

**W. JEFFREY SCOTT, PSC**

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August 3, 2006

Ms. Beth O'Donnell, Executive Director  
KY Public Service Commission  
211 Sower Blvd, P.O. Box 615  
Frankfort, KY 40602-0615

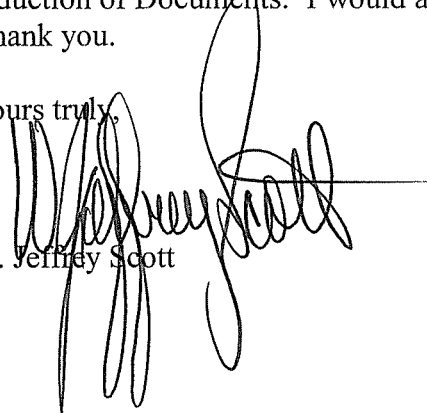
RECEIVED  
AUG 7 2006  
PUBLIC SERVICE  
COMMISSION

RE: Walter and Goldie Callihan vs. Grayson RECC  
Case No. 2005-00280

Dear Sir or Madam:

Enclosed please find the original plus eight copies of Grayson Rural Electric's Answers to Interrogatories and Request for Production of Documents. I would appreciate if you would cause this to be filed of record. Thank you.

Yours truly,

  
W. Jeffrey Scott

WJS/smd

Enclosures (9)

COMMONWEALTH OF KENTUCKY

BEFORE THE PUBLIC SERVICE COMMISSION

RECEIVED

AUG 7 2006

PUBLIC SERVICE  
COMMISSION

In the Matter of:

AN INVESTIGATION INTO GRAYSON RURAL	)	
ELECTRIC COOPERATIVE CORPORATION'S	)	CASE NO. 2005-00280
PROVISION OF ELECTRIC SERVICE TO WALTER	)	
AND GOLDIE CALLIHAN	)	

***ANSWER OF GRAYSON RURAL ELECTRIC COOPERATIVE  
CORPORATION TO COMMISSION STAFF'S  
INTERROGATORIES AND REQUEST FOR  
PRODUCTION OF DOCUMENTS***

**INTERROGATORY NO. 1:** Refer to Transcript of Deposition of Carol Hall Fraley at 22. Ms. Fraley states that the Callihans received electric service under 3 different accounts. For each account, state the account number and the rate schedule under which electric service was provided.

**ANSWER:** 36247-01 Rate 2, Class 25 Commercial and Small Power less than 50 KVA; 36247-02 Rate 1, Class 12 Domestic, Farm and Home Service; 36247-03 Rate 1, Class 14 Domestic, Farm and Home Service.

**INTERROGATORY NO. 2:** State whether each account listed in Grayson RECC's Response to Item 1 was separately metered.

**ANSWER:** Yes.

**INTERROGATORY NO.3:** Refer to Transcript of Deposition of Carol Hall Fraley at 22. Identify the tariff provision that permits Grayson RECC to roll the balance of one account onto the balance of another account that the same person holds.

**ANSWER:** Each member has a single membership, with accounts attached to each membership. The indebtedness is attached to the membership regardless of the number of accounts. Rules & Regulations #21-D; Bylaws, Article 1, Section 4.

**INTERROGATORY NO. 4:** Administrative Regulation 807 KAR 5:006, Section 14 (f) provides that a “utility may terminate service at a point of delivery for nonpayment of charges incurred for utility service at that point of delivery.”

- a. State whether this regulation served as the basis for Grayson RECC’s termination of electric service to the Callihans.
- b. If yes, explain how Grayson RECC’s policy of transferring the balance owed on a delinquent account to another account is consistent with this regulation.

**ANSWER:** Yes. The indebtedness is attached to the membership, regardless of the number of accounts. The payment of any indebtedness is a requirement of membership, and in accordance with Article I Membership of the Bylaws of Grayson RECC.

**INTERROGATORY NO. 5:** State whether at any time on or after January 1, 2001, Walter Callihan or Goldie Callihan complained of problems with the accuracy of the meters that register the amount of electricity used at their property. For each complaint that the Callihans made, state the date of the complaint and the general nature of the complaint.

**ANSWER:** No.

**INTERROGATORY NO. 6:** Identify who on or after January 1, 2001, read the meters that Grayson RECC used to register the amount of electricity used at the Callihan property. If Grayson RECC employees read the meter, identify the employees.

**ANSWER:** Tina Preece, August 2002 when the ARM was installed.

**INTERROGATORY NO. 7:** State whether Grayson RECC used automated metering reading to read the meters that register the amount of electricity used at the Callihan property. If yes, identify the type of meter reading equipment used and state the date when Grayson RECC began using it to read its meters on at the Callihan property.

**ANSWER:** Yes. There were three Hunt Technologies Turtle Meters installed at the Callihan property on August 21, 2002.

**INTERROGATORY NO. 8:** Refer to Grayson RECC's Response to Commission Staff's First Set of Interrogatories and Requests for Production of Documents, Item 11. In its response, Grayson RECC states that a copy of its Rules and Regulations are attached. The response filed with the Commission, however, does not have such attachment. Provide a copy of the Rules and Regulations to which Grayson RECC refers in its response.

**ANSWER:** See attached.

**INTERROGATORY NO. 9:** Provide a copy of Grayson RECC's present by-laws.

**ANSWER:** See attached.

**INTERROGATORY NO. 10:** State whether, at any time after Grayson RECC notified the Callihans of pending termination of their electric service for failure to pay, Walter Callihan or Goldie Callihan requested a partial payment plan be implemented. If yes, state when such request was made, identify the person who made the request, and Grayson RECC's response to this request.

**ANSWER:** No. A payment plan was offered by Grayson RECC several times, in writing and verbally, but Mr. Callihan refused.

**INTERROGATORY NO. 11:** State whether, after Grayson RECC discontinued electric service to the Callihans, Walter Callihan or Goldie Callihan applied for service during the months from November to March. If yes, state when such request was made, identify the person who made the request, and Grayson RECC's response to this request.

**ANSWER:** No.

**INTERROGATORY NO. 12:** Refer to Transcript of Deposition of Carol Hall Fraley at 10; Refer to Transcript of Deposition of Don Combs at 6. Mr. Combs testified that Mr. Callihan always paid for electric service in cash. Ms. Fraley testified that Mr. Callihan's also paid for electric service with a cashiers check. State which statement is correct. Explain.

**ANSWER:** Mr. Callihan routinely paid with cash until the account was challenged for missed payments. He then started to pay with *certified* checks. A copy of that information, per account, is attached.

**INTERROGATORY NO. 13:** State whether Grayson RECC's billing and collection records indicate the form in which the Callihans tendered payment for their electric bill. If yes, provide these records for all payments made on and after January 1, 2002.

**ANSWER:** See answer to Interrogatory No. 12.

**INTERROGATORY NO. 14:** Provide Grayson RECC's written procedures and policies regarding the disclosure of customer billing and usage information.

**ANSWER:** This information is available at any time, with proper identification.

**INTERROGATORY NO. 15:** State whether the Grayson RECC facilities necessary to provide electric service to the Callihans' property, including metering equipment and service drop, are still on the Callihans' property.

**ANSWER:** Yes.

**INTERROGATORY NO. 16:** At page 30 of the transcript of her deposition, Ms. Fraley states that Mr. Callihan must provide his permission before Grayson RECC sets a meter on the Callihan property. Assume that someone other than Walter Callihan applied to Grayson RECC for electric service to the Callihans' property and met the cooperatives' other condition. State whether Grayson would accept Mrs. Callihan's permission for set the meter in lieu of Walter Callihan.

**ANSWER:** If the Callihan accounts were reconciled, someone else could apply for service with Mrs. Callihan's permission. That person would have to assume responsibility for the bill, under the terms and conditions of the Grayson RECC bylaws. We would assume that Mrs. Callihan has the right to give permission as spouse and property owner and since she has lived there as long as Mr. Callihan has had service at that location.


RESPECTFULLY SUBMITTED,

W. JEFFREY SCOTT, P.S.C.

BY: 

ATTORNEY FOR GRAYSON RECC  
P.O. BOX 608  
GRAYSON, KY 41143  
(606) 474-5194

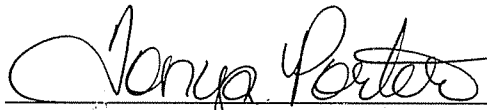
*I have read the foregoing and hereby verify that the statements contained herein are true and correct to the best of my knowledge and belief.*

  
CAROL ANN FRALEY, PRESIDENT and  
CEO of GRAYSON RECC

STATE OF KENTUCKY

COUNTY OF CARTER

Acknowledged, subscribed and sworn to before me by **CAROL ANN FRALEY**,  
**President and CEO of Grayson Rural Electric Cooperative Corporation**, this 3<sup>rd</sup> day  
of August, 2006.



NOTARY PUBLIC, KENTUCKY STATE AT LARGE

My commission expires:

6/22/2007

GRAYSON RURAL ELECTRIC  
COOPERATIVE CORPORATION

FOR: ENTIRE AREA SERVED  
PSC NO.: 3  
ORIGINAL SHEET NO. 25  
CANCELLING PSC NO. 2  
SHEET NO. 25

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RULES AND REGULATIONS

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21. DISCONTINUANCE AND REFUSAL OF SERVICE

Any customer desiring service terminated or changed from one address to another shall give the utility three (3) working days' notice in person, in writing, or by telephone, provided such notice does not violate contractual obligations or tariff provisions.

Upon request that service be reconnected, subsequent to the initial installation or connection to its service lines, the Cooperative may charge the customer an amount not to exceed the actual average cost as approved by the Public Service Commission.

The Cooperative may refuse or terminate service to a customer under the following conditions:

A. For noncompliance with its rules and regulations--however, the Cooperative shall not discontinue or refuse service to any customer for violation of its rules and regulations without first having made a reasonable effort to induce the customer to comply with the rules and regulations as filed with the Public Service Commission. After such effort on the part of the Cooperative, service may be disconnected or refused only after the customer has been given at least ten (10) days written notice of such intention, mailed to his/her last known address, or delivered to an adult member of his/her household.

B. When a dangerous condition is found to exist on the customer's premises, the service shall be refused or terminated without advance notice, provided that the Cooperative notify the customer immediately of the reasons for the termination or refusal and the corrective action to be taken by the customer before service can be restored or provided.

C. When a customer refuses or neglects to provide reasonable access to the premises for the purpose of installation, operation, meter reading, maintenance, or removal of the Cooperative's property, the Cooperative may terminate or refuse service only after the customer has been given at least ten (10) days written notice of such intention.

D. The Cooperative shall not furnish service to any customer when such customer is indebted to the Cooperative for service furnished or other tariff charges until that customer has paid

PUBLIC SERVICE COMMISSION  
OF KENTUCKY

EFFECTIVE

PURSUANT TO 967 KAR 5.011.

DATE OF ISSUE JULY 24, 1992

EFFECTIVE DATE AUGUST 11, 1992

ISSUED BY

Wayne D. Carmony  
Manager

BY:

Charles D. Miller  
109 BERRY PK. LONG GRAYSON KY



GRAYSON RURAL ELECTRIC  
COOPERATIVE CORPORATION

FOR: ENTIRE AREA SERVED  
PSC NO.: 3  
ORIGINAL SHEET NO. 26  
CANCELLING PSC NO. 2  
SHEET NO. 26

RULES AND REGULATIONS

such indebtedness. The Cooperative further reserves the right to refuse service to any customer requesting service if said customer is indebted to the Cooperative for any reason. If an application is received by a person residing with a delinquent customer at the premises where power was supplied to the delinquent customer, the application will be denied on the grounds that the customer is applying as the agent of the delinquent customer.

- E. The Cooperative may refuse or terminate service to a customer if the customer does not comply with Federal, State, or local laws and regulations or other codes or rules and regulations applying to such service. Service can be terminated only after ten (10) days' written notice pursuant to 807 KAR 5:006, Section 14(1)(e).
- F. The Cooperative may terminate service for nonpayment of charges incurred for utility service. However, the Cooperative shall not terminate service to any customer for nonpayment of bills for any tariff charge without first having made a reasonable effort to induce the customer to pay same. The customer shall be given at least ten (10) days written notice of intent to terminate service, but the cut-off shall not be effective for twenty-seven (27) days after the mailing date of the original bill. Such termination notice shall be exclusive of and separate from the original bill.

If, following receipt of a termination notice of nonpayment but prior to the actual termination of service, there is delivered to the utility office payment of the amount in arrears, services shall not be terminated.

If a payment agreement is in effect, service shall not be terminated for nonpayment if the customer and the Cooperative have entered into a partial payment plan and the customer is meeting the requirements of the plan.

If a medical certificate is presented, the Cooperative shall not terminate a customer's service for thirty (30) days beyond the termination date provided a physician, registered nurse, or other public health officer certifies in writing that termination of service will aggravate a debilitating illness or infirmity on the affected premises. The Cooperative may refuse to grant consecutive extensions for medical certificates post 12/8/1992

PURSUANT TO 807 KAR 5:011.

DATE OF ISSUE JULY 24, 1992

EFFECTIVE DATE AUGUST 23, 1992

ISSUED BY

Wayne D. Carmony  
Manager

REVISOR PAGE 109  
PUBLIC SERVICE COMMISSION  
MANAGER

SECTION 9 (1)

AUGUST 23, 1992

109 PUBLIC SERVICE COMMISSION

GRAYSON RURAL ELECTRIC  
COOPERATIVE CORPORATION

FOR: ENTIRE AREA SERVED  
PSC NO.: 3  
ORIGINAL SHEET NO. 17  
CANCELLING PSC NO. 2  
SHEET NO. 17

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RULES AND REGULATIONS

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1. NO PREJUDICE OF RIGHTS

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

2. SCOPE

This schedule of Rules and Regulations is hereby made a part of all contracts for electric service received from Grayson Rural Electric Cooperative Corporation, hereinafter referred to as the Cooperative, and applies to all service received whether such service is based upon a contract, agreement, signed application, or otherwise. No employee or director of the Cooperative is permitted to make an exception to rates and rules. Regulations are on file in the Cooperative's office and can be obtained there or from Cooperative personnel. All rules and regulations shall be in effect so long as they do not conflict with the Public Service Commission's Rules and Regulations.

3. DEFINITION OF CUSTOMER

"Customer" means any person, firm, corporation, or body politic applying for or receiving service from the Cooperative.

4. REVISIONS

These Rules and Regulations may be revised, amended, supplemented, or otherwise changed from time to time after approval of the Grayson Rural Electric Cooperative Corporation's Board of Directors and the Public Service Commission. Such changes, when effective, shall have the same force as the present Rules and Regulations. The customers shall be informed of any tariff changes as soon as possible, after adoption by the Board of Directors, through the Cooperative's monthly newsletter or direct mailing. A copy of the Tariffs and Rules and Regulations shall be kept open for inspection at the Cooperative's headquarters.

PUBLIC SERVICE COMMISSION  
OF KENTUCKY  
EFFECTIVE

5. SERVICE AREA

The Cooperative furnishes power in all or in portions of Carter, Elliott, Greenup, Lawrence, Lewis, and Rowan Counties.

PURSUANT TO KCR 5:011.  
SECTION 9 (1)

DATE OF ISSUE JULY 24, 1992

ISSUED BY Wayne D. Carmony  
Manager

BY: Wayne D. Carmony  
PUBLIC SERVICE COMMISSION MANAGER  
EFFECTIVE DATE AUGUST 23, 1992

109 BAGBY PK., GRAYSON KY

GRAYSON RURAL ELECTRIC  
COOPERATIVE CORPORATION

FOR: ENTIRE AREA SERVED  
PSC NO.: 3  
ORIGINAL SHEET NO. 18  
CANCELLING PSC NO. 2  
SHEET NO. 18

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RULES AND REGULATIONS

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6. AVAILABILITY

Available to all customers of the Cooperative for all farm, home, commercial, and industrial uses subject to its established Rules and Regulations. Approval of the Cooperative must be obtained prior to installation of any motor having a rated capacity of five (5) horsepower or more.

7. ACCESS TO PROPERTY

Each customer shall, prior to receiving service, provide any applicable right-of-way easements and/or permits or easements, for the customer's property, required by the Cooperative.

The utility shall, at all reasonable hours, have access to meters, service connections, and other property owned by it and located on customer's premises for purposes of installation, maintenance, meter reading, operation, replacement, or removal of its property at the time service is to be terminated.

8. RESALE OF POWER BY MEMBERS

All purchased electric service used on the premises of the customer shall be supplied exclusively by the Cooperative, and the customer shall not directly or indirectly sell, sublet, or otherwise dispose of the electric service, or any part thereof, except by written contract approved by the Board of Directors of this Cooperative.

9. CUSTOMER'S LIABILITY AND RESPONSIBILITY

The customer shall assume full responsibility for service upon his/her premises at and from the point of delivery thereof, and for wires, apparatus, devices, and appurtenances hereon used in connection with service. The customer shall indemnify, save harmless and defend the Cooperative against all claims, demands, cost or expense for loss, damage or injury to persons or property in any manner, directly or indirectly arising from, connected with, or growing out of the transmission or use of current by the customer at or on the customer's side of point of delivery.

The customer shall protect the system and/or equipment of the Cooperative on his/her premises and shall not interfere with or alter or permit interference with or alteration of the Cooperative's property or meters except by duly authorized representatives of the Cooperative. Further, except by written permission of the

PURSUANT TO 807 KAR 5.011

DATE OF ISSUE JULY 24, 1992

SECTION 9 (1)  
EFFECTIVE DATE AUGUST 23, 1992  
REVISED DATE OCTOBER 15, 1992  
PUBLIC SERVICE COMMISSION MANAGER  
OFFICE OF THE PUBLIC SERVICE COMMISSION, CINCINNATI, OHIO

ISSUED BY

Wayne D. Carmony  
Manager

GRAYSON RURAL ELECTRIC  
COOPERATIVE CORPORATION

FOR: ENTIRE AREA SERVED  
PSC NO.: 3  
ORIGINAL SHEET NO. 19  
CANCELLING PSC NO. 2  
SHEET NO. 19

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RULES AND REGULATIONS

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Cooperative, the customer shall not locate or permit to be located residences, mobile homes, or other structures or materials within fifteen (15) feet of the centerline of the Cooperative's pole line that will effectively decrease line clearances, nor shall the customer locate swimming pools within fifteen (15) feet of the centerline or remove support materials around poles and anchors.

For any loss or damage to the property of the Cooperative, or loss of use of the property by the Cooperative, due to or caused by or arising from violation(s) of these Rules and Regulations, carelessness, neglect, vandalism, or misuses by the customer or other unauthorized persons, all costs of the necessary replacement, relocation, and/or repairs shall be paid for by the customer.

Unless otherwise agreed in writing, all meters, service connections, and other equipment and system components furnished by the Cooperative shall be, and remain the property of the Cooperative.

10. TAMPERING

If the meter or other property belonging to the Cooperative is tampered or interfered with, the customer being supplied through such equipment shall pay the amount which the Cooperative may estimate is due for service rendered but not registered on the Cooperative's meter and for such testing, replacements, and repairs as are necessary, as well as for costs of inspections, investigation, and protective installations.

11. NOTICE OF TROUBLE

The customer is encouraged to give prompt notice to the Cooperative of any interruptions, irregularities, or unsatisfactory service and of any defects known to the customer.

The Cooperative may, as it deems necessary, suspend the supply of electrical energy to any customer or customers for the purpose of making repairs, changes, or improvements upon any part of its system.

PUBLIC SERVICE COMMISSION  
OF KENTUCKY  
EFFECTIVE

OCT 28 1992

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

BY: Clayton D. Little  
PUBLIC SERVICE COMMISSION MANAGER

EFFECTIVE DATE AUGUST 23, 1992

DATE OF ISSUE JULY 24, 1992

ISSUED BY

Wayne D. Carmony  
Manager

109 BAGBY PK., GRAYSON KY

GRAYSON RURAL ELECTRIC  
COOPERATIVE CORPORATION

FOR: ENTIRE AREA SERVED  
PSC NO.: 3  
ORIGINAL SHEET NO. 20  
CANCELLING PSC NO. 2  
SHEET NO. 20

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RULES AND REGULATIONS

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12. CONTINUITY OF SERVICE

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

13. STANDARD SERVICE

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

For the purpose of this section, standard voltage is defined as follows:

1. Residential Service - Single phase 120/240 volts.
2. Commercial & Industrial Service -
  - (a.) Single phase 120/240 and 240/480 volts.
  - (b.) Three phase 120/240, 120/208Y, 277/480Y, and 240/480 volts.
3. Primary Metered Service -
  - (a.) Single phase 7200 volts.
  - (b.) Three phase 7200/12470Y volts.

14. CONFLICT

In case of conflict between any provisions of any Tariff and the Rules and Regulations, the Tariff shall apply.

PUBLIC SERVICE COMMISSION  
OF KENTUCKY  
EFFECTIVE

OCT 28 1992

PURSUANT TO 807 KAR 5:011.

SECTION 9 (1)

DATE OF ISSUE JULY 24, 1992

ISSUED BY

Manager

Wayne D. Carmory

EFFECTIVE DATE AUGUST 23, 1992  
REVISOR NAME COMMISSION MANAGER 1992  
PUBLIC SERVICE COMMISSION  
109 BAGBY PK., GRAYSON KY

GRAYSON RURAL ELECTRIC  
COOPERATIVE CORPORATION

FOR: ENTIRE AREA SERVED  
PSC NO.: 3  
ORIGINAL SHEET NO. 21  
CANCELLING PSC NO. 2  
SHEET NO. 21

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RULES AND REGULATIONS

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15. SYSTEM INSPECTION PROCEDURES

The following procedures have been adopted by Grayson Rural Electric Cooperative Corporation to assure safe and adequate operation of its facilities and to comply with 807 KAR 5:006, Section 25, Inspection of System:

A. SERVICE INSPECTION:

The Cooperative shall inspect the condition of the meter and service connections before making service connections to a new customer, so that prior or fraudulent use of the facilities will not be attributed to the new customer. The new customer shall be afforded the opportunity to be present at such inspections. The Cooperative shall not be required to render service to any customer until any defects in the customer-owned portion of the service facilities have been corrected. Grayson Rural Electric Cooperative Corporation shall not initiate new electric service until the required certificate of approval has been issued by a certified electrical inspector.

B. LINE INSPECTION:

At intervals not to exceed two (2) years, electric lines operating at voltages of less than sixty-nine (69) KV are inspected for damages, defects, deteriorations, and compliance with applicable codes.

C. UTILITY BUILDINGS:

At intervals not to exceed one (1) year, all Cooperative buildings shall be inspected to ascertain compliance with all applicable safety codes.

D. CONSTRUCTION EQUIPMENT:

At intervals not to exceed three (3) months, all construction equipment shall be inspected for defects and safety hazards.

PUBLIC SERVICE COMMISSION  
OF KENTUCKY  
EFFECTIVE

OCT 28 1992

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DATE OF ISSUE JULY 24, 1992

PURSUANT TO 807 KAR 5:011-  
EFFECTIVE DATE SECTION 9(1)  
AUGUST 23, 1992

ISSUED BY

Wayne D. Carmony  
Manager

BY: Charles H. Baker  
109 PUBLIC SERVICE COMMISSION GRAYSON, KY

GRAYSON RURAL ELECTRIC  
COOPERATIVE CORPORATION

FOR: ENTIRE AREA SERVED  
PSC NO.: 3  
ORIGINAL SHEET NO. 22  
CANCELLING PSC NO. 2  
SHEET NO. 22

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RULES AND REGULATIONS

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E. HAZARDOUS CONDITION REPORT:

Upon receipt of a report of a potentially hazardous condition made by a qualified employee, public official, or customer, the utility shall inspect all portions of the system which are the subject of the report.

F. RECORDKEEPING:

Appropriate records shall be kept by the Cooperative to identify the inspection made, deficiencies found, and action taken to correct the deficiencies.

PUBLIC SERVICE COMMISSION  
OF KENTUCKY  
EFFECTIVE

OCT 28 1992

PURSUANT TO 307 KAR 5.011,  
SECTION 9 (1)

BY: Wayne D. Carmoy  
PUBLIC SERVICE COMMISSION MANAGER

DATE OF ISSUE JULY 24, 1992

EFFECTIVE DATE AUGUST 23, 1992

ISSUED BY Wayne D. Carmoy, 109 BAGBY PK., GRAYSON KY  
Manager

GRAYSON RURAL ELECTRIC  
COOPERATIVE CORPORATION

FOR: ENTIRE AREA SERVED  
PSC NO.: 3  
ORIGINAL SHEET NO. 23  
CANCELLING PSC NO. 2  
SHEET NO. 23

RULES AND REGULATIONS

16. APPLICATION FOR ELECTRIC SERVICE

Each prospective customer and/or spouse desiring electric service will be required to sign the Cooperative's form "Application for Membership and Electric Service" before service is supplied by the Cooperative. Also, where applicable, the prospective customer must sign a contract pertaining to their particular service. The prospective customer must provide the Cooperative with applicable permits and fully executed right-of-way easements, for customer's property only. At the time of application for service, the customer must also furnish his/her social security number, phone number, permanent address, place of employment, and name of spouse.

17. MEMBERSHIP FEE

Each prospective customer shall pay a membership fee of \$15.00 before or at the time service is supplied. When the customer requests to go off-service, the membership fee will be applied against the final bill with the credit balance, if any, being refunded to the customer.

18. TEMPORARY SERVICE

Customers requesting temporary service, as defined elsewhere, may be required to pay all costs of construction, removing, connecting, and disconnecting service. Certain facilities that are temporary in nature will be provided to customers making application for same, provided they pay an advance fee equal to the reasonable cost of constructing and removing such facilities along with a deposit amount to be determined by the Cooperative. Upon termination of such service, if payment was made based on estimated usage, it will be adjusted to actual usage, and either a refund or additional billing will be issued to such temporary customer.

Temporary service will be supplied under any published tariff applicable to the class of business or type of temporary service required.

Temporary service required for a period in excess of eighteen (18) months shall require approval of the Cooperative.

OCT 28 1992

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

BY: Wayne D. Carmony  
PUBLIC SERVICE COMMISSION MANAGER

DATE OF ISSUE JULY 24, 1992

EFFECTIVE DATE OCTOBER 25, 1992

ISSUED BY Wayne D. Carmony, 109 BAGBY PK., GRAYSON KY  
Manager

REVISED PAGE OCTOBER 15, 1992



GRAYSON RURAL ELECTRIC  
COOPERATIVE CORPORATION

FOR: ENTIRE AREA SERVED  
PSC NO.: 3  
ORIGINAL SHEET NO. 24  
CANCELLING PSC NO. 2  
SHEET NO. 24

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RULES AND REGULATIONS

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19. INTERRUPTION OF SERVICE

The Cooperative shall use reasonable diligence to provide a regular and uninterrupted supply of current, but in case the supply of current should be interrupted or disturbed for any cause, the Cooperative shall not be liable for damage resulting therefrom.

20. SERVICES PERFORMED FOR CUSTOMERS ?

The Cooperative's personnel shall not, while on duty, make repairs or perform service to the customer's equipment or property, except in cases of emergency or to protect the public or customer's person or property. When such emergency services are performed, the customer shall be charged for such service(s) based on the time and material used, to include appropriate overhead and equipment charges.

PUBLIC SERVICE COMMISSION  
OF KENTUCKY  
EFFECTIVE

OCT 28 1992

PURSUANT TO 307 KAR 5:011,  
SECTION 9 (1)

BY: Raymond D. Carter  
PUBLIC SERVICE COMMISSION MANAGER

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DATE OF ISSUE JULY 24, 1992

EFFECTIVE DATE AUGUST 23, 1992

ISSUED BY Wayne D. Carnony, 109 BAGBY PK., GRAYSON KY  
Manager

GRAYSON RURAL ELECTRIC  
COOPERATIVE CORPORATION

FOR: ENTIRE AREA SERVED  
PSC NO.: 3  
ORIGINAL SHEET NO. 25  
CANCELLING PSC NO. 2  
SHEET NO. 25

RULES AND REGULATIONS

21. DISCONTINUANCE AND REFUSAL OF SERVICE

Any customer desiring service terminated or changed from one address to another shall give the utility three (3) working days' notice in person, in writing, or by telephone, provided such notice does not violate contractual obligations or tariff provisions.

Upon request that service be reconnected, subsequent to the initial installation or connection to its service lines, the Cooperative may charge the customer an amount not to exceed the actual average cost as approved by the Public Service Commission.

The Cooperative may refuse or terminate service to a customer under the following conditions:

- A. For noncompliance with its rules and regulations--however, the Cooperative shall not discontinue or refuse service to any customer for violation of its rules and regulations without first having made a reasonable effort to induce the customer to comply with the rules and regulations as filed with the Public Service Commission. After such effort on the part of the Cooperative, service may be disconnected or refused only after the customer has been given at least ten (10) days written notice of such intention, mailed to his/her last known address, or delivered to an adult member of his/her household.
- B. When a dangerous condition is found to exist on the customer's premises, the service shall be refused or terminated without advance notice, provided that the Cooperative notify the customer immediately of the reasons for the termination or refusal and the corrective action to be taken by the customer before service can be restored or provided.
- C. When a customer refuses or neglects to provide reasonable access to the premises for the purpose of installation, operation, meter reading, maintenance, or removal of the Cooperative's property, the Cooperative may terminate or refuse service only after the customer has been given at least ten (10) days written notice of such intention.

PUBLIC SERVICE COMMISSION  
OF KENTUCKY

- D. The Cooperative shall not furnish service to any customer when such customer is indebted to the Cooperative for service furnished or other tariff charges until that customer has paid

PURSUANT TO 967 KAR 5:011.

DATE OF ISSUE JULY 24, 1992

EFFECTIVE DATE AUGUST 1, 1992

ISSUED BY

Wayne D. Carmony  
Manager

BY: [Signature]

109 BEECHER PK. COM. GRAYSON, KY

GRAYSON RURAL ELECTRIC  
COOPERATIVE CORPORATION

FOR: ENTIRE AREA SERVED  
PSC NO.: 3  
ORIGINAL SHEET NO. 26  
CANCELLING PSC NO. 2  
SHEET NO. 26

RULES AND REGULATIONS

such indebtedness. The Cooperative further reserves the right to refuse service to any customer requesting service if said customer is indebted to the Cooperative for any reason. If an application is received by a person residing with a delinquent customer at the premises where power was supplied to the delinquent customer, the application will be denied on the grounds that the customer is applying as the agent of the delinquent customer.

- E. The Cooperative may refuse or terminate service to a customer if the customer does not comply with Federal, State, or local laws and regulations or other codes or rules and regulations applying to such service. Service can be terminated only after ten (10) days' written notice pursuant to 807 KAR 5:006, Section 14(1)(e).
- F. The Cooperative may terminate service for nonpayment of charges incurred for utility service. However, the Cooperative shall not terminate service to any customer for nonpayment of bills for any tariff charge without first having made a reasonable effort to induce the customer to pay same. The customer shall be given at least ten (10) days written notice of intent to terminate service, but the cut-off shall not be effective for twenty-seven (27) days after the mailing date of the original bill. Such termination notice shall be exclusive of and separate from the original bill.

If, following receipt of a termination notice of nonpayment but prior to the actual termination of service, there is delivered to the utility office payment of the amount in arrears, service shall not be terminated.

If a payment agreement is in effect, service shall not be terminated for nonpayment if the customer and the Cooperative have entered into a partial payment plan and the customer is meeting the requirements of the plan.

If a medical certificate is presented, the Cooperative shall not terminate a customer's service for thirty (30) days beyond the termination date provided a physician, registered nurse, or other public health officer certifies in writing that termination of service will aggravate a debilitating illness or infirmity on the affected premises. The Cooperative may refuse to grant consecutive extensions for medical certificates ~~past the original~~

PURSUANT TO 807 KAR 5:011.

DATE OF ISSUE JULY 24, 1992

EFFECTIVE DATE AUGUST 23, 1992

ISSUED BY

Wayne D. Carmory  
Manager

REVISOR October 16, 1992  
109 BY PUBLIC SERVICE COMMISSION

PUBLIC SERVICE COMMISSION  
OF KENTUCKY  
EFFECTIVE  
AUG 28 1992

GRAYSON RURAL ELECTRIC  
COOPERATIVE CORPORATION

FOR: ENTIRE AREA SERVED  
PSC NO.: 3  
ORIGINAL SHEET NO. 27  
CANCELLING PSC NO. 2  
SHEET NO. 27

RULES AND REGULATIONS

thirty (30) days unless the certificate is accompanied by an agreed partial payment plan.

The Cooperative shall not terminate service for thirty (30) days beyond the termination date if the Kentucky Cabinet for Human Resources (or its designee) certifies in writing that the customer is eligible for the Cabinet's Energy Assistance program or household income is at or below 130 percent of the poverty level, and the customer presents such certificate to the utility. Customers eligible for such certification from the Cabinet for Human Resources shall have been issued a termination notice between November 1 and March 31. Certificates shall be presented to the utility during the initial ten (10) day termination notice period. As a condition of the thirty (30) day extension, the customer shall exhibit good faith in paying his indebtedness by making a current payment in accordance with his ability to do so. In addition, the customer shall agree to a repayment plan which will permit the customer to become current in the payment of his/her bill as soon as possible, but not later than October 15.

- G. The Cooperative may terminate service to a customer without advance notice if it has evidence that the customer has obtained unauthorized service by illegal use or theft. Within twenty-four (24) hours after such termination, the utility shall send written notification to the customer stating the reason(s) for termination or refusal of service upon which the utility relies, and of the customer's right to challenge the termination by filing a formal complaint with the Public Service Commission.

This right of termination is separate from and in addition to any other legal remedies which the utility may pursue for illegal use or theft of service. The utility shall not be required to restore service until the customer has complied with all Tariff requirements and the Rules and Regulations of the Cooperative and laws and regulations of the Public Service Commission.

The written notice for any discontinuance of service shall advise the customer of his/her rights and his/her right to dispute the reason(s) for such discontinuance.

PUBLIC SERVICE COMMISSION  
OF KENTUCKY  
EFFECTIVE

OCT 28 1992

DATE OF ISSUE JULY 24, 1992

EFFECTIVE DATE

PURSUANT TO 807 KAR 5:011.  
AUGUST 23, 1992 (1)

ISSUED BY

Wayne D. Carmony  
Manager

109 BAGBY HWY.

Wayne D. Carmony  
PUBLIC SERVICE COMMISSION MANAGER

GRAYSON RURAL ELECTRIC  
COOPERATIVE CORPORATION

FOR: ENTIRE AREA SERVED  
PSC NO.: 3  
ORIGINAL SHEET NO. 28  
CANCELLING PSC NO. 2  
SHEET NO. 28

RULES AND REGULATIONS

22. DEPOSITS

The Cooperative shall issue to every customer from whom a deposit is collected a receipt of deposit.

The Cooperative may require a minimum cash deposit or other guaranty to secure payment of bills except for customers qualifying for service reconnection pursuant to 807 KAR 5:006, Section 15, Winter Hardship Reconnection. Service may be refused or discontinued for failure to pay the requested deposit. Interest accrued as prescribed under 807 KAR 5:006, Section 7 (6), Interest on Deposits, will be paid annually either by refund or credit to the customer's bill, except that no refund or credit will be made if the customer's bill is delinquent on the anniversary date of the deposit.

The deposit may be waived upon a customer's verification of satisfactory credit or payment history, and required deposits will be returned after one (1) year, at the customer's request, if the customer has established a satisfactory payment record for that period. If a deposit has been waived or returned and the customer fails to maintain a satisfactory payment record, a deposit may then be required. The Cooperative may require a deposit in addition to the initial deposit if the customer's classification of service changes or if there is a substantial change in usage. Upon termination of service, the deposit and any interest earned and owing will be credited to the final bill with any remainder refunded to the customer.

If a deposit is held longer than 12 months, the deposit will be recalculated at the customer's request based on the customer's actual usage. If the deposit on account differs from the recalculated amount by more than \$10.00 for a residential customer or 10 percent for a non-residential customer, the Cooperative may collect any underpayment and shall refund any overpayment by check or credit to the customer's bill. No refund will be made if the customer's bill is delinquent at the time of the recalculation.

Customers' deposits may be based upon actual usage of the customer at the same or similar premises for the most recent 12-month period, if such information is available. If usage information is not available, the deposit may be based on the average bills of similar customers and premises in the system.

The Cooperative may, from time to time, establish an equal deposit amount for each class based on the average bill of customers in that class.

The deposit amount shall not exceed 2/12 of the customer's actual or estimated annual bill where bills are rendered monthly.

OCT 28 1992

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PURSUANT TO 807 KAR 5:011,  
SECTION 32 (1)

ISSUED BY

Wayne D. Carmony  
Manager

109 BAGBY PRY

GRAYSON RURAL ELECTRIC  
PUBLIC SERVICE COMMISSION MANAGER

RULES AND REGULATIONS

23. METER BASES

Each customer shall provide his/her own meter base.

24. METER READING

Each customer receiving service will read his/her meter on the first (1st) day of each month and have the reading in the Cooperative office no later than the ~~fifteenth~~ (15th) of that month. In the event the member fails to read the meter as outlined or fails to notify the Cooperative office for three successive months, the Cooperative's serviceman will read the meter and the customer will be billed \$24.00 for this service.

25. SEPARATE METER FOR EACH SERVICE

The Cooperative will normally furnish a single meter at the point of connection to the customer's premises. Any customer desiring service at two or more separately metered points of connection to the system shall be billed separately at each point and the registration of such meters shall not be added for billing purposes.

26. LOCATION OF METERS

Meter locations shall require approval of the Cooperative and shall, at all times, be kept easily accessible for reading, testing, removing, and making necessary adjustments and repairs.

27. PRIMARY METERING

In those instances when primary metering is utilized, the customer will own, operate, and maintain all facilities past the metering point.

PUBLIC SERVICE COMMISSION  
OF KENTUCKY  
EFFECTIVE

JUL 08 1999

PURSUANT TO 807 KAR 5.011,  
SECTION 9 (1)  
BY: Stephan D. Bell  
SECRETARY OF THE COMMISSION

DATE OF ISSUE July 23, 1999

Case No. 98-455

EFFECTIVE DATE July 8, 1999

ISSUED BY

Camille Ornel  
President & CEO

109 BAGBY PK., GRAYSON KY

GRAYSON RURAL ELECTRIC  
COOPERATIVE CORPORATION

FOR: ENTIRE AREA SERVED  
PSC NO.: 3  
ORIGINAL SHEET NO. 29  
CANCELLING PSC NO. 2  
SHEET NO. 29

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RULES AND REGULATIONS

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23. METER BASES

Each customer shall provide his/her own meter base.

24. METER READING

Each customer receiving service will read his/her meter on the first (1st) day of each month and have the reading in the Cooperative office no later than the fifteenth (15th) of that month. In the event the member fails to read the meter as outlined or fails to notify the Cooperative office for three successive months, the Cooperative's serviceman will read the meter and the customer will be billed \$15.00 for this service.

25. SEPARATE METER FOR EACH SERVICE

The Cooperative will normally furnish a single meter at the point of connection to the customer's premises. Any customer desiring service at two or more separately metered points of connection to the system shall be billed separately at each point and the registration of such meters shall not be added for billing purposes.

26. LOCATION OF METERS

Meter locations shall require approval of the Cooperative and shall, at all times, be kept easily accessible for reading, testing, removing, and making necessary adjustments and repairs.

27. PRIMARY METERING

In those instances when primary metering is utilized, the customer will own, operate, and maintain all facilities past the metering point.

PUBLIC SERVICE COMMISSION  
OF KENTUCKY  
EFFECTIVE

OCT 28 1992

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PURSUANT TO RC7 KAR 5:011,  
SECTION 9 (1)  
DATE OF ISSUE JULY 24, 1992 EFFECTIVE DATE AUGUST 28, 1992  
ISSUED BY Wayne D. Carmony, 109 BAGBY PR., GRAYSON KY  
Manager

GRAYSON RURAL ELECTRIC  
COOPERATIVE CORPORATION

FOR: ENTIRE AREA SERVED  
PSC NO.: 3  
ORIGINAL SHEET NO. 30  
CANCELLING PSC NO. 2  
SHEET NO. 30

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RULES AND REGULATIONS

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28. POINT OF DELIVERY

The point of delivery is the point as designated by the Cooperative on the customer's premises where current is to be delivered to the building or premises; namely, the point of attachment or connection to customer owned facilities. A member requesting a delivery point different from the one designated by the Cooperative will be required to pay the additional cost of providing the service at such delivery point. All wiring and equipment beyond this point of delivery shall be supplied, owned, and maintained by the customer.

29. VOLTAGE FLUCTUATIONS CAUSED BY CUSTOMER

Electric service must not be used in such manner as to cause unusual fluctuations or disturbances to the Cooperative's distribution system. The Cooperative may require the customer, at his/her own expense, to install suitable apparatus which will limit such fluctuation in accordance with the requirements as set forth in 807 KAR 5:041, Section 6.

30. METER TESTING - CUSTOMER REQUESTED

The Cooperative will, at its own expense, make periodic tests and inspections of all meters to maintain a high standard of accuracy and to conform with the regulations of the Public Service Commission. The Cooperative will make additional tests of the meter at the request of the customer provided such request is not made more frequently than once each twelve (12) months. The customer has a right to be present when the meter is tested and will be notified in advance as to the date and approximate time the testing will take place in order for them to make arrangements to be present. If the meter is found to be more than 2% fast or slow, an adjustment will be made to the customer's bill in accordance with 807 KAR 5:006, Section 10. If such test shows that the meter was not more than 2% fast or slow, a meter test fee of \$35.00 may be assessed the customer to cover the cost of the meter test as per 807 KAR 5:006, Section 18. If a customer requests more than one (1) meter test in a twelve (12) month period, the \$35.00 fee shall be deposited in advance for each subsequent test. The deposit shall be refunded if the meter is found to be more than 2% fast or slow.

OCT 28 1992

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EFFECTIVE DATE

PURSUANT TO 807 KAR 5:011,  
SECTION 9(2)  
AUGUST 23, 1992

ISSUED BY

Wayne D. Carmory  
Manager

, 109 BAGBY

PK. GRAYSON, KY  
PUBLIC SERVICE COMMISSION MANAGER



GRAYSON RURAL ELECTRIC  
COOPERATIVE CORPORATION

FOR: ENTIRE AREA SERVED  
PSC NO.: 3  
ORIGINAL SHEET NO. 31  
CANCELLING PSC NO. 2  
SHEET NO. 31

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RULES AND REGULATIONS

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31. FAILURE OF METER TO REGISTER

If test results on a customer's meter show an average error greater than two percent (2%) fast or slow, or if a customer has been incorrectly billed for any other reason, except in an instance where the Cooperative has filed a verified complaint with the appropriate law enforcement agency alleging fraud or theft by the customer, the Cooperative shall immediately determine the period during which the error has existed, and shall recompute and adjust the customer's bill to either provide a refund to the customer or collect an additional amount of revenue from the underbilled customer. The Cooperative shall re-adjust the account based upon the period during which the error is known to have existed. If the period during which the error existed cannot be determined with reasonable precision, the time period shall be estimated using such data as elapsed time since the last meter test, if applicable, and historical usage data for the customer. If that data is not available, the average usage of similar customer loads shall be used for comparison purposes in calculating the time period. If the customer and the Cooperative are unable to agree on an estimate of the time period during which the error existed, the Public Service Commission shall determine the issue. In all instances of customer overbilling, the customer's account shall be credited or the overbilled amount refunded at the discretion of the customer within thirty (30) days after the final meter test results. The Cooperative shall not require customer repayment of any underbilling to be made over a period shorter than a period coextensive with the underbilling.

PUBLIC SERVICE COMMISSION  
OF KENTUCKY  
EFFECTIVE

OCT 28 1992

PURSUANT TO RC7 KAR 5:011.

DATE OF ISSUE JULY 24, 1992

EFFECTIVE DATE AUGUST 23, 1992

ISSUED BY

Wayne D. Carmony  
Manager

BY:

Charles L. Baker  
109 BAGBROOK SERVICE CENTER, GRAYSON, KY

109 BAGBROOK SERVICE CENTER, GRAYSON, KY

FOR: ENTIRE AREA SERVED  
PSC NO.: 3  
ORIGINAL SHEET NO.  
CANCELLING PSC NO. 2  
SHEET NO.

GRAYSON RURAL ELECTRIC  
COOPERATIVE CORPORATION

RULES AND REGULATIONS

32. BILLING

Bills will be rendered and mailed monthly. All bills shall be paid each month on or before the due date, the regular due date being the 15th of the month. In the event the 15th should fall on a Saturday, Sunday, or legally observed postal holiday, the payment date shall be the next working day following said days.

All bills may be paid at the office of the Cooperative, at its regular authorized agencies, or by mail.

Failure to receive a bill does not release the customer from his/her payment obligation.

All bills paid on or before the due date shown on the bill shall be payable at the net rate. All bills paid after the payment due date shown on the bill shall be at the gross rate (the gross rate being 10% higher). All remittances by mail for the net amount due shall be postmarked on or before the due date printed on the bill.

Should bills not be paid as set forth above, the Cooperative shall issue a separate ten (10) day written notice of intent to terminate. The Cooperative shall not terminate service before two (2) days after the mailing date of the original unpaid bill, in accordance with 807 KAR 5:006, Section 14(f)(1).  
PUBLIC SERVICE COMMISSION  
OF KENTUCKY  
EFFECTIVE

MAY 12 1995

33. SECURITY LIGHTS

PURSUANT TO 807 KAR 5.011,  
SECTION 9(a)  
The Cooperative shall furnish, install, own, operate and maintain the outdoor lighting equipment (including lamp, luminaire, bracket attachment, and control device) on an existing pole of the Cooperative, electrically connected so that the power for operation of the light does not pass through the meter for the customer's other usage, and at a location mutually agreeable to both the Cooperative and the customer.

The Cooperative shall perform maintenance on the lighting equipment at no additional cost to the customer within seventy-two (72) hours after the customer notifies the Cooperative of the need for maintenance of the lighting equipment.

The lighting equipment shall remain the property of the Cooperative. The customer shall protect the lighting equipment from deliberate damage. The customer shall allow authorized representatives of the Cooperative to enter upon the customer's premises for maintenance and to remove the Cooperative's facilities upon termination of service under this schedule.

DATE OF ISSUE April 10, 1995

EFFECTIVE DATE April 10, 1995

ISSUED BY

*Carol Hall Juley*  
President & CEO

, 109 BAGBY PK., GRAYSON KY

GRAYSON RURAL ELECTRIC  
COOPERATIVE CORPORATION

FOR: ENTIRE AREA SERVED  
PSC NO.: 3  
ORIGINAL SHEET NO. 34  
CANCELLING PSC NO. 2  
SHEET NO. 34

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RULES AND REGULATIONS

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CM1 = Current year 1st prior month  
CM2 = Current year 2nd prior month  
CM3 = Current year 3rd prior month  
PC1 = Prior year current month  
PM1 = Prior year 1st prior month  
PM2 = Prior year 2nd prior month  
PM3 = Prior year 3rd prior month  
PS1 = Prior year 1st subsequent month

$$\text{PROJ} = \text{AVG} (\text{PM1} + \text{PC1} + \text{PS1}) \times \frac{\text{AVG} (\text{CM1} + \text{CM2} + \text{CM3})}{\text{AVG} (\text{PM1} + \text{PM2} + \text{PM3})}$$

If the actual usage, as reported by the customer, should be either twice as much or greater or one-half as much or less than the above projection, then the terminal operator is immediately alerted upon entry of the customer's reading.

If the abnormal usage results from previously estimated usage, then no further action is taken, unless the deviation is to such an extent that previous estimation would not satisfactorily explain the deviation.

If the previous month(s) usage has not been estimated or the deviation is extreme, then a letter will be sent to the customer requesting verification of the reading.

If verification is not received, or if upon verification the deviation is still extreme, then a serviceman will be dispatched to verify the customer's reported reading.

All customer accounts are pre-billed approximately two (2) working days prior to the actual printing of the customer's bills. At this time an exception report will be compiled of the accounts that still reflect unusual deviations.

Each excepted account will be investigated to determine the cause of the deviation and re-read by a serviceman, if necessary.

If the cause for the usage deviation cannot be determined from analysis of the customer's meter reading and billing records, the Cooperative will contact the customer by telephone or in writing to determine whether there have been changes such as different

OCT 28 1992

DATE OF ISSUE JULY 24, 1992

EFFECTIVE DATE AUGUST 29, 1992  
PURSUANT TO KY R 5.011.

ISSUED BY

Wayne D. Carmon  
Manager

, 109 BAGBY PK. GRAYSON KY

BY: [Signature]  
PUBLIC SERVICE COMMISSION MANAGER

GRAYSON RURAL ELECTRIC  
COOPERATIVE CORPORATION

FOR: ENTIRE AREA SERVED  
PSC NO.: 3  
ORIGINAL SHEET NO. 35  
CANCELLING PSC NO. 2  
SHEET NO. 35

RULES AND REGULATIONS

number of household members or work staff, additional or different appliances, changes in business volume, or other reasons.

Where the deviation is not otherwise explained, the Cooperative will test the customer's meter to determine whether it shows an average error greater than 2 percent fast or slow.

The Cooperative will notify the customer of the investigation, its findings, and any refunds or backbilling in accordance with 807 KAR 5:006, Section 10 (4) and (5).

In addition to the monthly monitoring, the Cooperative will immediately investigate usage deviations brought to its attention as a result of its on going meter reading or billing processes or customer inquiry..

38. PARTIAL PAYMENT PLANS

The Cooperative shall negotiate and accept reasonable partial payment plans at the request of residential customers who have received a termination notice for failure to pay as provided in 807 KAR 5:006, Section 14, except that a utility is not required to negotiate a partial payment plan with a customer who is delinquent under a previous partial payment plan. Partial payment plans shall be mutually agreed upon and subject to the conditions herein and section 14. Partial payment plans which extend for a period longer than thirty (30) days shall be in writing and shall advise customers that service may be terminated without additional notice if the customer fails to meet the obligations of the plan.

39. PARTIAL PAYMENT PLANS FOR CUSTOMERS WITH MEDICAL CERTIFICATES OR CERTIFICATES OF NEED

For customers presenting certificates under the provisions of 807 KAR 5:006, Section 14 (3) and Section 15, the Cooperative shall negotiate partial payment plans based upon the customer's ability to pay requiring the account to become current not later than the following October 15.

PUBLIC SERVICE COMMISSION  
OF KENTUCKY  
EFFECTIVE

OCT 28 1992

DATE OF ISSUE JULY 24, 1992

EFFECTIVE DATE PURSUANT TO 807 KAR 5:011,  
AUGUST 23, 1992  
SECTION 9(1)

ISSUED BY Wayne D. Cannon, 109 BAGBY PK., GRAYSON, KY  
Manager

PUBLIC SERVICE COMMISSION MANAGER

GRAYSON RURAL ELECTRIC  
COOPERATIVE CORPORATION

FOR: ENTIRE AREA SERVED  
PSC NO.: 3  
ORIGINAL SHEET NO.  
CANCELLING PSC NO. 2  
SHEET NO.

RULES AND REGULATIONS

The Cooperative reserves the right to discontinue service to and remove the lighting, in the event of repeated instances of vandalism, at no expense to the customer.

34. FUEL ADJUSTMENT CLAUSE

The fuel adjustment clause is subject to all applicable provisions as set out in 807 KAR 5:056 and the Cooperative's Tariffs.

35. TAXES

State sales tax and school tax will be added to the bill(s) of all applicable customers.

36. CLASSIFICATION OF CUSTOMERS

Classification of customers for accounting purposes is in accordance with prescribed REA Uniform System of Accounts.

37. MONITORING OF CUSTOMER USAGE

In accordance with 807 KAR 5:006, Section 10, (3), the Cooperative shall monitor the usage of each customer to determine if the reported monthly consumption reveals any unusual deviation from the customer's established usage pattern by means of the following procedures.

In conjunction with established programs utilized by the Cooperative's computer service bureau, each customer's projected usage for any one month is calculated according to the following:

- CM1 = Current year 1st prior month
- CM2 = Current year 2nd prior month
- CM3 = Current year 3rd prior month
- PC1 = Prior year current month
- PM1 = Prior year 1st prior month
- PM2 = Prior year 2nd prior month
- PM3 = Prior year 3rd prior month
- PS1 = Prior year 1st subsequent month

PUBLIC SERVICE COMMISSION  
OF KENTUCKY  
EFFECTIVE

MAY 12 1995

PURSUANT TO 807 KAR 5.011,  
SECTION 9(1)

BY: Phillip L. Lanning  
DIRECTOR, RATES & RESEARCH DIV.

DATE OF ISSUE April 10, 1995

EFFECTIVE DATE April 10, 1995

ISSUED BY

Carol Hill Bradley  
President & CEO

, 109 BAGBY PK., GRAYSON KY

GRAYSON RURAL ELECTRIC  
COOPERATIVE CORPORATION

FOR: ENTIRE AREA SERVED  
PSC NO.: 3  
ORIGINAL SHEET NO. 36  
CANCELLING PSC NO. 2  
SHEET NO. 36

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Such plans may include, but are not limited to, budget payment plans and plans that defer payment of a portion of the arrearage until after the end of the heating season through a schedule of unequal payments.

7  
40. BUDGET PAYMENT PLANS

The Cooperative shall offer to its residential customers a budget payment plan based on historical or estimated usage whereby a customer may elect to pay a fixed amount each month in lieu of monthly billings based on actual usage. Under such plans, utilities shall issue bills which adjust accounts so as to bring each participating customer current once each twelve (12) month period.

The customer's account may be adjusted at the end of a twelve (12) month period or through a series of levelized adjustments on a monthly basis if usage indicates that the account will not be current upon payment of the last budget amount.

If the customer fails to pay his/her bill as rendered under the budget payment plan, the Cooperative reserves the right to revoke the plan, restore the customer to regular billing, and require immediate payment of any deficiency.

Failure to receive a bill in no way exempts the customer from the provisions of these terms and conditions.

A customer that meets one or more of the following conditions in the year preceding the date of application shall be ineligible for the budget payment plan:

- a) disconnected for non-payment
- b) received a total of six (6) delinquent notices
- c) issued two (2) or more bad checks

Service may be terminated after twenty-seven (27) days from the billing date, but not before at least ten (10) days written notice, if the outstanding balance remains unpaid.

Service under a budget payment plan is subject to all rules and regulations of the Cooperative that have been or may be adopted by the Cooperative's Board of Directors and approved by the PUBLIC SERVICE COMMISSION OF KENTUCKY

EFFECTIVE

OCT 28 1992

DATE OF ISSUE JULY 24, 1992

EFFECTIVE DATE PURSUANT TO RC7 KAFI 5:011.  
AUGUST 23, 1992  
SECTION 9(1)  
REVISED PAGE OCTOBER 15, 1992

ISSUED BY

Wayne D. Carmony  
Manager

109 BAGBY PK., GRAYSON, KY  
PUBLIC SERVICE COMMISSION MANAGER

GRAYSON RURAL ELECTRIC  
COOPERATIVE CORPORATION

FOR: ENTIRE AREA SERVED  
PSC NO.: 3  
ORIGINAL SHEET NO. 37  
CANCELLING PSC NO. 2  
SHEET NO. 37

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RULES AND REGULATIONS

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41. WINTER HARDSHIP RECONNECTION

The Cooperative shall reconnect service to a residential customer who has been disconnected for nonpayment of bills pursuant to 807 KAR 5:006, Section 14(1)(f) of this regulation prior to application for reconNECTIONS, and who applies for such reconnection during the months from November through March if the customer or his/her agent:

- (a) Presents a certificate of need from the Cabinet for Human Resources, Department for Social Insurance, including a certification that a referral for weatherization services has been made in accordance with subsection (3) of 807 KAR 5:006, Section 15;
- (b) Pays one-third (1/3) of his/her outstanding bill or \$200, whichever is less; and
- (c) Agrees to a repayment schedule which would permit the customer to become current in the payment of his/her electric bill as soon as possible, but no later than October 15. However, if, at the time of application for reconnection, the customer has an outstanding bill in excess of \$600 and agrees to a repayment plan that would pay current charges and makes a good faith reduction in the outstanding bill consistent with his/her ability to pay, then such plan shall be accepted. In addition to payment of current charges, repayment schedules shall provide an option to the customer to select either one (1) payment of arrearages per month or more than one (1) payment of arrearages per month.

PUBLIC SERVICE COMMISSION  
OF KENTUCKY  
EFFECTIVE

OCT 28 1992

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

BY: [Signature]  
PUBLIC SERVICE COMMISSION MANAGER

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DATE OF ISSUE JULY 24, 1992

EFFECTIVE DATE AUGUST 23, 1992

ISSUED BY Wayne D. Carmony, 109 BAGBY PK., GRAYSON KY  
Manager

RULES AND REGULATIONS

42. INSTALLATION AND RECONNECTION CHARGES

A service charge will be made for all reconnects made under 807 KAR 5:006, Section 8. Service charge for reconnects made during normal working hours - \$24.00. Service charge for reconnects made after normal hours - \$58.00.

43. INSTALLATION AND RECONNECTION CHARGES - EXCEPTIONAL CIRCUMSTANCES

When, upon a customer's request, an installation or reconnection takes place after normal working hours and by the nature of the installation or reconnection should require more than two (2) hours to complete, the customer shall be charged an additional \$29.00 for each hour, or portion of an hour, exceeding two (2) hours. This charge shall be in addition to the \$58.00 charge for the first mandatory two (2) hours.

44. COLLECTION OF DELINQUENT ACCOUNTS

Should it become necessary for the Cooperative to send a serviceman to the customer's premises for collecting a delinquent account, a service charge of \$24.00 will be applied to the customer's account for the extra service rendered, due and payable at the time such delinquent account is collected. If service is disconnected for nonpayment, an additional charge of \$24.00 will be added for reconnecting service during regular work hours. The charge may be assessed if the utility representative actually terminates service or if, in the course of the trip, the customer pays the delinquent bill to avoid termination. The charge may also be made if the utility representative agrees to delay termination based on the customer's agreement to pay the delinquent bill by a specific date. The Cooperative may make a field collection charge only once in any billing period.

45. RETURNED CHECK CHARGE

When a check received in payment of a customer's account is returned unpaid by the bank for any reason, the Cooperative will notify the customer by form letter "Notice of Returned Check" stating the amount of the check and the reason for return. A \$15.00 service charge will be added to the customer's account for each returned check.

Issuance of a check that is later returned unhonored by the bank will not delay the normal collection procedures.

PUBLIC SERVICE COMMISSION  
OF KENTUCKY  
EFFECTIVE

JUL 08 1999

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

BY: Stanley Bue  
SECRETARY OF THE COMMISSION

DATE OF ISSUE July 23, 1999

Case No. 98-455

EFFECTIVE DATE July 08, 1999

ISSUED BY

Carol Hill Tralley  
President & CEO

109 BAGBY PK., GRAYSON KY



GRAYSON RURAL ELECTRIC  
COOPERATIVE CORPORATION

FOR: ENTIRE AREA SERVED  
PSC NO.: 3  
ORIGINAL SHEET NO. 39  
CANCELLING PSC NO. 2  
SHEET NO. 39

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RULES AND REGULATIONS

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46. EXTENSION POLICY DEFINITIONS

For the purpose of extension of facilities, services shall be classified as permanent, intermediate, or temporary.

A. SERVICE DEFINITIONS

Permanent Service - means electric service to domestic, commercial, and farm residential customers in such a manner that the permanency of occupation and the constant use of electric can be reasonably assured. Examples of permanent service are: residence/homes, modular homes (commonly referred to as double wide and triple wide mobile homes) when installed on a permanent foundation, small and large commercial customers.

Intermediate Service - Usually a structure with minimal use of electric, or questionable permanency of the electric energy requirements. Examples of intermediate customers are mobile homes, barns, sheds, garages, water pumps, mines, saw mills, quarries, oil wells, industrial and commercial enterprises of speculative purposes, seasonal use of any type, and development of property for sale.

Temporary Service - includes service to construction sites, carnivals, fairs, camp meetings, etc., and to ventures of speculative character that their permanency is questionable, such as coal and metal mining, saw mills, or oil and gas production operations during the preliminary or development period, or any service required for less than eighteen (18) months.

B. OTHER DEFINITIONS

Building - A structure enclosed within exterior walls for fire walls, built, erected, and framed of competent structural parts and designed for less than five (5) families.

Multiple Occupancy Building - A structure enclosed within exterior walls or fire walls, built, erected, and framed of component structural parts and designed to contain (5) or more individual units.

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

DATE OF ISSUE JULY 24, 1992

EFFECTIVE DATE AUGUST 23, 1992  
PUBLIC SERVICE COMMISSION MANAGER

ISSUED BY Wayne D. Cannon, 109 BAGBY PK., GRAYSON KY  
Manager

GRAYSON RURAL ELECTRIC  
COOPERATIVE CORPORATION

FOR: ENTIRE AREA SERVED  
PSC NO.: 3  
ORIGINAL SHEET NO.  
CANCELLING PSC NO. 2  
SHEET NO.

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RULES AND REGULATIONS

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structural parts and designed to contain five (5) or more individual units.

Distribution System - Electric service facilities consisting of primary and secondary conductors, transformers, necessary accessories, and appurtenances for the furnishing of electric power at utilization voltage.

Subdivision - A tract of land which is divided into ten (10) or more lots for the construction of new residential buildings, or the land on which is constructed two or more new multiple occupancy buildings.

Trenching and Backfilling - Opening and preparing the ditch for the installation of conductors, including placing of raceways under roadways, driveways, or paved areas; providing bedding below and above conductors when required, and backfilling of trench to ground level.

PUBLIC SERVICE COMMISSION  
OF KENTUCKY  
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MAY 12 1995

47. SINGLE PHASE DISTRIBUTION LINE EXTENSIONS (permanent service)

An extension of 1,000 feet or less shall be made by the Cooperative to its existing distribution line without charge for a customer who shall apply for and contract to use service for one year or more and who provides guarantee for such service. The "service drop" to the house from the distribution line at the last pole shall not be included in the foregoing measurements.

PURSUANT TO 807 KAR 5.011,  
SECTION (1)  
BY: *Paula J. Jamin*  
DIRECTOR OF UTILITIES & RESEARCH DIV.

When an extension of the Cooperative's line to serve a customer or group of customers amounts to more than 1,000 feet per customer, the Cooperative may require the total cost of the excessive footage over 1,000 feet per customer to be deposited with the Cooperative by the customer or customers, based on the average estimated cost per foot of the total extension. This cost "hereinafter advanced for construction" may be payable by the customer over a ten year period, provided that the customer enters into an agreement for the payment of same with the Cooperative and agrees to grant the Cooperative a lien upon the customer's real estate to secure payment of the advance for construction, which lien will run with the land and be binding upon any succeeding owners of the real estate. The customer, therefore, would agree to execute any and all documents necessary to perfect the

DATE OF ISSUE April 10, 1995

EFFECTIVE DATE April 10, 1995

ISSUED BY

*Carroll Hall Grady*  
President & CEO

, 109 BAGBY PK., GRAYSON KY

GRAYSON RURAL ELECTRIC  
COOPERATIVE CORPORATION

FOR: ENTIRE AREA SERVED  
PSC NO.: 3  
ORIGINAL SHEET NO.  
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RULES AND REGULATIONS

estate lien to secure payment of the advance for construction. This agreement will be adjusted in the event of any refund that may occur.

Each customer receiving service under such extension will be reimbursed under the following plan. Each year for a period of not less than ten (10) years, which for the purpose of this rule shall be the refund period, the Cooperative shall refund to the customer or customers who paid for the excessive footage the cost of 1,000 feet of the extension in place for each additional customer having a permanent service connected during the year whose service line is directly connected to the extension installed and to extend laterally therefrom, but in no case shall the total amount refunded exceed the amount paid the Cooperative. After the end of the refund period, no refund shall be required to be made.

PUBLIC SERVICE COMMISSION  
KENTUCKY  
EFFECTIVE  
MAY 12 1995

PURSUANT TO 807 KAR 5.011,  
SECTION 9 (1)

1. Where appropriate contractual arrangements have been made, the Cooperative shall install within the subdivision an underground electric distribution system of sufficient capacity and suitable materials which, in its judgment, will assure that the property owners will receive safe and adequate electric service for the foreseeable future.
2. All single phase conductors installed by the Cooperative shall be underground. Appurtenances such as transformers, pedestal-mounted terminals, switching equipment, and meter cabinets may be placed above ground.
3. Multi-phase primary mains or feeders required within a subdivision, to supply local distribution or to serve individual multi-phase loads, may be overhead unless underground is required by governmental authority or chosen by the customer, in either of which case, the differential cost of underground shall be borne by the customer.
4. If the customer has complied with the requirements herein and has given the Cooperative not less than 120 days written notice prior to the anticipated date of completion (i.e., ready for occupancy) of the first building in the subdivision, the Cooperative shall complete the installation thirty (30) days prior to the completion estimated date (subject to weather and ground conditions and availability of materials and barring extraordinary or emergency circumstances beyond the reasonable

DATE OF ISSUE April 10, 1995

EFFECTIVE DATE April 10, 1995

ISSUED BY Coraal Hall Fuller, 109 BAGBY PK., GRAYSON KY  
President & CEO

GRAYSON RURAL ELECTRIC  
COOPERATIVE CORPORATION

FOR: ENTIRE AREA SERVED  
PSC NO.: 4  
1st REVISED SHEET NO. 41  
CANCELLING PSC NO. 3  
ORIGINAL SHEET NO. 41

RULES AND REGULATIONS

A customer desiring an extension to a proposed real estate subdivision may be required to pay the entire cost of the extension. Each year for a period of not less than ten (10) years, the Cooperative shall refund to the customer who paid for the extension a sum equivalent to the cost of 1,000 feet of the extension installed for each additional customer connected during the year, but in no case shall the total amount refunded exceed the amount paid to the Cooperative. After the end of the refund period from the completion of the extension, no refund will be required to be made.

Nothing contained herein shall be construed as to prohibit the Cooperative from making extensions under different arrangements provided such arrangements have been approved by the Public Service Commission.

Nothing contained herein shall be construed to prohibit the Cooperative from making, at its expense, greater extensions than herein prescribed, should its judgment so dictate, provided like free extensions are made to other customers under like conditions.

Upon complaint to, and investigation by the Public Service Commission, the Cooperative may be required to construct extensions greater than 1,000 feet, upon finding by the Public Service Commission that such extension is reasonable.

48. SINGLE PHASE ELECTRIC SERVICE TO MOBILE HOMES

The Grayson Rural Electric Cooperative Corporation will extend electric service under the following conditions to individual mobile homes with approved sanitary sewage facilities installed.

A. All fees, including membership fee, must be paid at the time the application for service is made.

B. All extensions of up to 1,000 feet from the nearest facility shall be made without charge.

For extensions over 1,000 feet, the policies set forth in 807 KAR 5:041, Electric, Section 11, Distribution Line Extensions, shall apply for that portion beyond 1,000 feet.

PUBLIC SERVICE COMMISSION  
OF KENTUCKY  
EFFECTIVE

OCT 2 1993

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

DATE OF ISSUE SEPTEMBER 01, 1993

EFFECTIVE DATE OCTOBER 28 1992

ISSUED BY

Wayne D. Carmony  
Manager

PUBLIC SERVICE COMMISSION MANAGER

, 109 BAGBY PK., GRAYSON KY

GRAYSON RURAL ELECTRIC  
COOPERATIVE CORPORATION

FOR: ENTIRE AREA SERVED  
PSC NO.: 3  
ORIGINAL SHEET NO. 42  
CANCELLING PSC NO. 2  
SHEET NO. 42

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RULES AND REGULATIONS

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49. UNDERGROUND

Grayson Rural Electric Cooperative Corporation will install underground distribution lines to residential subdivisions under the following conditions:

- A. Applicability: These rules and regulations shall apply to all underground electrical supply facilities used in connection with electric service distribution in new residential subdivisions after the effective date of this policy.
- B. Installation of Underground Distribution System Within New Subdivision:

PUBLIC SERVICE COMMISSION  
OF KENTUCKY  
EFFECTIVE

OCT 28 1992

DATE OF ISSUE JULY 24, 1992

EFFECTIVE DATE AUGUST 23, 1992

ISSUED BY

Wayne D. Carmony  
Manager

PURSUANT TO KRS 202.0101

SECTION 9 (1)

, 109 BAGBY PK., GRAYSON KY  
RY.

GRAYSON RURAL ELECTRIC  
COOPERATIVE CORPORATION

FOR: ENTIRE AREA SERVED  
PSC NO.: 3  
ORIGINAL SHEET NO. 43  
CANCELLING PSC NO. 2  
SHEET NO. 43

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RULES AND REGULATIONS

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1. Where appropriate contractual arrangements have been made, the Cooperative shall install within the subdivision an underground electric distribution system of sufficient capacity and suitable materials which, in its judgment, will assure that the property owners will receive safe and adequate electric service for the foreseeable future.
2. All single phase conductors installed by the Cooperative shall be underground. Appurtenances such as transformers, pedestal-mounted terminals, switching equipment, and meter cabinets may be placed above ground.
3. Multi-phase primary mains or feeders required within a subdivision, to supply local distribution or to serve individual multi-phase loads, may be overhead unless underground is required by governmental authority or chosen by the customer, in either of which case, the differential cost of underground shall be borne by the customer.
4. If the customer has complied with the requirements herein and has given the Cooperative not less than 120 days written notice prior to the anticipated date of completion (i.e., ready for occupancy) of the first building in the subdivision, the Cooperative shall complete the installation thirty (30) days prior to the completion estimated date (subject to weather and ground conditions and availability of materials and barring extraordinary or emergency circumstances beyond the reasonable control of the Cooperative). However, nothing in this policy shall be interpreted to require the Cooperative to extend service to portions of the subdivisions not under active development.
5. A non-refundable payment shall be made by the customer to equal the difference between the cost of providing underground facilities and that of providing overhead facilities. The payment, to be made by the customer, shall be determined from the total footage of single phase primary, secondary, and service conductor to be installed at an average per foot cost differential in accordance with the average cost differential filed herein. The average cost differential shall be updated annually as required by the order dated February 2, 1973 of the Public Service Commission of Kentucky in Administrative Case No. 146, (three (3) wire secondary and service conductor runs shall be considered as one conductor, i.e., triple). The average cost differential per foot, as stated, is representative of

PUBLIC SERVICE COMMISSION  
OF KENTUCKY  
EFFECTIVE

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DATE OF ISSUE JULY 24, 1992

EFFECTIVE DATE OCT 28 1992  
AUGUST 23, 1992

ISSUED BY

Wayne D. Carmony  
Manager

PURSUANT TO KRS 207.6011, KY  
109 BAGBY PK. GRAYSON, KY  
SECTION 9 (1)

GRAYSON RURAL ELECTRIC  
COOPERATIVE CORPORATION

FOR: ENTIRE AREA SERVED  
PSC NO.: 3  
ORIGINAL SHEET NO. 44  
CANCELLING PSC NO. 2  
SHEET NO. 44

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RULES AND REGULATIONS

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- construction in soil free of rock, shale, or other impairments which increase the cost of construction. In construction, the actual increased cost of trenching and backfilling shall be borne by the customer.
6. The customer may be required to deposit the entire estimated cost of the extension. If this is done, the amount deposited in excess of the normal charge for the underground extensions, as provided in paragraph five (5) above, shall be refunded to the applicant over a ten (10) year period as provided in the Public Service Commission's Rules.
  7. The customer may be required to perform all necessary trenching and backfilling and shall provide three (3) inch protective conduit (or larger where required) in accordance with the Cooperative's specifications. The Cooperative shall then credit the customer's cost in an amount equal to the Cooperative's normal cost for trenching and backfilling. The Cooperative shall be responsible for the conduit going up the pole.
  8. The Cooperative shall furnish, install, and maintain the service lateral to the customer's meter base, which normally will be at the corner of the building nearest to the point to be served.
  9. Plans for the location of all facilities to be installed shall be approved by the Cooperative and the customer prior to construction. Alterations in plans by the customer which require additional cost of installation or construction shall be at the sole expense of the customer.
  10. The Cooperative shall not be obligated to install any facility within a subdivision until satisfactory arrangements for the payment of charges have been completed by the customer.
  11. The charges specified in these rules are based on the premise that each customer will cooperate with the Cooperative in an effort to keep the cost of construction and installation of the underground electric distribution system as low as possible and make satisfactory arrangements for payment of the above charges prior to the installation of the facilities.

PUBLIC SERVICE COMMISSION  
OF KENTUCKY  
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OCT 28 1992

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DATE OF ISSUE JULY 24, 1992

PURSUANT TO 207 KAR 5.011  
EFFECTIVE DATE AUGUST 23, 1992  
SECTION 5(C)

ISSUED BY

*Wayne D. Cannon*  
Manager

BY 109 BAGBY, PK. GRAYSON KY  
PUBLIC SERVICE COMMISSION MANAGER

GRAYSON RURAL ELECTRIC  
COOPERATIVE CORPORATION

FOR: ENTIRE AREA SERVED  
PSC NO.: 3  
ORIGINAL SHEET NO. 45  
CANCELLING PSC NO. 2  
SHEET NO. 45

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RULES AND REGULATIONS

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12. All electric facilities shall be installed and constructed to comply with the rules and regulations of the Public Service Commission, National Electric Safety Code, Grayson RECC Specifications, and other rules and regulations which may be applicable.
13. Service pedestals and method of installation shall be approved by Grayson RECC prior to installation.
14. For all developments that do not meet the conditions set forth herein, underground distribution will be installed, provided an advance to the Cooperative is made in an amount equal to the difference between the Cooperative's estimated cost of underground facilities and overhead facilities, which it would otherwise provide.
15. In unusual circumstances, when the application of these rules appear impracticable or unjust to either party, or discriminatory to other customers the Cooperative or customer shall refer the matter to the Public Service Commission for a special ruling or for the approval of special conditions which may be mutually agreed upon prior to commencing construction.
16. The differential cost of underground secondary service must be paid by the customer requiring service.
17. The differential cost of underground primary (single phase) feeder lines must be paid by the customer requiring service.
18. Rock Clause: An additional \$10.00 per linear trench foot shall be charged where extremely rocky conditions are encountered, such conditions being defined as limestone or other hard stratified material in a continuous volume of at least one cubic yard or more which cannot be removed using ordinary excavation equipment.
19. Highway Crossing: \$10.00 per linear conduit foot shall be charged where boring or drilling is required in making highway crossings.

50. RIGHT OF WAY

- A. The Cooperative shall construct, own, operate, and maintain distribution lines along easements, public squares, commercial and highways which are by legal right or easement to the Cooperative's equipment and which the Cooperative has the legal right to occupy, and on the public lands and private property

OCT 28 1992

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DATE OF ISSUE JULY 24, 1992

EFFECTIVE DATE AUGUST 23, 1992

ISSUED BY

Wayne D. Carmony  
Manager

SECTION 9 (1)

BY: 109 BABBY PK. GRAYSON KY  
PUBLIC SERVICE COMMISSION MANAGER



GRAYSON RURAL ELECTRIC  
COOPERATIVE CORPORATION

FOR: ENTIRE AREA SERVED  
PSC NO.: 3  
ORIGINAL SHEET NO. 46  
CANCELLING PSC NO. 2  
SHEET NO. 46

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RULES AND REGULATIONS

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across which rights of way and easements, satisfactory to the Cooperative, are provided without cost or condemnation by the Cooperative.

- B. Where applicable, rights-of-way and easements, suitable to the Cooperative, for both overhead and underground distribution facilities, must be furnished by the customer and must be furnished in reasonable time to meet service requirements. For underground distribution, the customer shall make the area in which the underground distribution facilities are to be located accessible to the Cooperative's equipment, remove all obstructions from such area, stake to show property lines and final grade, perform rough grading to a reasonable approximation of the final grade, and maintain clearing and grading during construction by the Cooperative.
- C. All easements provided to the Cooperative shall include suitable provisions obligating the customer and subsequent property owners to provide continuing access to the Cooperative for operation, maintenance, or replacement of its facilities, and to prevent any encroachment upon the Cooperative's easement or substantial changes in grade or elevation thereof.

51. RELOCATION OF LINES

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

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

PUBLIC SERVICE COMMISSION  
OF KENTUCKY  
EFFECTIVE

OCT 28 1992

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DATE OF ISSUE JULY 24, 1992

PURSUANT TO KRS 207.5011,  
EFFECTIVE DATE AUGUST 23, 1992

ISSUED BY

Manager

*Wayne D. Carmony*

BY: 109

PUBLIC SERVICE COMMISSION MARK

GRAYSON KY

GRAYSON RURAL ELECTRIC  
COOPERATIVE CORPORATION

FOR: ENTIRE AREA SERVED  
PSC NO.: 3  
ORIGINAL SHEET NO. 47  
CANCELLING PSC NO. 2  
SHEET NO. 47

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RULES AND REGULATIONS

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52. MOBILE HOME RELOCATION

In the event a customer moves or relocates a mobile home from a location where the Cooperative has constructed electric facilities to serve said mobile home and within a sixty day period another mobile home does not take its place, or if it is not replaced by a permanent structure, the customer shall be required to pay the full cost of the new facilities. The customer shall be required to deposit an amount equal to the estimated cost of the required facilities prior to commencement of construction.

At such time the actual cost is determined, an adjustment will be made and the customer making the original deposit will be refunded any excess deposit or charged the deficiency, whichever the case may be.

53. ASSIGNMENT

Subject to the Rules and Regulations of the Cooperative, all contracts made by the Cooperative shall be binding upon and obliged and inure to the benefit of, the successor and assigns, heirs, executors, and administrators of the parties thereto.

54. DATE OF APPROVAL

These Rules and Regulations were carefully reviewed and approved by the Board of Directors of Grayson Rural Electric Cooperative Corporation at their regular Board Meeting on July 24, 1992.

PUBLIC SERVICE COMMISSION  
OF KENTUCKY  
EFFECTIVE

OCT 28 1992

DATE OF ISSUE JULY 24, 1992

PURSUANT TO 207 KAR 5:011,  
EFFECTIVE DATE AUGUST 23, 1992

ISSUED BY

Wayne D. Cannon  
Manager

BY: *[Signature]*

PUBLIC SERVICE COMMISSION GRAYSON KY

GRAYSON RURAL ELECTRIC  
COOPERATIVE CORPORATION

FOR: ENTIRE AREA SERVED  
PSC NO.: 4  
1st Revised SHEET NO. 48  
CANCELLING PSC NO. 3  
Original SHEET NO. 48

RULES AND REGULATIONS

COSTS APPLIED TO OVERHEAD  
as of July 1, 1993

<u>Item</u>	<u>Rates per Dollar</u>
F.I.C.A.	.0765
State Unemployment	.0130
Federal Unemployment	.0080
Worker's Compensation	.0326
Vacation	.061254
Holidays	.032925
Sick Leave	.043899
NRECA Basic, Supplemental & Dependent Life	.008260
NRECA Long Term Disability (50% by Coop.)	.005989
NRECA Accident & Business Travel	.000181
Medical (EKP)	.163979
Employee Life (EKP)	.000579
Administration (EKP)	.004129
Specific Excess Risk (EKP)	.007020
Rate per \$	.458315

	<u>Rates per Hour</u>
Passenger Car or Pickup Truck	\$8.50
Line Truck with Winch, Derrick, & Auger	\$15.00
Bucket Truck	\$15.00

PUBLIC SERVICE COMMISSION  
OF KENTUCKY  
EFFECTIVE

MAY 12 1994

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

BY: Charles Della  
PUBLIC SERVICE COMMISSION MANAGER

DATE OF ISSUE MAY 17, 1994

EFFECTIVE DATE JUNE 06, 1994

ISSUED BY Wayne D. Carmory, 109 BAGBY PK., GRAYSON KY

Grayson Rural Electric  
Cooperative Corporation

For All Territory Served  
PSC No. 5  
1<sup>st</sup> Revised Sheet No. 49  
Canceling PSC No.4  
Original Sheet No. 49

Rules and Regulations

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NEW

EXHIBIT A

AVERAGE UNDERGROUND COST DIFFERENTIAL

	<u>Primary</u>	<u>Secondary</u>
Average cost of Single Phase Underground per foot	\$12.79	\$14.79
Average cost of Single Phase Overhead per foot	\$ 3.50	\$11.37
Average Cost Differential Per foot	\$ 9.29	\$ 3.42

Customer is required to dig ditch and install conduit that meet NESC standards.

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Date of Issue: November 3, 2005

Effective December 5, 2005

Issued by

Carol Hill Truly, President & CEO

Grayson Rural Electric, Grayson, KY 41143

**Average Underground Cost Differential  
September 2005**

For All Territory Served

Revised Sheet No 50  
Cacelling Sheet No's 50-53

**Cost Support Data**

<u>Work Order Number</u>	<u>Date Completed</u>	<u>Footage</u>	<u>Conductor Used</u>	<u>Total Cost</u>	<u>Average Cost</u>
<b><u>Primary Conductor</u></b>					
<b>Underground</b>	No work orders of this type were completed in the last year. No change in the differential is proposed.				
<b>Overhead</b>					
40988	Jun-06	1569	#2 ACSR	5,723.12	3.65
41067	Jun-06	672	#2 ACSR	2,249.74	3.35
	<b>Overall average</b>				<b>3.50</b>
<b><u>Secondary Conductor</u></b>					
<b>Underground</b>					
39149	Jun-06	76	4/0 TPX	1,129.53	14.86
40995	Jun-06	84	4/0 TPX	2,122.95	25.27
40968	May-05	141	4/0 TPX	1,264.46	8.97
40998	May-05	185	4/0 TPX	3,078.73	16.64
40696		124	4/0 TPX	2,047.86	16.52
40666		252	4/0 TPX	1,627.62	6.46
	<b>Overall average</b>				<b>14.79</b>
<b>Overhead</b>					
39476	Jun-06	50	#4 TPX	846.93	16.94
39748	Jun-06	150	#2 TPX	1,989.69	13.26
40112	Jun-05	93	#2 TPX	640.32	6.89
41062	Jun-06	155	1/0 TPX	1,852.54	11.95
41066	Jun-06	50	#4 TPX	914.51	18.29
41076	Jun-06	133	#2 TPX	1,306.82	9.83
41089	Jun-06	50	#4 TPX	524.90	10.50
41090	Jun-06	108	#4 TPX	794.02	7.35
41091	Jun-06	165	#2 TPX	1,406.40	8.52
41095	Jun-06	252	1/0 tpx	2,095.86	8.32
35779	May-05	130	1/0 TPX	1,281.50	9.86
40253	May-05	139	#4 TPX	1,773.71	12.76
40494	May-05	75	#2 TPX	1,180.88	15.75
40996	May-05	116	1/0 TPX	1,583.62	13.65
41019	May-05	106	1/0 tpx	1,142.04	10.77
41025	May-05	102	#2 TPX	704.64	6.91
41059	May-05	189	1/0 TPX	2,206.73	11.68
	<b>Overall average</b>				<b>11.37</b>

GRAYSON RURAL ELECTRIC  
COOPERATIVE CORPORATION

FOR: ENTIRE AREA SERVED  
PSC NO.: 3  
ORIGINAL SHEET NO. 54  
CANCELLING PSC NO. 2  
SHEET NO. 50

RULES AND REGULATIONS

Meter Testing--Customer's Request  
Test Period--January 1--April 7, 1978

Total Meters field tested--34

Total hours for meter tester--  
66 @ \$8.58 per hour \$565.95

Clerical Labor--.4167 per hour (25 min.  
per Customer) for 34 meters @ \$5.66 79.17

Total Direct Labor \$645.12

Payroll Taxes @ \$7.43 47.93

Insurance and Pension Costs:

80 hours @ \$1.78 per hour 142.76

Subtotal 835.81

Transportation:

1,344 miles @ .23 per mile 309.12

Total Cost per meter tested:  
34 @ \$33.67 \$1144.93  
=====

Charge to Customer \$35.00

PUBLIC SERVICE COMMISSION  
OF KENTUCKY  
EFFECTIVE

OCT 28 1992

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

BY: Shirley J. Stiller  
PUBLIC SERVICE COMMISSION MANAGER

Note: Above direct labor and milage for meter tester taken from daily time sheets. Clerical hours were developed from records maintained during test period.

The above expenses do not include collect calls and clearing accounts, such as tools, supplies, uniforms, etc.

DATE OF ISSUE JULY 24, 1992

EFFECTIVE DATE AUGUST 23, 1992

ISSUED BY Wayne D. Carmony, 109 BAGBY PK., GRAYSON KY  
Manager

GRAYSON RURAL ELECTRIC  
COOPERATIVE CORPORATION

FOR: ENTIRE AREA SERVED  
PSC NO.: 3  
ORIGINAL SHEET NO. 55  
CANCELLING PSC NO. 2  
SHEET NO. 51

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RULES AND REGULATIONS

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COST SUPPORT FOR WORK PERFORMED  
AFTER NORMAL WORKING HOURS

RATES IN EFFECT 5-1-81

Hourly Overtime Rate for Serviceman	\$12.831
Labor Overhead	.45885
Truck Hourly Rate	\$4.05

*Labor - \$12.831 X 2 hrs.	\$25.66
Overhead - .45885 X \$25.66	11.77
Truck - \$4.05 X 2	<u>8.10</u>

TOTAL	\$45.53
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Charge to Customer \$45.00

\*I.B.E.W. UNION CONTRACT PROVIDES THAT AN EMPLOYEE CALLED OUT AFTER COMPLETION OF THE SCHEDULED WORKDAY WILL RECEIVE A MINIMUM OF 2 HOURS AT 1 1/2 TIME REGULAR RATE OF PAY.

PUBLIC SERVICE COMMISSION  
OF KENTUCKY  
EFFECTIVE

OCT 28 1992

PURSUANT TO 307 KAR 5:011.  
SECTION 9 (1)

BY: Wayne D. Carmony  
PUBLIC SERVICE COMMISSION MANAGER

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DATE OF ISSUE JULY 24, 1992

EFFECTIVE DATE AUGUST 23, 1992

ISSUED BY Wayne D. Carmony, 109 BAGBY PK., GRAYSON KY  
Manager