,442 | 30,441,511 | 1,037,931 |
| Nov-03 | 33,334,132 | 28,969,757 | 4,364,375 |
| Dec-03 | 41,147,472 | 36,087,392 | 5,060,080 |
| Jan-04 | 45,499,843 | 39,183,874 | 6,315,969 |
| Feb-04 | 39,905,051 | 42,480,206 | (2,575,155) |
| Mar-04 | 36,250,537 | 37,791,106 | (1,540,569) |
| Apr-04 | 31,834,138 | 34,071,061 | (2,236,923) |
| May-04 | 34,940,833 | 32,303,532 | 2,637,301 |
| Jun-04 | 37,084,941 | 35,025,664 | 2,059,277 |
| Jul-04 | 37,693,836 | 36,571,997 | 1,121,839 |
| Aug-04 | 37,700,206 | 35,436,440 | 2,263,766 |
| Sep-04 | 34,393,837 | 34,514,701 | (120,864) |
| Oct-04 | 31,944,277 | 31,546,227 | 398,050 |
| | 878,453,167 | 844,949,943 | 33,503,224 |

| | | | |
|---|--------------------------|---|---------|
| 24 Month Average % | 33,503,224 / 878,453,167 | = | 0.03814 |
| Wholesale Power Supplier's Adjustment Per kWh | | = | 0.00465 |
| Shelby Energy's 24 Month Average Line Loss | | = | 0.03814 |
| Shelby Energy's Change in Base Rate Per kWh | 0.00465 / 0.961861 | = | 0.00483 |

SHELBY ENERGY COOPERATIVE, INC.

| | Present Rate | Proposed Rate |
|--|-------------------------|--------------------------|
| General Service - Rate 1 | | |
| First 600 kWh | 0.06275 | 0.06758 |
| Next 1400 kWh | 0.06100 | 0.06583 |
| All over 2000 kWh | 0.05968 | 0.06451 |
| Optional Residential, Church and School Service - Rate 10 | | |
| All kWh | 0.05135 | 0.05618 |
| Large Power - Rate 2 | | |
| First 100 kWh per KW demand | 0.04901 | 0.05384 |
| Next 100 kWh per KW demand | 0.04344 | 0.04827 |
| All over 200 kWh per KW demand | 0.03788 | 0.04271 |
| Optional TOD Demand - Rate 22 | | |
| First 100 kWh per KW demand | 0.04901 | 0.05384 |
| Next 100 kWh per KW demand | 0.04344 | 0.04827 |
| All over 200 kWh per KW demand | 0.03788 | 0.04271 |
| Outdoor & Street Lighting Service - Rate 3 | | |
| HPS 100 Watt Security Light (39 kWh) | 6.32 | 6.51 |
| HPS 100 Watt Decorative Colonial Light (39 kWh) | 8.71 | 8.90 |
| HPS 400 Watt Directional Flood & Security/Street Light (159 kWh) | 11.62 | 12.39 |
| HPS 250 Watt Directional Flood & Security/Street Light (87 kWh) | 8.84 | 9.26 |
| HPS 150 Watt Decorative Acorn Light (58 kWh) | 10.23 | 10.51 |
| Off-Peak Retail Marketing Rate - ETS | | |
| All kWh | 0.03581 | 0.03871 |
| Large Industrial Rate - Schedule B1 | | |
| All kWh | 0.03084 | 0.03567 |
| Large Industrial Rate - Schedule B2 | | |
| All kWh | 0.02584 | 0.03067 |
| Large Industrial Rate - Schedule B3 | | |
| All kWh | 0.02484 | 0.02967 |
| Large Industrial Rate - Schedule C1 | | |
| All kWh | 0.03084 | 0.03567 |
| Large Industrial Rate - Schedule C2 | | |
| All kWh | 0.02584 | 0.03067 |
| Large Industrial Rate - Schedule C3 | | |
| All kWh | 0.02484 | 0.02967 |
| Special Outdoor Lighting - Rate 33 | 0.03781 | 0.04264 |

Form for filing Rate Schedules

FOR All Territory Served
Community, Town or City
 P.S.C. No. 5
 1st Revised SHEET NO. 1
 CANCELLING P.S.C. NO. 5
 Original SHEET NO. 1

Shelby Energy Cooperative, Inc.
 Shelbyville, Kentucky

Name of Issuing Corporation

CLASSIFICATION OF SERVICE

| GENERAL SERVICE - RATE 1 | RATE PER UNIT |
|---|---------------|
| <p><u>AVAILABILITY:</u></p> <p>Available for commercial, small power, single-phase service, and residential and farm consumers and for three-phase loads below 50 KW, subject to the established Rules and Regulations of the Seller. Consumer having a peak demand exceeding 20 KW may at the direction of Seller be billed a demand charge as shown below.</p> <p><u>TYPE OF SERVICE:</u></p> <p>Single-phase and three-phase, 60 Hertz, at available secondary voltages.</p> <p><u>MONTHLY RATE:</u></p> <p><u>Demand Charge:</u></p> <p>First 20 KW of billing demand per month, no demand charge. Excess above 20 KW of billing demand per month @ \$4.50 per KW.</p> | <p>(T)</p> |

PUBLIC SERVICE COMMISSION
 OF KENTUCKY
 EFFECTIVE

NOV 27 1998

NOV 807 KAR 5011,
 SECTION 9 (1)
Stephan Bee
 SECRETARY OF THE COMMISSION

DATE OF ISSUE: October 27, 1998

EFFECTIVE DATE: October 27, 1998

ISSUED BY: *Dudley Batten Jr.*
 Name of Officer

President & CEO
 Title

Shelbyville, KY 40065
 Address

Issued by authority of an Order of the Public Service Commission of Kentucky in
 Case No. _____ Dated _____

FOR All Territory Served
 Community, Town or City
 P.S.C. No. 5
 3rd Revised SHEET NO. 2
 CANCELLING P.S.C. NO. 5
 2nd Revised SHEET NO. 2

Shelby Energy Cooperative, Inc.
 Shelbyville, Kentucky

Name of Issuing Corporation

CLASSIFICATION OF SERVICE

GENERAL SERVICE - RATE 1

RATE
 PER UNIT

Rate

Energy Charge

| | | | | |
|----------|--------------------------|-----------------------|-----------|-----|
| | Consumer Facility Charge | \$7.18 | (minimum) | |
| First | 600 kWh per month | @ \$.06275 | per kWh | (R) |
| | | .06758 | | |
| Next | 1,400 kWh per month | @ .06100 | per kWh | (R) |
| | | .06583 | | |
| All Over | 2,000 kWh per month | @ .05968 | per kWh | (R) |
| | | .06451 | | |

DETERMINATION OF BILLING DEMAND:

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

POWER FACTOR ADJUSTMENT:

The consumer agrees to maintain unity power factor as nearly as practicable. Power factor may be measured at any time. Should such measurements indicate that the power factor at the time of his maximum demand is less than 0.90 (90%), the demand for billing purposes shall be the demand as indicated or recorded by the demand meter multiplied by 0.90 (90%) and divided by the power factor.

PUBLIC SERVICE COMMISSION
 OF KENTUCKY
 EXECUTIVE

DATE OF ISSUE: May 1, 2003 EFFECTIVE DATE: May 1, 2003
 ISSUED BY: Dwight Burton, Jr. President & CEO MAY 01 2003 Address Shelbyville, KY 40065
 Name of Officer Title

Issued by authority of an Order of the Public Service Commission of Kentucky in
 Case No. 2002-00449 BY [Signature] Date May 1, 2003
 EXECUTIVE DIRECTOR

PURSUANT TO 807 KAR 5.011
 SECTION 9 (1)

Form for filing Rate Schedules

FOR All Territory Served
 Community, Town or City
 P.S.C. No. 5
Original SHEET NO. 3
 CANCELLING P.S.C. NO. _____
 SHEET NO. _____

Shelbyville Energy Cooperative, Inc.
Shelbyville, Kentucky

Name of Issuing Corporation

CLASSIFICATION OF SERVICE

GENERAL SERVICE - RATE 1

RATE
PER UNIT

MINIMUM MONTHLY CHARGE:

The minimum monthly charge under the above rate shall be \$7.18. Where it is necessary to extend or reinforce existing distribution facilities, the minimum monthly charge may be increased to assure adequate compensation for the added facilities. Where the minimum charge is increased in accordance with the terms of this section, additional energy and demand shall be included in accordance with the foregoing rate schedule.

The minimum monthly charge for three-phase service shall be \$1.00 per KVA of installed transformer capacity or the minimum monthly charge stated in the contract for service.

SPECIAL PROVISIONS:

Contract

An "Agreement for Purchase of Power" shall be executed by the consumer for service under this rate schedule if the service is to be three-phase, or if required by the Seller.

PUBLIC SERVICE COMMISSION
OF KENTUCKY
EFFECTIVE

JUN 04 1997

TERMS OF PAYMENT:

The above rates are net; the gross rates are 10% higher. In the event the current monthly bill is not paid by the due date as shown on the bill, the gross rate shall apply.

PURSUANT TO 807 KAR 5.011.
SECTION 9(1)

BY Stevan Bui
SECRETARY OF THE COMMISSION

DATE OF ISSUE: June 11, 1997

EFFECTIVE DATE: June 4, 1997

ISSUED BY: Dudley Bottom, Jr.

President & General Manager
Title

Shelbyville, KY 40065
Address

Issued by authority of an Order of the Public Service Commission of Kentucky in
 Case No. _____ Dated _____

Form for filing Rate Schedules

FOR All Territory Served
Community, Town or City
P.S.C. No. 5
Original SHEET NO. 4
CANCELLING P.S.C. NO. _____
SHEET NO. _____

Energy Cooperative, Inc.
Shelbyville, Kentucky

Name of Issuing Corporation

CLASSIFICATION OF SERVICE

GENERAL SERVICE - RATE 1

RATE
PER UNIT

FUEL ADJUSTMENT CLAUSE:

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

SPECIAL RULES:

Motors having a rated capacity in excess of ten horsepower (10HP) must be three-phase. Motors in excess of five horsepower (5 HP) shall be provided with compensating starting equipment acceptable to the Seller.

TEMPORARY SERVICE:

Consumers requiring temporary service under this rate schedule may be required to pay all costs of connecting and disconnecting incidental to the supplying and removing of service. In addition to this, a deposit will be required to cover estimated consumption of electricity. Both fees will be paid in advance.

PUBLIC SERVICE COMMISSION
OF KENTUCKY
EFFECTIVE

JUN 04 1997

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

BY: Stephan O. Bell
SECRETARY OF THE COMMISSION

DATE OF ISSUE: June 11, 1997

EFFECTIVE DATE: June 4, 1997

ISSUED BY: Dudley Bottom, Jr.
Name of Officer

President & General Manager
Title

Shelbyville, KY 40065
Address

Issued by authority of an Order of the Public Service Commission of Kentucky in
Case No. _____ Dated _____

Form for filing Rate Schedule

FOR All Territory Served
Community, Town or City

P.S.C. NO. 5
3rd Revised Sheet No. 43

Shelby Energy Cooperative, Inc.
Shelbyville, Kentucky
Name of Issuing Corporation

Canceling P.S.C. NO. 5
2nd Revised Sheet NO. 43

| CLASSIFICATION OF SERVICE | | | | | | | | | |
|---|------------------------------|-----------------|--|-------------------------|----------|------------------------|-------|-----------------------|------------------------------|
| OPTIONAL RESIDENTIAL, CHURCH & SCHOOL SERVICE - RATE 10 | Rate Per Unit | | | | | | | | |
| <p><u>AVAILABILITY:</u></p> <p>Available for residences, churches, schools, volunteer fire departments, municipal fire departments and municipal buildings willing to accept the Seller's Special provisions as conditions of service.</p> | | | | | | | | | |
| <p>T T</p> | | | | | | | | | |
| <p><u>TYPE OF SERVICE:</u></p> <p>Single phase and three-phase, 60 hertz, at available secondary voltages.</p> | | | | | | | | | |
| <p><u>MONTHLY RATE:</u></p> <table style="width: 100%;"> <tr> <td>Customer Charge</td> <td></td> </tr> <tr> <td> 1. Single Phase Service</td> <td style="text-align: right;">\$ 11.35</td> </tr> <tr> <td> 2. Three Phase Service</td> <td style="text-align: right;">29.50</td> </tr> <tr> <td>Energy Charge per kWh</td> <td style="text-align: right;">0.05135 .05618</td> </tr> </table> | | Customer Charge | | 1. Single Phase Service | \$ 11.35 | 2. Three Phase Service | 29.50 | Energy Charge per kWh | 0.05135 .05618 |
| Customer Charge | | | | | | | | | |
| 1. Single Phase Service | \$ 11.35 | | | | | | | | |
| 2. Three Phase Service | 29.50 | | | | | | | | |
| Energy Charge per kWh | 0.05135 .05618 | | | | | | | | |
| <p><u>MINIMUM MONTHLY CHARGE:</u></p> <p>The minimum monthly charge for this rate schedule shall be \$11.35 for single phase service and \$29.50 for three phase service. Where it is necessary to extend or upgrade existing facilities, the minimum monthly charge may be increased to provide adequate compensation for the added facilities.</p> | | | | | | | | | |
| <p><u>SPECIAL PROVISIONS:</u></p> <p>1 During peak system hours, the Cooperative may control electric water heaters, central air conditioners and other major electrical loads. Such control would be for limited time periods and control strategies would be based on industry standard practices to reduce consumer inconvenience.</p> | | | | | | | | | |
| <p>T T</p> | | | | | | | | | |

DATE OF ISSUE April 16, 2004 DATE EFFECTIVE: June 1, 2004

ISSUED BY *Darrel B. Bolton, Jr.* PUBLIC SERVICE COMMISSION OF KENTUCKY

Issued by authority of an Order of the Public Service Commission of Kentucky
Case No. _____ Dated JUN 01 2004

PURSUANT TO 807 KAR 5:011
SECTION 9 (1)
BY *[Signature]*
EXECUTIVE DIRECTOR

Form for filing Rate Schedules

FOR All Territory Served
Community, Town or City
 P.S.C. No. 5
Original SHEET NO. 44
 CANCELLING P.S.C. NO. _____
 SHEET NO. _____

Shelby Energy Cooperative, Inc.
Shelbyville, Kentucky

 Name of Issuing Corporation

CLASSIFICATION OF SERVICE

| OPTIONAL RESIDENTIAL, CHURCH & SCHOOL SERVICE - RATE 10 | RATE PER UNIT |
|--|--|
| <p><u>SPECIAL PROVISIONS (continued):</u></p> <p>2. Utility may connect to the non-tariff side of the telephone service, if available. Such connection will be used for automated meter reading, data acquisition and load control and would be based on industry standard practices to reduce consumer inconvenience.</p> <p>3. Utility may audit consumer heating system and consumer must make provisions to limit the resistance heating capacity to an amount that will provide proper heating performance. Such limitation will be by sizing the capacity of individual heating units or staging multiple units.</p> <p><u>TERMS OF PAYMENT:</u></p> <p>The above rates are net; the gross rates are 10% higher. In event the current monthly bill is not paid by the due date as shown on the bill, the gross rates shall apply.</p> <p><u>FUEL ADJUSTMENT CLAUSE:</u></p> <p>This rate may be increased or decreased by an amount per kWh equal to the fuel adjustment amount per kWh as billed by the wholesale power supplier plus an allowance for line losses. The allowance for line losses will not exceed 10% and is based on a twelve-month moving average of such losses. The Fuel Adjustment Clause is subject to all other applicable provisions as set out in 807 KAR 5:056.</p> | <p>PUBLIC SERVICE COMMISSION OF KENTUCKY EFFECTIVE JUN 04 1997 PURSUANT TO 807 KAR 5:011, SECTION 9(1) BY: <u>Stephan D. Bell</u> SECRETARY OF THE COMMISSION</p> |

DATE OF ISSUE: June 11, 1997 EFFECTIVE DATE: June 4, 1997
 ISSUED BY: *Dudley Britton Jr.* President & General Manager Shelbyville, KY 40065
 Name of Officer Title Address

Issued by authority of an Order of the Public Service Commission of Kentucky in
 Case No. _____ Dated _____

Form for filing Rate Schedules

FOR All Territory Served
Community, Town or City
 P.S.C. No. 5
Original SHEET NO. 45
 CANCELLING P.S.C. NO. _____
 SHEET NO. _____

Shelby Energy Cooperative, Inc.
Shelbyville, Kentucky

Name of Issuing Corporation

CLASSIFICATION OF SERVICE

OPTIONAL RESIDENTIAL, CHURCH & SCHOOL SERVICE - RATE 10

RATE
PER UNIT

SPECIAL RULES:

Motors having a rated capacity in excess of ten horse power (10 HP) must be three-phase. Motors in excess of five horsepower (5 HP) shall be provided with compensating starting equipment acceptable to the Seller.

PUBLIC SERVICE COMMISSION
OF KENTUCKY
EFFECTIVE

JUN 04 1997

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

BY: Stephan Bell
SECRETARY OF THE COMMISSION

DATE OF ISSUE: June 11, 1997

EFFECTIVE DATE: June 4, 1997

ISSUED BY: Dudley Bethon, Jr.
Name of Officer

President & General Manager
Title

Shelbyville, KY 40065
Address

Issued by authority of an Order of the Public Service Commission of Kentucky in
 Case No. _____ Dated _____

FOR All Territory Served
 Community, Town or City
 P.S.C. No. 5
 3rd Revised SHEET NO. 5
 CANCELLING P.S.C. NO. 5
 2nd Revised SHEET NO. 5

Shelby Energy Cooperative, Inc.
 Shelbyville, Kentucky

Name of Issuing Corporation

| CLASSIFICATION OF SERVICE | | RATE PER UNIT | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
|--|-----------------------|---------------|-----------------------|---------|---------------------|---------|-----|--|--|--|--------|--|--|------|-----------------------|---|-------------------|---------|-----|--|--|--|--------|--|--|----------|-----------------------|---|-------------------|---------|-----|--|--|--|--------|--|--|--|
| LARGE POWER SERVICE - RATE 2 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| <p><u>AVAILABILITY:</u></p> <p>Available to all consumers whose KW demand shall be greater than 50 KW, including residential and farm consumers who do not qualify under availability of service under Rate 1, located on or near Seller's line for all types of usage, subject to the established Rules and Regulations of Seller.</p> <p><u>TYPES OF SERVICE:</u></p> <p>Three-phase, 60 Hertz, available at Seller's standard voltage</p> <p><u>RATE</u></p> <p><u>Demand Charge</u></p> <p>\$4.50 per month per KW of billing demand</p> <p><u>Energy Charge</u></p> <table border="0"> <tr> <td>First</td> <td>100 kWh per KW demand</td> <td>@</td> <td>\$.04901</td> <td>per kWh</td> <td>(R)</td> </tr> <tr> <td></td> <td></td> <td></td> <td>.05384</td> <td></td> <td></td> </tr> <tr> <td>Next</td> <td>100 kWh per KW demand</td> <td>@</td> <td>.04344</td> <td>per kWh</td> <td>(R)</td> </tr> <tr> <td></td> <td></td> <td></td> <td>.04827</td> <td></td> <td></td> </tr> <tr> <td>All Over</td> <td>200 kWh per KW demand</td> <td>@</td> <td>.03788</td> <td>per kWh</td> <td>(R)</td> </tr> <tr> <td></td> <td></td> <td></td> <td>.04271</td> <td></td> <td></td> </tr> </table> | | First | 100 kWh per KW demand | @ | \$.04901 | per kWh | (R) | | | | .05384 | | | Next | 100 kWh per KW demand | @ | .04344 | per kWh | (R) | | | | .04827 | | | All Over | 200 kWh per KW demand | @ | .03788 | per kWh | (R) | | | | .04271 | | | |
| First | 100 kWh per KW demand | @ | \$.04901 | per kWh | (R) | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| | | | .05384 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Next | 100 kWh per KW demand | @ | .04344 | per kWh | (R) | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| | | | .04827 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| All Over | 200 kWh per KW demand | @ | .03788 | per kWh | (R) | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| | | | .04271 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |

PUBLIC SERVICE COMMISSION
 OF KENTUCKY
 EFFECTIVE

DATE OF ISSUE: May 1, 2003
 ISSUED BY: *Dwight Bittner, Jr.*
 Name of Officer

EFFECTIVE DATE: MAY 01 2003 May 1, 2003
 PURSUANT TO 807 K.S.A. Shelbyville, KY 40065
 SECTION 9 (1) Address

Issued by authority of an Order of the Public Service Commission of Kentucky
 Case No. 2002-00449
 BY *Thomas G. Ford*
 EXECUTIVE DIRECTOR
 Dated April 23, 2003

Form for filing Rate Schedules

FOR All Territory Served
Community, Town or City
 P.S.C. No. 5
Original SHEET NO. 6
 CANCELLING P.S.C. NO. _____
 _____ SHEET NO. _____

Shelby Energy Cooperative, Inc.
Snelbyville, Kentucky

Name of Issuing Corporation

| | | |
|--|-------------|--|
| CLASSIFICATION OF SERVICE | | PUBLIC SERVICE COMMISSION OF KENTUCKY EFFECTIVE |
| LARGE POWER SERVICE - RATE 2 | JUN 04 1997 | RATE PER UNIT |
| <p><u>DETERMINATION OF BILLING DEMAND:</u></p> <p>The billing demand shall be the maximum kilowatt demand established by the consumer for any period of fifteen (15) consecutive minutes during the month for which the bill is rendered, as indicated or recorded by a demand meter and adjusted for power factor as provided below.</p> <p><u>POWER FACTOR ADJUSTMENT:</u></p> <p>The consumer agrees to maintain unity power factor as nearly as practicable. Power factor may be measured at any time. Should such measurements indicate that the power factor at the time of his maximum demand is less than 0.90 (90%), the demand for billing purposes shall be the demand as indicated or recorded by the demand meter multiplied by 0.90 (90%) and divided by the power factor.</p> <p><u>FUEL ADJUSTMENT CLAUSE:</u></p> <p>This rate may be increased or decreased by an amount per kWh equal to the fuel adjustment amount per kWh as billed by the wholesale power supplier plus an allowance for line losses. The allowance for line losses will not exceed 10% and is based on a twelve-month moving average of such losses. The Fuel Clause is subject to all other applicable provisions as set out in 807 KAR 5:056.</p> | | <p>PURSUANT TO 807 KAR 5:011, SECTION 9(1)</p> <p>BY: <u>Stephan O. Bell</u> SECRETARY OF THE COMMISSION</p> |

DATE OF ISSUE: June 11, 1997

EFFECTIVE DATE: June 4, 1997

ISSUED BY: Dudley Button Jr.
Name of Officer

President & General Manager
Title

Shelbyville, KY 40065
Address

Issued by authority of an Order of the Public Service Commission of Kentucky in
 Case No. _____ Dated _____

FOR All Territory Served
Community, Town or City
 P.S.C. No. 5
Original SHEET NO. 7
 CANCELLING P.S.C. NO. _____
 SHEET NO. _____

Shelby Energy Cooperative, Inc.
Shelbyville, Kentucky

Name of Issuing Corporation

CLASSIFICATION OF SERVICE

| LARGE POWER SERVICE - RATE 2 | RATE PER UNIT |
|------------------------------|---------------|
|------------------------------|---------------|

MINIMUM MONTHLY CHARGE:

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

1. The minimum monthly charge specified in the contract for services.
2. The charge of \$1.00 per KVA of installed transformer capacity.

SPECIAL PROVISIONS:

1. Delivery Point - If service is furnished at secondary voltage, the delivery point shall be the metering point unless otherwise specified in the contract for service.

All wiring, pole lines, and other electric equipment on the load side of the delivery point shall be owned and maintained by the consumer.

2. If service is furnished at Seller's primary line voltage, the delivery point shall be the point of attachment of Seller's primary line to consumer's transformer structure unless otherwise specified in the contract for service. All wiring, pole lines, and other electric equipment (except metering equipment) on the load side of the delivery point shall be owned and maintained by the consumer.

PUBLIC SERVICE COMMISSION
 OF KENTUCKY
 EFFECTIVE

JUN 04 1997

PURSUANT TO 807 KAR 5.011,
 SECTION 9 (1)

BY: Stephan D. Bell
 SECRETARY OF THE COMMISSION

DATE OF ISSUE: June 11, 1997

EFFECTIVE DATE: _____

ISSUED BY: Dwight Bottom
 Name of Officer

President & General Manager
 Title

Shelbyville, KY 40065
 Address

Issued by authority of an Order of the Public Service Commission of Kentucky in
 Case No. _____ Dated _____

Form for filing Rate Schedules

FOR All Territory Served
 Community, Town or City
 P.S.C. No. 5
Original SHEET NO. 8
 CANCELLING P.S.C. NO. _____
 SHEET NO. _____

Shelby Energy Cooperative, Inc.
Snelbyville, Kentucky

Name of Issuing Corporation

CLASSIFICATION OF SERVICE

LARGE POWER SERVICE - RATE 2

RATE
PER UNIT

SPECIAL PROVISIONS:

3. Primary Service - If service is furnished at primary distribution voltage, a discount of five percent (5%) shall apply to the demand and energy charges. The Seller shall have the option of metering at secondary voltage.
4. Contract - An "Agreement for Purchase of Power" shall be executed by the consumer for service under this rate schedule.

PUBLIC SERVICE COMMISSION
OF KENTUCKY
EFFECTIVE

JUN 04 1997

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

BY: Stephen O. Bell
SECRETARY OF THE COMMISSION

TERMS OF PAYMENT:

The above rates are net; the gross rates are 10% higher. In the event the current monthly bill is not paid by the due date as shown on the the bill, the gross rate shall apply.

SPECIAL RULES:

Motors having a rated capacity in excess of ten horsepower (10 HP) must be three-phase. Motors in excess of five horsepower (5 HP) shall be provided with compensating starting equipment acceptable to the Seller.

TEMPORARY SERVICE:

Consumers requiring temporary service under this rate schedule may be required to pay all costs of connecting and disconnecting incidental to the supplying and removing of service. In addition to this, a deposit will be required to cover estimated consumption of electricity. Both fees will be paid in advance.

DATE OF ISSUE: June 11, 1997

EFFECTIVE DATE: June 4, 1997

ISSUED BY: Dudley Bottom, Jr.
Name of Officer

President & General Manager
Title

Shelbyville, KY 40065
Address

Issued by authority of an Order of the Public Service Commission of Kentucky in
 Case No. _____ Dated _____

Form for filing Rate Schedules

FOR All Territory Served
 Community, Town or City
 P.S.C. No. 5
 3rd Revised SHEET NO. 39
 CANCELLING P.S.C. NO. 5
 2nd Revised SHEET NO. 39

Shelby Energy Cooperative, Inc.
 Shelbyville, Kentucky

Name of Issuing Corporation

| CLASSIFICATION OF SERVICE | | RATE PER UNIT | | | | | | | | | | | | | | | | | | |
|---|-----------------------|---------------|-------------------------------|-----------------------|-----|-------------------------------|---------|-----|------|-----------------------|---|-----------------------------|---------|-----|----------|-----------------------|---|-----------------------------|---------|-----|
| OPTIONAL T-O-D DEMAND - RATE 22 | | | | | | | | | | | | | | | | | | | | |
| <p><u>AVAILABILITY:</u></p> <p>Available to all consumers whose KW demand shall be greater than 200 KW, including consumers who do not qualify under availability of service under Rate 1 or Rate 10, located on or near Seller's line for all types of usage, subject to the established Rules and Regulations of Seller.</p> <p><u>TYPES OF SERVICE:</u></p> <p>Three-phase, 60 Hertz, available at Seller's standard voltage</p> <p><u>RATE:</u></p> <p><u>Consumer Charge</u></p> <p>\$40.00</p> <p><u>Demand Charge</u></p> <p>\$4.50 per month per KW of billing demand</p> <p><u>Energy Charge</u></p> <table border="0"> <tr> <td>First</td> <td>100 kWh per KW demand</td> <td>@</td> <td>\$.04901 .05384</td> <td>per kWh</td> <td>(R)</td> </tr> <tr> <td>Next</td> <td>100 kWh per KW demand</td> <td>@</td> <td>.04344 .04827</td> <td>per kWh</td> <td>(R)</td> </tr> <tr> <td>All Over</td> <td>200 kWh per KW demand</td> <td>@</td> <td>.03788 .04271</td> <td>per kWh</td> <td>(R)</td> </tr> </table> | | | First | 100 kWh per KW demand | @ | \$.04901 .05384 | per kWh | (R) | Next | 100 kWh per KW demand | @ | .04344 .04827 | per kWh | (R) | All Over | 200 kWh per KW demand | @ | .03788 .04271 | per kWh | (R) |
| First | 100 kWh per KW demand | @ | \$.04901 .05384 | per kWh | (R) | | | | | | | | | | | | | | | |
| Next | 100 kWh per KW demand | @ | .04344 .04827 | per kWh | (R) | | | | | | | | | | | | | | | |
| All Over | 200 kWh per KW demand | @ | .03788 .04271 | per kWh | (R) | | | | | | | | | | | | | | | |

DATE OF ISSUE: May 1, 2003 EFFECTIVE DATE: May 1, 2003

ISSUED BY: *Dwight Patton, Jr.* President & CEO PURSUANT TO 807 KAR 5.011
 Name of Officer Title SECTION, Shelbyville, KY 40065

BY *Charles L. [Signature]* EXECUTIVE DIRECTOR
 Address

Issued by authority of an Order of the Public Service Commission of Kentucky in
 Case No. 2002-00449 Dated April 23, 2003

Form for filing Rate Schedules

FOR All Territory Served
Community, Town or City
 P.S.C. No. 5
Original SHEET NO. 40
 CANCELLING P.S.C. NO. _____
 _____ SHEET NO. _____

Shelby Energy Cooperative, Inc.
Shelbyville, Kentucky

 Name of Issuing Corporation

CLASSIFICATION OF SERVICE

OPTIONAL T-O-D DEMAND - RATE 22

RATE
PER UNIT

DETERMINATION OF BILLING DEMAND:

The billing demand shall be the maximum kilowatt demand established by the consumer during any fifteen-minute interval in the below listed hours for each month and adjusted for power factor as provided herein:

| <u>Months</u> | <u>Hours Applicable for Demand Billing - EST</u> |
|-----------------------|--|
| October through April | 7:00 A.M. to 12:00 Noon 5:00 P.M. to 10:00 P.M. |
| May through September | 10:00 A.M. to 10:00 P.M. |

POWER FACTOR ADJUSTMENT:

The consumer agrees to maintain unity power factor as nearly as practicable. Power factor may be measured at any time. Should such measurements indicate that the power factor at the time of maximum billing demand is less than 0.90 (90%), the demand for billing purposes shall be the demand as indicated or recorded by the demand meter multiplied by 0.90 (90%) and divided by the power factor.

FUEL ADJUSTMENT CLAUSE:

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

PUBLIC SERVICE COMMISSION
OF KENTUCKY
EFFECTIVE

JUN 04 1997

PURSUANT TO 807 KAR 5:011,
SECTION 9 (1)
By Stephen O. Bue
SECRETARY

DATE OF ISSUE: June 11, 1997 EFFECTIVE DATE: June 4, 1997
 ISSUED BY: Dudley Bolton, Jr. President & General Manager Shelbyville, KY 40065
 Name of Officer Title Address

Issued by authority of an Order of the Public Service Commission of Kentucky in
 Case No. _____ Dated _____

Form for filing Rate Schedules

FOR All Territory Served
Community, Town or City
 P.S.C. No. 5
Original SHEET NO. 41
 CANCELLING P.S.C. NO. _____
 SHEET NO. _____

Shelby Energy Cooperative, Inc.
Shelbyville, Kentucky

 Name of Issuing Corporation

| CLASSIFICATION OF SERVICE | |
|---|---------------|
| OPTIONAL T-O-D DEMAND - RATE 22 | RATE PER UNIT |
| <p><u>MINIMUM MONTHLY CHARGE:</u></p> <p>The minimum monthly charge shall be the highest one of the following charges as determined for the consumer in question:</p> <ol style="list-style-type: none"> The minimum monthly charge specified in the contract for services. The charge of \$1.00 per KVA of installed transformer capacity. <p><u>SPECIAL PROVISIONS:</u></p> <ol style="list-style-type: none"> <p><u>Delivery Point</u> - If service is furnished at secondary voltage, the delivery point shall be the metering point unless otherwise specified in the contract for service.</p> <p>All wiring, pole lines, and other electric equipment on the load side of the delivery point shall be owned and maintained by the consumer.</p> <p>If service is furnished at Seller's primary line voltage, the delivery point shall be the point of attachment of Seller's primary line to consumer's transformer structure unless otherwise specified in the contract for service. All wiring, pole lines, and other electric equipment (excepting metering equipment) on the load side of the delivery point shall be owned and maintained by the consumer.</p> <p><u>Primary Service</u> - If service is furnished at primary distribution voltage, a discount of five percent (5%) shall apply to the demand and energy charges. The Seller shall have the option of metering at secondary voltage.</p> | |

PUBLIC SERVICE COMMISSION
 OF KENTUCKY
 EFFECTIVE
 JUN 04 1997
 PURSUANT TO 807 KAR 5:011.
 SECTION 9(1)
 BY: Stephan Bell
 SECRETARY OF THE COMMISSION

DATE OF ISSUE: June 11, 1997 EFFECTIVE DATE: June 4, 1997
 ISSUED BY: *Dudley Bottom Jr.* President & General Manager Shelbyville, KY 40065
 Name of Officer Title Address

Issued by authority of an Order of the Public Service Commission of Kentucky in
 Case No. _____ Dated _____

Form for filing Rate Schedules

FOR All Territory Served
Community, Town or City
P.S.C. No. 5
Original SHEET NO. 42
CANCELLING P.S.C. NO. _____
SHEET NO. _____

Shelby Energy Cooperative, Inc.
Shelbyville, Kentucky

Name of Issuing Corporation

CLASSIFICATION OF SERVICE

OPTIONAL T-O-D DEMAND - RATE 22

RATE
PER UNIT

SPECIAL PROVISIONS:

- 4. Contract - An "Agreement for Purchase of Power" shall be executed by the consumer for service under this rate schedule.

TERMS OF PAYMENT:

The above rates are net; the gross rates are 10% higher. In the event the current monthly bill is not paid by the due date as shown on the bill, the gross rate shall apply.

SPECIAL RULES:

Motors having a rated capacity in excess of ten horsepower (10 HP) must be three-phase. Motors in excess of five horsepower (5 HP) shall be provided with compensating starting equipment acceptable to the Seller.

TEMPORARY SERVICE:

Consumers requiring temporary service under this rate schedule may be required to pay all costs of connecting and disconnecting incidental to the supplying and removing of service. In addition to this, a deposit will be required to cover estimated consumption of electricity. Both fees will be paid in advance.

PUBLIC SERVICE COMMISSION
OF KENTUCKY
EFFECTIVE

JUN 04 1997

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

BY: Stephan O. Bell
SECRETARY OF THE COMMISSION

DATE OF ISSUE: June 11, 1997

EFFECTIVE DATE: June 4, 1997

ISSUED BY: Dudley Patton, Jr.
Name of Officer

President & General Manager
Title

Shelbyville, KY 40065
Address

Issued by authority of an Order of the Public Service Commission of Kentucky in
Case No. _____ Dated _____

Form for filing Rate Schedule

FOR All Territory Served
Community, Town or City

P.S.C. NO. 5
4th Revised Sheet No. 9

Shelby Energy Cooperative, Inc.
Sheibyville, Kentucky
Name of Issuing Corporation

Canceling P.S.C. No. 5
3rd Revised Sheet No. 9

| CLASSIFICATION OF SERVICE | | | |
|--|----------------------------|--|--------------------------------|
| OUTDOOR AND STREET LIGHTING SERVICE - RATE 3 | | | Rate Per Unit |
| <u>AVAILABILITY:</u> | | | |
| Available to all consumers of the Cooperative, subject to the established Rules and Regulations of the Cooperative. | | | |
| <u>TYPE OF SERVICE:</u> | | | |
| Cooperative will furnish, install, and maintain at no extra expense to the consumer, a lighting unit, in accordance with the rate schedule and conditions of service below. Cooperative will make all necessary electrical connections and furnish electricity for same which shall be controlled by a photocell to energize the unit from dusk to dawn. | | | |
| <u>RATES:</u> | | | |
| | Type of Fixture | | |
| A. | HPS (High Pressure Sodium) | 100 Watt Security Light | 6.51 \$ 6.32 T |
| B. | HPS (High Pressure Sodium) | 100 Watt Decorative Colonial Light | 8.90 \$ 8.74 T |
| C. | HPS (High Pressure Sodium) | 400 Watt Directional Flood and Security and Street Light | 12.39 \$ 11.62 T |
| D. | HPS (High Pressure Sodium) | 250 Watt Directional Flood and Security and Street Light | 9.26 \$ 8.84 T |
| E. | HPS (High Pressure Sodium) | 150 Watt Decorative Acorn Light | 10.51 \$ 10.23 N |

DATE OF ISSUE April 16, 2004

DATE EFFECTIVE: June 1, 2004

ISSUED BY Dudley Britton, Jr.
Name of Officer

TITLE PUBLIC SERVICE COMMISSION
President
EFFECTIVE

Issued by authority of an Order of the Public Service Commission of Kentucky in
Case No. _____ Dated JUN 01 2004

PURSUANT TO 807 KAR 5.011
SECTION 9 (1)
BY [Signature]
EXECUTIVE DIRECTOR

Form for filing Rate Schedule

FOR All Territory Served
Community, Town or City

P.S.C. NO. 5
1st Revised Sheet No. 10

Shelby Energy Cooperative, Inc.
Shelbyville, Kentucky
Name of Issuing Corporation

Canceling P.S.C. No. 5
Original 10

| CLASSIFICATION OF SERVICE | |
|---|---------------|
| OUTDOOR AND STREET LIGHTING SERVICE - RATE 3 | Rate Per Unit |
| <p>Service for the above units shall be unmetered and billed on the consumer's monthly bill for other electrical service furnished by the Cooperative, at a rate in accordance with the above rate schedule.</p> <p>* All new lights will be High Pressure Sodium. Mercury Vapor lights will be phased out upon failure and replaced with HPS.</p> <p><u>CONDITIONS OF SERVICE:</u></p> <p>1 <u>Colonial and Acorn Installation (Served Underground)</u></p> <p>For installation where 120/240 volt secondary voltage is available. The Cooperative shall furnish, install, own, and maintain standoff brackets, decorative poles and fixtures for the lamp being used. The consumer shall pay the monthly rate plus any additional charges as determined plus furnish all ditching, conduit, back filling, and repaving/seeding/sodding as necessary in accordance with the Cooperative's specifications. The consumer will install the conduit. The Cooperative will make all necessary connections. Upon termination of this service, the Cooperative shall not be required to remove underground wiring or conduit.</p> <p>2 <u>Directional, Security and Street Lighting (Served Overhead)</u></p> <p>For installation on existing wood poles where 120/240 volt secondary voltage is available. Any additional required facilities may be provided by the Cooperative at an additional charge per month to be determined by the Cooperative.</p> <p>3 The Cooperative shall maintain the lighting equipment including the lamp replacement at no additional cost to the consumer during normal work hours. Outages will be reported promptly.</p> | |
| | T |
| | T |

DATE OF ISSUE April 16, 2004 DATE EFFECTIVE: June 1, 2004

ISSUED BY *Dudley Bottom*
Name of Officer

TITLE President & CEO
PUBLIC SERVICE COMMISSION
OF KENTUCKY
EFFECTIVE

Issued by authority of an Order of the Public Service Commission of Kentucky
Case No. _____ Dated _____

JUN 01 2004

PURSUANT TO 807 KAR 5.011
SECTION 9 (1)
BY *[Signature]*
EXECUTIVE DIRECTOR

Form for filing Rate Schedule

FOR All Territory Served
Community, Town or City

P.S.C. NO. 5
1st Revised Sheet No. 11

Shelby Energy Cooperative, Inc.
Shelbyville, Kentucky
Name of issuing Corporation

Canceling P.S.C. No. 5
Original Sheet No. 11

| CLASSIFICATION OF SERVICE | |
|--|----------------------|
| OUTDOOR AND STREET LIGHTING SERVICE - RATE 3 | Rate Per Unit |
| <p>4 The lighting equipment, poles, and related facilities shall remain the property of the Cooperative. The consumer shall be responsible for fixture replacement or repairs where such replacement or repairs are caused from willful damage, vandalism, or causes other than normal burnouts.</p> | |
| <p>5 The consumer shall allow authorized representatives of the Cooperative to enter upon the consumer's premises and to trim trees and shrubs as necessary for maintenance of the lighting equipment and for removal of lighting equipment upon termination of service under this rate schedule.</p> | |
| <p>6 When additional facilities are required by the consumer, the Cooperative may furnish them at an additional charge per month to be determined by the Cooperative. These additional charges are subject to change by the Cooperative upon 30 days prior written notice. All facilities furnished by the Cooperative will be standard stocked material.</p> | |
| <p>7 The Cooperative and the consumer shall execute an agreement for service under this schedule for a period of not less than one year. Cancellation by the consumer prior to the initial term will require the consumer to pay the Cooperative its cost of installation and removal of facilities plus the non-salvageable material, prorated on the basis of the remaining portion of the initial term of the contract.</p> | <p>T T T</p> |
| <p><u>TERMS OF PAYMENT:</u></p> <p>The above rates are net; the gross rates are 10% higher. In the event the current monthly bill is not paid by the due date as shown on the bill, the gross rate shall apply. No reduction will be made to the consumer's monthly charge under this schedule for service interruption time due to lamp failure or other cause beyond the control of the Cooperative.</p> | |

DATE OF ISSUE April 16, 2004

DATE EFFECTIVE: June 1, 2004

ISSUED BY *Dwight Bottom*
Name of Officer

TITLE PUBLIC SERVICE COMMISSION
OF KENTUCKY
EFFECTIVE

Issued by authority of an Order of the Public Service Commission of Kentucky in
Case No. _____

Dated JUN 01 2004

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

BY *[Signature]*
EXECUTIVE DIRECTOR

Form for filing Rate Schedule

FOR All Territory Served
 Community, Town or City
 P.S.C. NO. 5
 Original Sheet No. 11.1

Shelby Energy Cooperative, Inc.
Shelbyville, Kentucky
 Name of Issuing Corporation

| CLASSIFICATION OF SERVICE | |
|---|------------------|
| OUTDOOR AND STREET LIGHTING SERVICE - RATE 3 | Rate Per Unit |
| <p><u>FUEL ADJUSTMENT CLAUSE:</u></p> <p>This rate may be increased or decreased by an amount per kWh equal to the fuel adjustment amount per kWh as billed by the wholesale power supplier plus an allowance for line losses. The allowance for line losses will not exceed 10% and is based on a twelve month moving average of such losses. The Fuel Clause is subject to all other applicable provisions as set out in KAR 5:056.</p> | |

DATE OF ISSUE April 16, 2004 DATE EFFECTIVE: June 1, 2004
 ISSUED BY *Dudley Bottom* TITLE President & CEO
 Name of Officer PUBLIC SERVICE COMMISSION
 OF KENTUCKY
 Issued by authority of an Order of the Public Service Commission of Kentucky
 Case No. _____ Dated JUN 01 2004

PURSUANT TO 807 KAR 5:011
 SECTION 9 (1)
 BY *[Signature]*
 EXECUTIVE DIRECTOR

Form for filing Rate Schedules

FOR All Territory Served
 Community, Town or City
 P.S.C. No. 5
 5th Revised SHEET NO. 15
 CANCELLING P.S.C. NO. 5
 4th Revised SHEET NO. 15

Shelby Energy Cooperative, Inc.
 Shelbyville, Kentucky

Name of Issuing Corporation

| CLASSIFICATION OF SERVICE | | RATE PER UNIT | | | | | | | | | |
|--|--|---------------|-------------------------------|-----------------------|--------------------------|-----------------------|--|---------|---------------------------------------|-----|--|
| OFF-PEAK RETAIL MARKETING RATE (ETS) | | | | | | | | | | | |
| <p><u>AVAILABILITY OF SERVICE:</u></p> <p>This special marketing rate is made as an attachment to Rate GS-1 & Rate 10 and all other terms of that rate apply except those covered here. It is available for specific marketing programs as approved by Shelby Energy's Board of Directors.</p> <p>The electric power furnished under this marketing program shall be separately metered for each point of delivery and is applicable during the below listed off-peak hours. This rate is available to customers already receiving service under Rate GS-1 & Rate 10. This marketing rate applies only to programs which are expressly approved by the Public Service Commission to be offered under the Marketing Rate of East Kentucky Power Cooperative's Wholesale Power Rate Schedule E.</p> <table border="0"> <tr> <td style="text-align: center;"><u>Months</u></td> <td style="text-align: center;"><u>Hours Applicable - EST</u></td> </tr> <tr> <td>May through September</td> <td>10:00 P.M. to 10:00 A.M.</td> </tr> <tr> <td>October through April</td> <td>12:00 Noon to 5:00 P.M. 10:00 P.M. to 7:00 A.M.</td> </tr> </table> <p><u>Rates</u></p> <p>The energy rate for this program is as listed below:</p> <table border="0"> <tr> <td>All kWh</td> <td>\$.03581 per kWh .03871</td> <td>(R)</td> </tr> </table> | | <u>Months</u> | <u>Hours Applicable - EST</u> | May through September | 10:00 P.M. to 10:00 A.M. | October through April | 12:00 Noon to 5:00 P.M. 10:00 P.M. to 7:00 A.M. | All kWh | \$.03581 per kWh .03871 | (R) | |
| <u>Months</u> | <u>Hours Applicable - EST</u> | | | | | | | | | | |
| May through September | 10:00 P.M. to 10:00 A.M. | | | | | | | | | | |
| October through April | 12:00 Noon to 5:00 P.M. 10:00 P.M. to 7:00 A.M. | | | | | | | | | | |
| All kWh | \$.03581 per kWh .03871 | (R) | | | | | | | | | |

PUBLIC SERVICE COMMISSION
 OF KENTUCKY
 EFFECTIVE

DATE OF ISSUE: May 1, 2003 EFFECTIVE DATE: MAY 01 2003 May 1, 2003
 ISSUED BY: Dudley Bottom, Jr. President & CEO PURSUANT TO 807 KAR 0011
 Name of Officer Title SECTION 9 (1) Address Shelbyville, KY 40065

Issued by authority of an Order of the Public Service Commission of Kentucky in
 Case No. 2002-00449 Dated April 23, 2003
 BY [Signature] EXECUTIVE DIRECTOR

Form for filing Rate Schedules

FOR All Territory Served
 Community, Town or City
 P.S.C. No. 5
Original SHEET NO. 16
 CANCELLING P.S.C. NO. _____
 SHEET NO. _____

Shelby Energy Cooperative, Inc.
Shelbyville, Kentucky

Name of Issuing Corporation

| CLASSIFICATION OF SERVICE | |
|--|---------------|
| OFF-PEAK RETAIL MARKETING RATE (ETS) | RATE PER UNIT |
| <p><u>TERMS OF PAYMENT:</u></p> <p>The above rates are net; the gross rates are 10% higher. In the event the current monthly bill is not paid by the due date as shown on the bill, the gross rate shall apply.</p> <p><u>FUEL ADJUSTMENT CHARGE:</u></p> <p>All rates are applicable to the Fuel Adjustment Clause and may be increased or decreased by an amount per kWh equal to the fuel adjustment amount per kWh as billed by the Wholesale Power Supplier plus an allowance for line losses. The allowance for line losses will not exceed ten percent (10%) and is based on a twelve (12) month moving average of such losses. This Fuel Clause is subject to all other applicable provisions as set out in 807 KAR 5:056.</p> | |
| <p>PUBLIC SERVICE COMMISSION OF KENTUCKY EFFECTIVE JUN 04 1997 PURSUANT TO 807 KAR 5:011 SECTION 9(1) BY: <u>Stephan D. Bell</u> SECRETARY OF THE COMMISSION</p> | |

DATE OF ISSUE: June 11, 1997

EFFECTIVE DATE: June 4, 1997

ISSUED BY: *Dudley Patton Jr.*
 Name of Officer

President & General Manager
 Title

Shelbyville, KY 40065
 Address

Issued by authority of an Order of the Public Service Commission of Kentucky in
 Case No. _____ Dated _____

Form for filing Rate Schedules

FOR All Territory Served
 Community, Town or City
 P.S.C. No. 5
 3rd Revised SHEET NO. 17
 CANCELLING P.S.C. NO. 5
 2nd Revised SHEET NO. 17

Shelby Energy Cooperative, Inc.
 Shelbyville, Kentucky

Name of Issuing Corporation

CLASSIFICATION OF SERVICE

LARGE INDUSTRIAL RATE - SCHEDULE B1

RATE
 PER UNIT

AVAILABILITY:

Applicable to contracts with demands of 500 to 4,999 KW with a monthly energy usage equal to or greater than 400 hours per KW of contract demand.

MONTHLY RATE:

| | | |
|--|---------------------|-----|
| Consumer Charge | \$535.00 | |
| Demand Charge per KW of Contract Demand | \$5.39 | |
| Demand Charge per KW for Billing Demand in Excess of Contract Demand | \$7.82 | |
| Energy Charge per kWh | \$.03084 | (R) |
| | .03567 | |

BILLING DEMAND:

The billing demand (kilowatt demand) shall be the contract demand plus any excess demand. Excess demand occurs when the consumer's peak demand during the current month exceeds the contract demand. The load center's peak demand is the highest average rate at which energy is used during any fifteen-minute interval in the below listed hours for each month and adjusted for power factor as provided herein:

| <u>Months</u> | <u>Hours Applicable for Demand Billing - EST</u> |
|-----------------------|--|
| October through April | 7:00 A.M. to 12:00 Noon 5:00 P.M. to 10:00 P.M. |
| May through September | 10:00 A.M. to 10:00 P.M. |

PUBLIC SERVICE COMMISSION
 OF KENTUCKY
 EFFECTIVE

DATE OF ISSUE: May 1, 2003

EFFECTIVE DATE MAY 01 2003 May 1, 2003

ISSUED BY: *Dwight Bottom*
 Name of Officer

President & CEO Shelbyville, KY 40065
 Title Address

Issued by authority of an Order of the Public Service Commission of Kentucky in Shelbyville, KY 40065
 Case No. 2002-00449 BY *Charles E. Dool* EXECUTIVE DIRECTOR
 Dated April 23, 2003

Form for filing Rate Schedule

FOR All Territory Served
Community, Town or City

P.S.C. NO. 5
1st Revised Sheet No. 18

Shelby Energy Cooperative, Inc.
Shelbyville, Kentucky
Name of Issuing Corporation

Canceling P.S.C. No. 5
Original Sheet No. 18

| CLASSIFICATION OF SERVICE | | |
|---|------------------|---|
| LARGE INDUSTRIAL RATE SCHEDULE B1 | Rate Per Unit | |
| <p><u>MINIMUM MONTHLY CHARGE:</u></p> <p>The minimum monthly charge shall not be less than the sum of (a) through (d) below:</p> <p>(a) Consumer Charge</p> <p>(b) The product of the contract demand multiplied by the contract demand charge, plus the product of the demand in excess of the contract demand multiplied by the in excess of contract demand charge.</p> <p>(c) The product of the contract demand multiplied by 400 hours and the energy charge per kWh minus the fuel base per kWh.</p> <p>(d) Contract provisions that reflect special facilities requirements</p> <p><u>POWER FACTOR ADJUSTMENT:</u></p> <p>The consumer agrees to maintain unity power factor as nearly as practicable. Power factor may be measured at any time. Should such measurements indicate that the power factor at the time of this billing demand is less than 0.90 (90%), the demand for the billing purposes shall be the demand as indicated or recorded, multiplied by 0.90 (90%) and divided by the power factor.</p> <p><u>FUEL ADJUSTMENT CLAUSE:</u></p> <p>This rate may be increased or decreased by an amount per kWh equal to the fuel adjustment amount per kWh as billed by the wholesale power supplier plus an allowance for line losses. The allowance for line losses will not exceed 10% and is based on a twelve-month moving average of such losses. The Fuel Clause is subject to all other applicable provisions as set out in 807 KAR 5:056</p> | | T |

DATE OF ISSUE April 16, 2004 DATE EFFECTIVE June 1, 2004

ISSUED BY *Darrelly Bottom* TITLE PUBLIC SERVICE COMMISSION
Name of Officer OF KENTUCKY

Issued by authority of an Order of the Public Service Commission of Kentucky
Case No. _____ Dated JUN 01 2004

PURSUANT TO 807 KAR 5:011
SECTION 9 (1)
BY *[Signature]*
EXECUTIVE DIRECTOR

Form for filing Rate Schedules

FOR All Territory Served
Community, Town or City
P.S.C. No. 5
Original SHEET NO. 19
CANCELLING P.S.C. NO. _____
SHEET NO. _____

by Energy Cooperative, Inc.
Shelbyville, Kentucky

Name of Issuing Corporation

| | |
|---|--|
| CLASSIFICATION OF SERVICE | PUBLIC SERVICE COMMISSION OF KENTUCKY |
| LARGE INDUSTRIAL RATE SCHEDULE B1 | EFFECTIVE RATE PER UNIT JUN 04 1997 |
| <p><u>SPECIAL PROVISIONS:</u></p> <p>1. <u>Delivery Point</u> - If service is furnished at secondary voltage, the delivery point shall be the metering point unless otherwise specified in the contract for service.</p> <p style="padding-left: 40px;">All wiring, pole lines, and other electric equipment on the load side of the delivery point shall be owned and maintained by the consumer.</p> <p>2. If service is furnished at Seller's primary line voltage, the delivery point shall be the point of attachment of Seller's primary line to consumer's transformer structure unless otherwise specified in the contract for service. All wiring, pole lines, and other electric equipment (except metering equipment) on the load side of the delivery point shall be owned and maintained by the consumer.</p> | <p>DUANT TO 807 KAR 501.1. SECTION 9 (1) <i>Kerlan Buss</i> TARY OF THE COMMISSION</p> |
| <p><u>TERMS OF PAYMENT:</u></p> <p>The above rates are net; the gross rates are 5% higher. In the event the current monthly bill is not paid by the due date as shown on the bill, the gross rate shall apply.</p> | |
| <p><u>TEMPORARY SERVICE:</u></p> <p>Consumers requiring temporary service under this rate schedule may be required to pay all costs of connecting and disconnecting incidental to the supplying and removing of service. In addition to this, a deposit will be required to cover estimated consumption of electricity. Both fees will be paid in advance.</p> | |

DATE OF ISSUE: June 11, 1997
ISSUED BY: *Dudley Bethon, Jr.*
Name of Officer

EFFECTIVE DATE: June 4, 1997
President & General Manager
Title

Shelbyville, KY 40065
Address

Issued by authority of an Order of the Public Service Commission of Kentucky in
Case No. _____ Dated _____

Form for filing Rate Schedules

FOR All Territory Served
Community, Town or City
 P.S.C. No. 5
 3rd Revised SHEET NO. 20
 CANCELLING P.S.C. NO. 5
 2nd Revised SHEET NO. 20

Shelby Energy Cooperative, Inc.
 Shelbyville, Kentucky

Name of Issuing Corporation

| CLASSIFICATION OF SERVICE | | RATE PER UNIT | | | | | | | | | | | | | | | | | | | | | |
|---|--|-----------------|------------|--|---|--------|--|--|--------|--|-----------------------|---------------------|-----|--|--------|--|---------------|--|-----------------------|--|-----------------------|--------------------------|--|
| LARGE INDUSTRIAL RATE - SCHEDULE B2 | | | | | | | | | | | | | | | | | | | | | | | |
| <p><u>AVAILABILITY:</u></p> <p>Applicable to contracts with demands of 5,000 to 9,999 KW with a monthly energy usage equal to or greater than 400 hours per KW of contract demand.</p> <p><u>MONTHLY RATE:</u></p> <table> <tr> <td>Consumer Charge</td> <td>\$1,069.00</td> <td></td> </tr> <tr> <td>Demand Charge per KW of Contract Demand</td> <td>\$5.39</td> <td></td> </tr> <tr> <td>Demand Charge per KW for Billing Demand in Excess of Contract Demand</td> <td>\$7.82</td> <td></td> </tr> <tr> <td>Energy Charge per kWh</td> <td>\$.02584</td> <td>(R)</td> </tr> <tr> <td></td> <td>.03067</td> <td></td> </tr> </table> <p><u>BILLING DEMAND:</u></p> <p>The billing demand (kilowatt demand) shall be the contract demand plus any excess demand. Excess demand occurs when the consumer's peak demand during the current month exceeds the contract demand. The load center's peak demand is the highest average rate at which energy is used during any fifteen-minute interval in the below listed hours for each month and adjusted for power factor as provided herein:</p> <table> <thead> <tr> <th><u>Months</u></th> <th><u>Hours Applicable for Demand Billing - EST</u></th> </tr> </thead> <tbody> <tr> <td>October through April</td> <td>7:00 A.M. to 12:00 Noon 5:00 P.M. to 10:00 P.M.</td> </tr> <tr> <td>May through September</td> <td>10:00 A.M. to 10:00 P.M.</td> </tr> </tbody> </table> | | Consumer Charge | \$1,069.00 | | Demand Charge per KW of Contract Demand | \$5.39 | | Demand Charge per KW for Billing Demand in Excess of Contract Demand | \$7.82 | | Energy Charge per kWh | \$.02584 | (R) | | .03067 | | <u>Months</u> | <u>Hours Applicable for Demand Billing - EST</u> | October through April | 7:00 A.M. to 12:00 Noon 5:00 P.M. to 10:00 P.M. | May through September | 10:00 A.M. to 10:00 P.M. | |
| Consumer Charge | \$1,069.00 | | | | | | | | | | | | | | | | | | | | | | |
| Demand Charge per KW of Contract Demand | \$5.39 | | | | | | | | | | | | | | | | | | | | | | |
| Demand Charge per KW for Billing Demand in Excess of Contract Demand | \$7.82 | | | | | | | | | | | | | | | | | | | | | | |
| Energy Charge per kWh | \$.02584 | (R) | | | | | | | | | | | | | | | | | | | | | |
| | .03067 | | | | | | | | | | | | | | | | | | | | | | |
| <u>Months</u> | <u>Hours Applicable for Demand Billing - EST</u> | | | | | | | | | | | | | | | | | | | | | | |
| October through April | 7:00 A.M. to 12:00 Noon 5:00 P.M. to 10:00 P.M. | | | | | | | | | | | | | | | | | | | | | | |
| May through September | 10:00 A.M. to 10:00 P.M. | | | | | | | | | | | | | | | | | | | | | | |

DATE OF ISSUE: May 1, 2003
 ISSUED BY: *Dudley Bottom*
 Name of Officer

EFFECTIVE DATE: MAY 01 2003 May 1, 2003

President & CEO Shelbyville, KY 40065
 Title PURSUANT TO 807 KAR 3.011
 SECTION 9 (1) Address

Issued by authority of an Order of the Public Service Commission of Kentucky
 Case No. 2002-00449
 Dated MAY 1 2003
 EXECUTIVE DIRECTOR

Form for filing Rate Schedule

FOR All Territory Served
Community, Town or City

P.S.C. NO. 5
1st Revised Sheet No. 20

Shelby Energy Cooperative, Inc
Shelbyville, Kentucky
Name of Issuing Corporation

Canceling P.S.C. No. 5
Original Sheet No. 20

| CLASSIFICATION OF SERVICE | |
|---|------------------|
| LARGE INDUSTRIAL RATE SCHEDULE B2 | Rate Per Unit |
| <u>MINIMUM MONTHLY CHARGE:</u> | |
| The minimum monthly charge shall not be less than the sum of (a) through (d) below: | |
| (a) Consumer Charge | T |
| (b) The product of the contract demand multiplied by the contract demand charge, plus the product of the demand in excess of the contract demand multiplied by the in excess of contract demand charge. | |
| (c) The product of the contract demand multiplied by 400 hours and the energy charge per kWh minus the fuel base per kWh. | |
| (d) Contract provisions that reflect special facilities requirements | |
| <u>POWER FACTOR ADJUSTMENT:</u> | |
| The consumer agrees to maintain unity power factor as nearly as practicable. Power factor may be measured at any time. Should such measurements indicate that the power factor at the time of this billing demand is less than 0.90 (90%), the demand for the billing purposes shall be the demand as indicated or recorded, multiplied by 0.90 (90%) and divided by the power factor. | |
| <u>FUEL ADJUSTMENT CLAUSE:</u> | |
| This rate may be increased or decreased by an amount per kWh equal to the fuel adjustment amount per kWh as billed by the wholesale power supplier plus an allowance for line losses. The allowance for line losses will not exceed 10% and is based on a twelve-month moving average of such losses. The Fuel Clause is subject to all other applicable provisions as set out in 807 KAR 5.056 | |

DATE OF ISSUE April 16, 2004 DATE EFFECTIVE: June 1, 2004

ISSUED BY *Dwight Bottom* TITLE PUBLIC SERVICE COMMISSION
Name of Officer OF KENTUCKY

Issued by authority of an Order of the Public Service Commission of Kentucky in
Case No. _____ Dated JUN 01 2004

PURSUANT TO 807 KAR 5.011
SECTION 9 (1)
BY *[Signature]*
EXECUTIVE DIRECTOR

Form for filing Rate Schedules

FOR All Territory Served
 Community, Town or City _____
 P.S.C. No. 5
Original SHEET NO. 22
 CANCELLING P.S.C. NO. _____
 SHEET NO. _____

by Energy Cooperative, Inc.
 Shelbyville, Kentucky

 Name of Issuing Corporation

| CLASSIFICATION OF SERVICE | |
|--|---------------|
| LARGE INDUSTRIAL RATE SCHEDULE B2 | RATE PER UNIT |
| <p><u>SPECIAL PROVISIONS:</u></p> <p>1. <u>Delivery Point</u> - If service is furnished at secondary voltage, the delivery point shall be the metering point unless otherwise specified in the contract for service.</p> <p>All wiring, pole lines, and other electric equipment on the load side of the delivery point shall be owned and maintained by the consumer.</p> <p>2. If service is furnished at Seller's primary line voltage, the delivery point shall be the point of attachment of Seller's primary line to consumer's transformer structure unless otherwise specified in the contract for service. All wiring, pole lines, and other electric equipment (except metering equipment) on the load side of the delivery point shall be owned and maintained by the consumer.</p> <p><u>TERMS OF PAYMENT:</u></p> <p>The above rates are net; the gross rates are 5% higher. In the event the current monthly bill is not paid by the due date as shown on the bill, the gross rate shall apply.</p> <p><u>TEMPORARY SERVICE:</u></p> <p>Consumers requiring temporary service under this rate schedule may be required to pay all costs of connecting and disconnecting incidental to the supplying and removing of service. In addition to this, a deposit will be required to cover estimated consumption of electricity. Both fees will be paid in advance.</p> | |

PUBLIC SERVICE COMMISSION
 OF KENTUCKY
 EFFECTIVE
 JUN 04 1997
 PURSUANT TO 807 KAR 5.011,
 SECTION 9(1)
 BY: Stephen O. Bell
 SECRETARY OF THE COMMISSION

DATE OF ISSUE: June 11, 1997 EFFECTIVE DATE: June 4, 1997
 ISSUED BY: Dudley Britton, Jr. President & General Manager Shelbyville, KY 40065
 Name of Officer Title Address

Issued by authority of an Order of the Public Service Commission of Kentucky in
 Case No. _____ Dated _____

Form for filing Rate Schedule

FOR All Territory Served
Community, Town or City

P.S.C. NO. 5
3rd Revised Sheet No. 23

Shelby Energy Cooperative, Inc.
Shelbyville, Kentucky
Name of Issuing Corporation

Canceling P.S.C. No. 5
2nd Revised Sheet No. 23

| CLASSIFICATION OF SERVICE | | Rate |
|---|---|----------|
| LARGE INDUSTRIAL RATE SCHEDULE B3 | | Per Unit |
| <u>AVAILABILITY:</u> | | |
| Applicable to contracts with demands of 10,000 kW and over with a monthly energy usage equal to or greater than 400 hours per kW of contract demand. | | |
| <u>MONTHLY RATE:</u> | | |
| Consumer Charge | | |
| Transformer Size of 10,000 - 14,999 kVa | \$ 2,980.00 | N |
| Transformer Size of 15,000 kVa and greater | \$ 4,730.00 | N |
| Demand Charges per kW | | |
| Contract Demand | \$ 5.39 | |
| Billing Demand in Excess of Contract Demand | \$ 7.82 | |
| Energy Charge per kWh | \$ 0.02404 | |
| | .02967 | |
| <u>BILLING DEMAND:</u> | | |
| The billing demand (kilowatt demand) shall be the contract demand plus any excess demand. Excess demand occurs when the consumer's peak demand during the current month exceeds the contract demand. The consumer's peak demand is the highest average rate at which energy is used during any fifteen-minute interval in the below listed hours for each month and adjusted for power factor as provided herein: | | |
| <u>Months</u> | <u>Hours Applicable for Demand Billing - EST</u> | T |
| October through April | 7:00 A.M. to 12:00 Noon 5:00 P.M. to 10:00 P. M. | |
| May Through September | 10:00 A.M. to 10:00 P.M. | |

DATE OF ISSUE July 20, 2004
ISSUED BY Dudley Patton, Jr.
Name of Officer
Issued by authority of an Order of the Public Service Commission of Kentucky
Case No. 2004-00195

DATE EFFECTIVE July 9, 2004
PUBLIC SERVICE COMMISSION
OF KENTUCKY
TITLE President & CEO
EFFECTIVE 7/18/2004
Date July 18, 2004
PURSUANT TO ORDER 5:011
SECTION 9 (1)

By [Signature]
Executive Director

Form for filing Rate Schedule

FOR All Territory Served
Community, Town or City

P.S.C. NO. 5
1st Revised Sheet No. 24

Shelby Energy Cooperative, Inc.
Shelbyville, Kentucky
Name of Issuing Corporation

Canceling P.S.C. No. 5
Original Sheet No. 24

| CLASSIFICATION OF SERVICE | |
|--|---------------|
| LARGE INDUSTRIAL RATE SCHEDULE B3 | Rate Per Unit |
| <p><u>MINIMUM MONTHLY CHARGE:</u></p> <p>The minimum monthly charge shall not be less than the sum of (a) through (d) below:</p> <p>(a) Consumer Charge</p> <p>(b) The product of the contract demand multiplied by the contract demand charge, plus the product of the demand in excess of the contract demand multiplied by the in excess of contract demand charge.</p> <p>(c) The product of the contract demand multiplied by 400 hours and the energy charge per kWh minus the fuel base per kWh.</p> <p>(d) Contract provisions that reflect special facilities requirements</p> <p><u>POWER FACTOR ADJUSTMENT:</u></p> <p>The consumer agrees to maintain unity power factor as nearly as practicable. Power factor may be measured at any time. Should such measurements indicate that the power factor at the time of his billing demand is less than 0.90 (90%), the demand for the billing purposes shall be the demand as indicated or recorded, multiplied by 0.90 (90%) and divided by the power factor.</p> <p><u>FUEL ADJUSTMENT CLAUSE:</u></p> <p>This rate may be increased or decreased by an amount per kWh equal to the fuel adjustment amount per kWh as billed by the wholesale power supplier plus an allowance for line losses. The allowance for line losses will not exceed 10% and is based on a twelve-month moving average of such losses. The Fuel Clause is subject to all other applicable provisions as set out in 807 KAR 5:056</p> | T |

DATE OF ISSUE July 20, 2004
ISSUED BY *Dudley Patton*
Name of Officer
Issued by authority of an Order of the Public Service Commission of Kentucky
Case No. 2004-00195

DATE EFFECTIVE: July 9, 2004
PUBLIC SERVICE COMMISSION
OF KENTUCKY
EFFECTIVE
Dated 7/9/2004
PURSUANT TO 807 KAR 5:011
SECTION 9 (1)

By *[Signature]*
Executive Director

Form for filing Rate Schedules

FOR All Territory Served
 Community, Town or City
 P.S.C. No. 5
Original SHEET NO. 25
 CANCELLING P.S.C. NO. _____
 SHEET NO. _____

Shelby Energy Cooperative, Inc.
Shelbyville, Kentucky

 Name of Issuing Corporation

| CLASSIFICATION OF SERVICE | |
|---|---------------|
| LARGE INDUSTRIAL RATE SCHEDULE B3 | RATE PER UNIT |
| <p><u>SPECIAL PROVISIONS:</u></p> <p>1. <u>Delivery Point</u> - If service is furnished at secondary voltage, the delivery point shall be the metering point unless otherwise specified in the contract for service.</p> <p style="padding-left: 40px;">All wiring, pole lines, and other electric equipment on the load side of the delivery point shall be owned and maintained by the consumer.</p> <p>2. If service is furnished at Seller's primary line voltage, the delivery point shall be the point of attachment of Seller's primary line to consumer's transformer structure unless otherwise specified in the contract for service. All wiring, pole lines, and other electric equipment (except metering equipment) on the load side of the delivery point shall be owned and maintained by the consumer.</p> | |
| <p><u>TERMS OF PAYMENT:</u></p> <p>The above rates are net; the gross rates are 5% higher. In the event the monthly bill is not paid by the due date as shown on the bill, the gross rate shall apply.</p> | |
| <p><u>TEMPORARY SERVICE:</u></p> <p>Consumers requiring temporary service under this rate schedule may be required to pay all costs of connecting and disconnecting incidental to the supplying and removing of service. In addition to this, a deposit will be required to cover estimated consumption of electricity. Both fees will be paid in advance.</p> | |

PUBLIC SERVICE COMMISSION
 OF KENTUCKY
 EFFECTIVE
 JUN 04 1997
 PURSUANT TO 807 KAR 5.011,
 SECTION 9 (1)
Stephan O. Bell
 SECRETARY OF THE COMMISSION

DATE OF ISSUE: June 11, 1997 EFFECTIVE DATE: June 4, 1997
 ISSUED BY: *Dudley Bottom Jr.* President & General Manager Shelbyville, KY 40065
 Name of Officer Title Address

Issued by authority of an Order of the Public Service Commission of Kentucky in
 Case No. _____ Dated _____

FOR All Territory Served
 Community, Town or City
 P.S.C. No. 5
 3rd Revised SHEET NO. 26
 CANCELLING P.S.C. NO. 5
 2nd Revised SHEET NO. 26

Shelby Energy Cooperative, Inc.
 Shelbyville, Kentucky

Name of Issuing Corporation

| CLASSIFICATION OF SERVICE | | RATE PER UNIT | | | | | | | | | | | | | | | |
|--|--|--------------------------|----------|--|---------------|--------|--------------------------|---------------|-------------------------------|---------|---------------|--|-----------------------|--|-----------------------|--------------------------|-----|
| LARGE INDUSTRIAL RATE - SCHEDULE C1 | | | | | | | | | | | | | | | | | |
| <p><u>AVAILABILITY:</u> Applicable to contracts with demands of 500 to 4,999 KW with a monthly energy usage equal to or greater than 400 hours per KW of billing demand. These contracts will be two "two-party" contracts with the first one being between the Seller and the Cooperative association and the second one being between the Seller and the ultimate consumer.</p> <p><u>MONTHLY RATE:</u></p> <table> <tr> <td>Consumer Charge</td> <td>\$535.00</td> <td></td> </tr> <tr> <td>Demand Charge</td> <td>\$5.39</td> <td>per KW of billing demand</td> </tr> <tr> <td>Energy Charge</td> <td>\$.03084 .03567</td> <td>per kWh</td> </tr> </table> <p><u>BILLING DEMAND:</u></p> <p>The monthly billing demand shall be the greater of (a) or (b) listed below:</p> <p>(a) The contract demand (b) The ultimate consumer's peak demand during the current month or preceding eleven months. The peak demand shall be the highest average rate at which energy is used during any fifteen-minute interval in the below listed hours for each month and adjusted for power factor as provided herein:</p> <table> <thead> <tr> <th><u>Months</u></th> <th><u>Hours Applicable for Demand Billing - EST</u></th> </tr> </thead> <tbody> <tr> <td>October through April</td> <td>7:00 A.M. to 12:00 Noon 5:00 P.M. to 10:00 P.M.</td> </tr> <tr> <td>May through September</td> <td>10:00 A.M. to 10:00 P.M.</td> </tr> </tbody> </table> | | Consumer Charge | \$535.00 | | Demand Charge | \$5.39 | per KW of billing demand | Energy Charge | \$.03084 .03567 | per kWh | <u>Months</u> | <u>Hours Applicable for Demand Billing - EST</u> | October through April | 7:00 A.M. to 12:00 Noon 5:00 P.M. to 10:00 P.M. | May through September | 10:00 A.M. to 10:00 P.M. | (R) |
| Consumer Charge | \$535.00 | | | | | | | | | | | | | | | | |
| Demand Charge | \$5.39 | per KW of billing demand | | | | | | | | | | | | | | | |
| Energy Charge | \$.03084 .03567 | per kWh | | | | | | | | | | | | | | | |
| <u>Months</u> | <u>Hours Applicable for Demand Billing - EST</u> | | | | | | | | | | | | | | | | |
| October through April | 7:00 A.M. to 12:00 Noon 5:00 P.M. to 10:00 P.M. | | | | | | | | | | | | | | | | |
| May through September | 10:00 A.M. to 10:00 P.M. | | | | | | | | | | | | | | | | |

DATE OF ISSUE: May 1, 2003 EFFECTIVE DATE: May 1, 2003
 ISSUED BY: Dudley Borton Jr. President & CEO MAY 01 2003
 Name of Officer Title Address

Issued by authority of an Order of the Public Service Commission of Kentucky SECTION 9 (1)
 Case No. 2002-00449 Dated April 23, 2003
 EXECUTIVE DIRECTOR

Form for filing Rate Schedule

FOR All Territory Served
Community, Town or City

P S C. NO. 5
3rd Revised Sheet No. 26

Shelby Energy Cooperative, Inc.
Shelbyville, Kentucky
Name of Issuing Corporation

Canceling P,S C No. 5
2nd Revised Sheet No. 26

| CLASSIFICATION OF SERVICE | |
|---|------------------|
| LARGE INDUSTRIAL RATE SCHEDULE C1 | Rate Per Unit |
| <u>MINIMUM MONTHLY CHARGE:</u> | |
| The minimum monthly charge shall not be less than the sum of (a) through (d) below: | T |
| (a) Consumer Charge | T |
| (b) The product of the contract demand multiplied by the contract demand charge. | T |
| (c) The product of the contract demand multiplied by 400 hours and the energy charge per kWh minus the fuel base per kWh. | T |
| (d) Contract provisions that reflect special facilities requirements | T |
| <u>POWER FACTOR ADJUSTMENT:</u> | |
| The consumer agrees to maintain unity power factor as nearly as practicable. Power factor may be measured at any time. Should such measurements indicate that the power factor at the time of his billing demand is less than 0.90 (90%), the demand for the billing purposes shall be the demand as indicated or recorded, multiplied by 0.90 (90%) and divided by the power factor. | |
| <u>FUEL ADJUSTMENT CLAUSE:</u> | |
| This rate may be increased or decreased by an amount per kWh equal to the fuel adjustment amount per kWh as billed by the wholesale power supplier plus an allowance for line losses. The allowance for line losses will not exceed 10% and is based on a twelve-month moving average of such losses. The Fuel Clause is subject to all other applicable provisions as set out in 807 KAR 5.056 | |

DATE OF ISSUE April 16, 2004 DATE EFFECTIVE: June 1, 2004

ISSUED BY *Dwight Bottom*
Name of Officer

TITLE PUBLIC SERVICE COMMISSION
OF KENTUCKY
EFFECTIVE

Issued by authority of an Order of the Public Service Commission of Kentucky in
Case No. _____ Dated

JUN 01 2004

PURSUANT TO 807 KAR 5:011
SECTION 9 (1)
BY *[Signature]*
EXECUTIVE DIRECTOR

Form for filing Rate Schedules

FOR All Territory Served
 Community, Town or City
 P.S.C. No. 5
Original SHEET NO. 27
 CANCELLING P.S.C. NO. _____
 SHEET NO. _____

Shelbyville Energy Cooperative, Inc.
Shelbyville, Kentucky

 Name of Issuing Corporation

CLASSIFICATION OF SERVICE

LARGE INDUSTRIAL RATE SCHEDULE C1

RATE
PER UNIT

MINIMUM MONTHLY CHARGE:

The minimum monthly charge shall not be less than the sum of (a) and (b) below:

- (a) The product of the billing demand multiplied by the demand charge, plus
- (b) The product of the billing demand multiplied by 400 hours and the energy charge per kWh.

POWER FACTOR ADJUSTMENT:

The consumer agrees to maintain unity power factor as nearly as practicable. Power factor may be measured at any time. Should such measurements indicate that the power factor at the time of his maximum demand is less than 0.90 (90%), the demand for billing purposes shall be the demand as indicated or recorded, multiplied by 0.90 (90%) and divided by the power factor.

FUEL ADJUSTMENT CLAUSE:

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

SPECIAL PROVISIONS:

1. Delivery Point - If service is furnished at secondary voltage, the delivery point shall be the metering point unless otherwise specified in the contract for service.

PUBLIC SERVICE COMMISSION
OF KENTUCKY
EFFECTIVE

JUN 04 1997

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

BY: Stephen O. Bess
SECRETARY OF THE COMMISSION

DATE OF ISSUE: June 11, 1997

EFFECTIVE DATE: June 4, 1997

ISSUED BY: Dudley Botton, Jr.
Name of Officer

President & General Manager
Title

Shelbyville, KY 40065
Address

Issued by authority of an Order of the Public Service Commission of Kentucky in
 Case No. _____ Dated _____

Form for filing Rate Schedules

FOR All Territory Served
 Community, Town or City
 P.S.C. No. 5
Original SHEET NO. 28
 CANCELLING P.S.C. NO. _____
 SHEET NO. _____

by Energy Cooperative, Inc.
 Shelbyville, Kentucky

 Name of Issuing Corporation

| CLASSIFICATION OF SERVICE | |
|---|---------------|
| LARGE INDUSTRIAL RATE - SCHEDULE C1 | RATE PER UNIT |
| <p><u>SPECIAL PROVISIONS (continued):</u></p> <p>All wiring, pole lines, and other electric equipment on the load side of the delivery point shall be owned and maintained by the consumer.</p> <p>2. If service is furnished at Seller's primary line voltage, the delivery point shall be the point of attachment of Seller's primary line to consumer's transformer structure unless otherwise specified in the contract for service. All wiring, pole lines, and other electric equipment (except metering equipment) on the load side of the delivery point shall be owned and maintained by the consumer.</p> <p><u>TERMS OF PAYMENT:</u></p> <p>The above rates are net; the gross rates are 5% higher. In the event the current monthly bill is not paid by the due date as shown on the bill, the gross rate shall apply.</p> <p><u>TEMPORARY SERVICE:</u></p> <p>Consumers requiring temporary service under this rate schedule may be required to pay all costs of connecting and disconnecting incidental to the supplying and removing of service. In addition to this, a deposit will be required to cover estimated consumption of electricity. Both fees will be paid in advance.</p> | |

PUBLIC SERVICE COMMISSION
 OF KENTUCKY
 EFFECTIVE
 JUN 04 1997
 PURSUANT TO 807 KAR 5.011.
 SECTION 9 (1)

DATE OF ISSUE: June 11, 1997 EFFECTIVE DATE: BY: Stephan O. 1997
 ISSUED BY: Dudley Bottom Jr. President & General Manager Shelbyville, KY 40065
 Name of Officer Title Address

Issued by authority of an Order of the Public Service Commission of Kentucky in
 Case No. _____ Dated _____

Form for filing Rate Schedules

FOR All Territory Served
Community, Town or City
 P.S.C. No. 5
 3rd Revised SHEET NO. 29
 CANCELLING P.S.C. NO. 5
 2nd Revised SHEET NO. 29

Shelby Energy Cooperative, Inc.
 Shelbyville, Kentucky

Name of Issuing Corporation

CLASSIFICATION OF SERVICE

LARGE INDUSTRIAL RATE - SCHEDULE C2

RATE
 PER UNIT

AVAILABILITY:

Applicable to contracts with demands of 5,000 to 9,999 KW with a monthly energy usage equal to or greater than 400 hours per KW of billing demand. These contracts will be two "two-party" contracts with the first one being between the Seller and the Cooperative association and the second one being between the Seller and the ultimate consumer.

MONTHLY RATE:

| | | | |
|-----------------|---------------------|--------------------------|-----|
| Consumer Charge | \$1,069.00 | | |
| Demand Charge | \$5.39 | per KW of billing demand | |
| Energy Charge | \$.02584 | per kWh | (R) |
| | .03067 | | |

BILLING DEMAND:

The monthly billing demand shall be the greater of (a) or (b) listed below:

- (a) The contract demand
- (b) The ultimate consumer's peak demand during the current month or preceding eleven months. The peak demand shall be the highest average rate at which energy is used during any fifteen-minute interval in the below listed hours for each month and adjusted for power factor as provided herein:

| <u>Months</u> | <u>Hours Applicable for Demand Billing - EST</u> |
|-----------------------|--|
| October through April | 7:00 A.M. to 12:00 Noon 5:00 P.M. to 10:00 P.M. |
| May through September | 10:00 A.M. to 12:00 Noon |

PUBLIC SERVICE COMMISSION
 OF KENTUCKY
 EFFECTIVE

DATE OF ISSUE: May 1, 2003 EFFECTIVE DATE: May 1, 2003
 ISSUED BY: Dudley Bottom President & CEO MAY 01 2003 Shelbyville, KY 40065
 Name of Officer Title
 Issued by authority of an Order of the Public Service Commission of Kentucky in
 Case No. 2002-00449 BY [Signature] 2003
 EXECUTIVE DIRECTOR

PURSUANT TO 807 KAR 013.001
 SECTION 9 (1)
 BY [Signature] 2003
 EXECUTIVE DIRECTOR

Form for filing Rate Schedule

FOR All Territory Served
Community, Town or City

P.S.C. NO. 5
3rd Revised Sheet No. 29

Shelby Energy Cooperative, Inc.
Shelbyville, Kentucky
Name of Issuing Corporation

Canceling P.S.C. No. 5
2nd Revised Sheet No. 29

| CLASSIFICATION OF SERVICE | |
|---|------------------|
| LARGE INDUSTRIAL RATE SCHEDULE C2 | Rate Per Unit |
| <u>MINIMUM MONTHLY CHARGE:</u> | |
| The minimum monthly charge shall not be less than the sum of (a) through (d) below: | T |
| (a) Consumer Charge | T |
| (b) The product of the contract demand multiplied by the contract demand charge. | T |
| (c) The product of the contract demand multiplied by 400 hours and the energy charge per kWh minus the fuel base per kWh. | T |
| (d) Contract provisions that reflect special facilities requirements | T |
| <u>POWER FACTOR ADJUSTMENT:</u> | |
| The consumer agrees to maintain unity power factor as nearly as practicable. Power factor may be measured at any time. Should such measurements indicate that the power factor at the time of his billing demand is less than 0.90 (90%), the demand for the billing purposes shall be the demand as indicated or recorded, multiplied by 0.90 (90%) and divided by the power factor. | |
| <u>FUEL ADJUSTMENT CLAUSE:</u> | |
| This rate may be increased or decreased by an amount per kWh equal to the fuel adjustment amount per kWh as billed by the wholesale power supplier plus an allowance for line losses. The allowance for line losses will not exceed 10% and is based on a twelve-month moving average of such losses. The Fuel Clause is subject to all other applicable provisions as set out in 807 KAR 5:056 | |

DATE OF ISSUE April 16, 2004

DATE EFFECTIVE: June 1, 2004

ISSUED BY *Dwight D. Bortner*
Name of Officer

TITLE PUBLIC SERVICE COMMISSION
OF KENTUCKY
EFFECTIVE

Issued by authority of an Order of the Public Service Commission of Kentucky in
Case No. _____

Dated JUN 01 2004

PURSUANT TO 807 KAR 5:011
SECTION 9 (1)
BY *[Signature]*
EXECUTIVE DIRECTOR

Form for filing Rate Schedules

FOR All Territory Served
Community, Town or City
 P.S.C. No. 5
Original SHEET NO. 30
 CANCELLING P.S.C. NO. _____
 SHEET NO. _____

Shelbyville Energy Cooperative, Inc.
Shelbyville, Kentucky

 Name of Issuing Corporation

| CLASSIFICATION OF SERVICE | |
|---|---|
| LARGE INDUSTRIAL RATE SCHEDULE C2 | RATE PER UNIT |
| <p><u>MINIMUM MONTHLY CHARGE:</u></p> <p>The minimum monthly charge shall not be less than the sum of (a) and (b) below:</p> <p>(a) The product of the billing demand multiplied by the demand charge, plus (b) The product of the billing demand multiplied by 400 hours and the energy charge per kWh.</p> <p><u>POWER FACTOR ADJUSTMENT:</u></p> <p>The consumer agrees to maintain unity power factor as nearly as practicable. Power factor may be measured at any time. Should such measurements indicate that the power factor at the time of his maximum demand is less than 0.90 (90%), the demand for billing purposes shall be the demand as indicated or recorded, multiplied by 0.90 (90%) and divided by the power factor.</p> <p><u>FUEL ADJUSTMENT CLAUSE:</u></p> <p>This rate may be increased or decreased by an amount per kWh equal to the fuel adjustment amount per kWh as billed by the wholesaler power supplier plus an allowance for line losses. The allowance for line losses will not exceed 10% and is based on a twelve-month moving average of such losses. The Fuel Clause is subject to all other applicable provisions as set out in 807 KAR 5:056.</p> <p><u>SPECIAL PROVISIONS:</u></p> <p>1. <u>Delivery Point</u> - If service is furnished at secondary voltage, the delivery point shall be the metering point unless otherwise specified in the contract for service.</p> | <p>PUBLIC SERVICE COMMISSION OF KENTUCKY EFFECTIVE JUN 04 1997 PURSUANT TO 807 KAR 5:011, SECTION 9 (1) BY: <u>Stephan B. Bell</u> SECRETARY OF THE COMMISSION</p> |

DATE OF ISSUE: June 11, 1997 EFFECTIVE DATE: June 4, 1997
 ISSUED BY: Dudley Bolton, Jr. President & General Manager Shelbyville, KY 40065
 Name of Officer Title Address

Issued by authority of an Order of the Public Service Commission of Kentucky in
 Case No. _____ Dated _____

Form for filing Rate Schedules

FOR All Territory Served
 Community, Town or City
 P.S.C. No. 5
Original SHEET NO. 31
 CANCELLING P.S.C. NO. _____
 SHEET NO. _____

Shelby Energy Cooperative, Inc.
Shelbyville, Kentucky

Name of Issuing Corporation

CLASSIFICATION OF SERVICE

LARGE INDUSTRIAL RATE - SCHEDULE C2

RATE
PER UNIT

SPECIAL PROVISIONS (continued):

All wiring, pole lines, and other electric equipment on the load side of the delivery point shall be owned and maintained by the consumer.

- If service is furnished at Seller's primary line voltage, the delivery point shall be the point of attachment of Seller's primary line to consumer's transformer structure unless otherwise specified in the contract for service. All wiring, pole lines, and other electric equipment (except metering equipment) on the load side of the delivery point shall be owned and maintained by the consumer.

TERMS OF PAYMENT:

The above rates are net; the gross rates are 5% higher. In the event the current monthly bill is not paid by the due date as shown on the bill, the gross rate shall apply.

TEMPORARY SERVICE:

Consumers requiring temporary service under this rate schedule may be required to pay all costs of connecting and disconnecting incidental to the supplying and removing of service. In addition to this, a deposit will be required to cover estimated consumption of electricity. Both fees will be paid in advance.

PUBLIC SERVICE COMMISSION
OF KENTUCKY
EFFECTIVE

JUN 04 1997

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

DATE OF ISSUE: June 11, 1997

EFFECTIVE DATE June 11, 1997

ISSUED BY: *Dwight Bottom, Jr.*
Name of Officer

President & General Manager
Title

Shelbyville, KY 40065
Address

Issued by authority of an Order of the Public Service Commission of Kentucky in
 Case No. _____ Dated _____

Form for filing Rate Schedule

FOR All Territory Served
Community, Town or City

P.S.C. NO. 5
3rd Revised Sheet No. 32

Shelby Energy Cooperative, Inc.
Shelbyville, Kentucky
Name of Issuing Corporation

Canceling P.S.C. No. 5
2nd Revised Sheet No. 32

| CLASSIFICATION OF SERVICE | | Rate |
|--|--|----------|
| LARGE INDUSTRIAL RATE SCHEDULE C3 | | Per Unit |
| <u>AVAILABILITY:</u> | | |
| Applicable to contracts with demands of 10,000 kW and over with a monthly energy usage equal to or greater than 400 hours per kW of contract demand. | | |
| <u>MONTHLY RATE:</u> | | |
| Consumer Charge | | |
| Transformer Size of 10,000 - 14,999 kVa | \$ 2,980.00 | N |
| Transformer Size of 15,000 kVa and greater | \$ 4,730.00 | N |
| Demand Charge per kW | \$ 5.39 | |
| Energy Charge per kWh | \$ 0.02464 | |
| | .02967 | |
| <u>BILLING DEMAND:</u> | | |
| The monthly billing demand shall be the greater of (a) or (b) listed below: | | |
| (a) | The contract demand | |
| (b) | The consumer's peak demand during the current month or preceding eleven months. The peak demand shall be the highest average rate at which energy is used any fifteen-minute interval in the below listed hours for each month and adjusted for power factor as provided herein: | T |
| <u>Months</u> | <u>Hours Applicable for Demand Billing - EST</u> | |
| October through April | 7:00 A.M. to 12:00 Noon 5:00 P.M. to 10:00 P.M. | |
| May Through September | 10:00 A.M. to 10:00 P.M. | |

DATE OF ISSUE July 20, 2004
ISSUED BY Dudley Bottoms, Jr.
Name of Officer
Issued by authority of an Order of the Public Service Commission of Kentucky
Case No. 2004-00195

DATE EFFECTIVE July 20, 2004
PUBLIC SERVICE COMMISSION
OF KENTUCKY
EFFECTIVE
7/20/2004
Date PURSUANT TO ORDER 5:011
SECTION 9 (1)

By [Signature]
Executive Director

Form for filing Rate Schedule _____

FOR All Territory Served
Community, Town or City

P.S.C. NO. 5
3rd Revised Sheet No. 33

Shelby Energy Cooperative, Inc.
Shelbyville, Kentucky
Name of Issuing Corporation

Canceling P.S.C. No. 5
2nd Revised Sheet No. 33

| CLASSIFICATION OF SERVICE | |
|---|---------------|
| LARGE INDUSTRIAL RATE SCHEDULE C3 | Rate Per Unit |
| <u>MINIMUM MONTHLY CHARGE:</u> | |
| The minimum monthly charge shall not be less than the sum of (a) through (d) below: | T |
| (a) Consumer Charge | T |
| (b) The product of the contract demand multiplied by the contract demand charge. | T |
| (c) The product of the contract demand multiplied by 400 hours and the energy charge per kWh minus the fuel base per kWh. | T |
| (d) Contract provisions that reflect special facilities requirements | T |
| <u>POWER FACTOR ADJUSTMENT:</u> | |
| The consumer agrees to maintain unity power factor as nearly as practicable. Power factor may be measured at any time. Should such measurements indicate that the power factor at the time of this billing demand is less than 0.90 (90%), the demand for the billing purposes shall be the demand as indicated or recorded, multiplied by 0.90 (90%) and divided by the power factor. | |
| <u>FUEL ADJUSTMENT CLAUSE:</u> | |
| This rate may be increased or decreased by an amount per kWh equal to the fuel adjustment amount per kWh as billed by the wholesale power supplier plus an allowance for line losses. The allowance for line losses will not exceed 10% and is based on a twelve-month moving average of such losses. The Fuel Clause is subject to all other applicable provisions as set out in 807 KAR 5:056 | |

DATE OF ISSUE July 20, 2004

DATE EFFECTIVE July 9, 2004

ISSUED BY *Dwight B. ...*
Name of Officer

TITLE President & CEO

Issued by authority of an Order of the Public Service Commission of Kentucky in
Case No. 2004-00195

7/9/2004
Dated 9/1/04
PURSUANT TO 807 KAR 5:011
SECTION 9 (1)

By *[Signature]*
Executive Director

FOR All Territory Served
 Community, Town or City
 P.S.C. No. 5
 Original SHEET NO. 34
 CANCELLING P.S.C. NO. _____
 SHEET NO. _____

Shelby Energy Cooperative, Inc.
Shelbyville, Kentucky

 Name of Issuing Corporation

| CLASSIFICATION OF SERVICE | |
|--|---------------|
| LARGE INDUSTRIAL RATE - SCHEDULE C3 | RATE PER UNIT |
| <p>SPECIAL PROVISIONS (continued):</p> <p>All wiring, pole lines, and other electric equipment on the load side of the delivery point shall be owned and maintained by the consumer.</p> <p>2. If service is furnished at Seller's primary line voltage, the delivery point shall be the point of attachment of Seller's primary line to consumer's transformer structure unless otherwise specified in the contract for service. All wiring, pole lines, and other electric equipment (except metering equipment) on the load side of the delivery point shall be owned and maintained by the consumer.</p> <p><u>TERMS OF PAYMENT:</u></p> <p>The above rates are net; the gross rates are 5% higher. In the event the current monthly bill is not paid by the due date as shown on the bill, the gross rate shall apply.</p> <p><u>TEMPORARY SERVICE:</u></p> <p>Consumers requiring temporary service under this rate schedule may be required to pay all costs of connecting and disconnecting incidental to the supplying and removing of service. In addition to this, a deposit will be required to cover estimated consumption of electricity. Both fees will be paid in advance.</p> | |

PUBLIC SERVICE COMMISSION
 OF KENTUCKY
 EFFECTIVE
 JUN 04 1997

PURSUANT TO 807 KAR 5011
 SECTION 9 (1)
 EFFECTIVE DATE June 4, 1997
 SECRETARY OF THE COMMISSION
 KY 40065

DATE OF ISSUE: June 11, 1997
 ISSUED BY: Dudley Bottom Jr. President & General Manager
 Name of Officer Title Address
 EFFECTIVE DATE: June 4, 1997

Issued by authority of an Order of the Public Service Commission of Kentucky in
 Case No. _____ Dated _____

Form for filing Rate Schedule

FOR All Territory Served
Community, Town or City
P.S.C. NO. 5
Original Sheet No. 60

Shelby Energy Cooperative, Inc.
Shelbyville, Kentucky
Name of Issuing Corporation

| CLASSIFICATION OF SERVICE | |
|---|------------------|
| SPECIAL OUTDOOR LIGHTING SERVICE - RATE 33 | Rate Per Unit |
| <p><u>AVAILABILITY:</u></p> <p>This schedule is available to any consumer requesting luminaries for dusk to dawn outdoor or street lighting service of a type not provided for under other rate schedules, and is subject to the established Rules & Regulations of the Cooperative.</p> <p><u>TYPE OF SERVICE:</u></p> <p>The Cooperative will install and maintain automatic outdoor or street lighting of the desired type by the consumer, single phase, 60 Hertz at available secondary voltage.</p> <p><u>RATES:</u></p> <p>The monthly charge will be the sum of items (1) and (2) below.</p> <p>1. The Energy Rate for each type of lamp shall be \$0.0379 per kWh as determined by the following formula: <u>.04264</u></p> <p>Monthly Rated kWh = (4100 hours per year X Manufacturer's total input rating in watts) divided by (12X1000).</p> <p>2. Facilities Charge - The books of the Cooperative shall accurately reflect the Cooperative's total investment in facilities for each individual, agency or organization receiving service under this tariff. The monthly facilities charge shall be 1.4027 percent of the total investment in these special facilities</p> <p><u>FUEL ADJUSTMENT CLAUSE:</u></p> <p>This rate may be increased or decreased by an amount per kWh equal to the fuel adjustment amount per kWh as billed by the wholesale power supplier plus an allowance for line losses. The allowance for line losses will not exceed 10% and is based on a twelve-month moving average of such losses. The Fuel Clause is subject to all other applicable provisions as set out in KAR 5:056.</p> | |

DATE OF ISSUE April 16, 2004 DATE EFFECTIVE April 1, 2004
ISSUED BY Dudley Bottom TITLE PUBLIC SERVICE COMMISSION OF KENTUCKY President & CEO
Name of Officer EFFECTIVE
Issued by authority of an Order of the Public Service Commission of Kentucky in
Case No. _____ Dated JUN 01 2004

PURSUANT TO 807 KAR 5:011
SECTION 9 (1)
BY [Signature]
EXECUTIVE DIRECTOR

Form for filing Rate Schedule

FOR All Territory Served
Community, Town or City
P.S.C. NO. 5
Original Sheet No. 61

Shelby Energy Cooperative, Inc.
Shelbyville, Kentucky
Name of Issuing Corporation

| CLASSIFICATION OF SERVICE | |
|---|------------------|
| SPECIAL OUTDOOR LIGHTING SERVICE - RATE 33 | Rate Per Unit |
| <p><u>BILLING AND MINIMUM CHARGE:</u></p> <p>The minimum monthly charge will be equal to the facilities charge in percent multiplied by the actual investment made for these special facilities.</p> <p><u>TERMS OF PAYMENT:</u></p> <p>The above rates are net; the gross rates are 10% higher. In event the current monthly bill is not paid by the due date as shown on the bill, the gross rate shall apply. No reduction will be made to the consumer's monthly charge under this schedule for service interruption time due to lamp failure or other cause beyond the control of the Cooperative.</p> <p><u>CONDITIONS OF SERVICE:</u></p> <p>The Cooperative will furnish all necessary material to install the special lighting desired by the customer. Lighting shall be furnished from dusk to dawn. Lamp and photo cell replacements will be made by the Cooperative without cost during normal business hours. Outages will be reported promptly. The lighting equipment, poles and related facilities shall remain the property of the Cooperative. The consumer shall be responsible for fixture replacement and repairs when such replacements or repairs are caused by willful damage, vandalism, or causes other than normal burnouts. The consumer shall allow authorized representatives of the Cooperative to enter upon the consumer's premises and to trim trees and shrubs as necessary for the maintenance of the lighting equipment and for the removal of lighting equipment upon termination of under this rate schedule. The Cooperative and the consumer shall execute an agreement for service for a period of not less than five years. Cancellation by the consumer prior to the initial term will require the consumer to pay the Cooperative its cost of installation and any removal of facilities plus the non-salvageable material, prorated on the basis of the remaining portion of the initial term of the contract.</p> | |

DATE OF ISSUE April 16, 2004 DATE EFFECTIVE: June 1, 2004
 ISSUED BY *Dudley Bottom* TITLE President & CEO
 Name of Officer PUBLIC SERVICE COMMISSION
OF KENTUCKY
 Issued by authority of an Order of the Public Service Commission of Kentucky in EFFECTIVE
 Case No. _____ Dated _____
 Form for filing Rate Schedule FOR All Territory Served

JUN 01 2004
 PURSUANT TO 807 KAR 5:011
 SECTION 9 (1)
 BY *[Signature]*
 EXECUTIVE DIRECTOR

SHELBY ENERGY COOPERATIVE

Development of Fixed Charge Rate for Lighting

EXHIBIT H
Page 3 of 4

A. Development of a Fixed Charge Rate (Excludes Purchased Power Costs):

| Expense | Fixed Rate | |
|----------------------------------|------------|--|
| 1 Depreciation | 0.029800 | |
| 3 Distribution O | 0.048165 | |
| 4 Administrativ | 0.033899 | |
| Total Costs - | 0.111863 | |
| 5 Return | 0.056463 | |
| Annual Reve | 0.168326 | |
| Monthly Fixed | 0.014027 | |
| (Excludes purchased power costs) | | |

B. Basis for Fixed Charge Rate Percentages:

1. Depreciation Rate is the actual rate for Accounts 371 as listed on RUS Form 7.

2. Return

| | <u>Capital Struct</u> | <u>Actual</u> | <u>Return</u> | <u>Return %</u> | <u>Cap Struct.</u> <u>Percent</u> |
|--------|-----------------------|---------------|---------------|-----------------|--------------------------------------|
| Debt | | 23,007,401 | 1,123,247 | 4.882% | 57.8% |
| Equity | | 16,779,684 | 1,123,247 | 6.694% | 42.2% |
| Total | | 39,787,085 | 2,246,494 | 5.646% | 100.0% |

3. Distribution O & M rate is the actual distribution O & M expense divided by the year end investment in distribution plant as provided on RUS Form 7.

| Dist O&M | Dist Plant | Ratio |
|-------------|--------------|-------------|
| \$2,055,381 | \$42,674,115 | 0.048164584 |

4. Admin & General expenses are divided by the year end investment in distribution plant.

| A & G Exp | Dist Plant | Ratio |
|-------------|--------------|------------|
| \$1,446,603 | \$42,674,115 | 0.03389884 |

Includes Consumer Accounts Expense, Customer Service and Admin & General Expenses


5. Applicable property taxes and insurance included in O&M and A&G costs.

5. Margins are based on a Times Interest Earned Ratio of 2.0 which makes the margin equal to the interest expense.

PUBLIC SERVICE COMMISSION
OF KENTUCKY
EFFECTIVE

JUN 01 2004

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

BY  EXECUTIVE DIRECTOR

SHELBY ENERGY COOPERATIVE

EXHIBIT H
Page 4 of 4

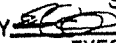
B. Development of Energy Rate for Lighting

| | | | |
|--|-------|------------------|----------|
| Light Wattage | 150 | Wholesale Rates | |
| Demand Watts | 169 | | |
| Hours Use per | 4,100 | Demand Rate | 5.22 |
| Annual Energy | 693 | Energy | |
| Monthly Energy | 58 | On-peak per | 0.030034 |
| Distribution Line Losses | 7% | Off-peak per kWh | 0.022468 |
| No of Months Coincident with CP Demand | | | 7 |
| Percentage of Energy On-Peak | | | 50% |
| Cost of Energy per kWh | | | 0.037810 |

PUBLIC SERVICE COMMISSION
OF KENTUCKY
EFFECTIVE

JUN 01 2004

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

BY  EXECUTIVE DIRECTOR