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**RECEIVED**

April 11, 2007

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**PUBLIC SERVICE  
COMMISSION**

**HAND DELIVERED**

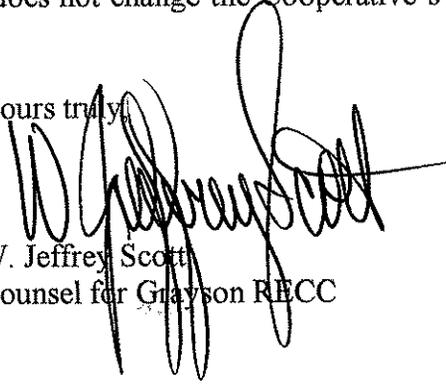
Ms. Elizabeth O'Donnell  
Executive Director  
Public Service Commission  
211 Sower Boulevard  
Frankfort, KY 40602

RE: PSC Case No. 2006-~~00472~~ → 00480

Dear Ms. O'Donnell:

Please find enclosed for filing with the Public Service Commission in the above-referenced case revised tariff sheets for Grayson Rural Electric Cooperative Corporation ("the Cooperative") reflecting the new interim retail rates effective for service rendered on and after April 1, 2007. Also enclosed are electronic analyses, with formulas intact, which demonstrate the interim increase has been allocated on a proportional basis to each class and within each tariff, in a manner that does not change the Cooperative's existing rate design.

Yours truly,

  
W. Jeffrey Scott  
Counsel for Grayson RECC

WJS:tmp

Enclosures

GRAYSON RURAL ELECTRIC  
COOPERATIVE CORPORATION

FOR: ENTIRE AREA SERVED  
PSC NO.: 4  
10<sup>TH</sup> REVISED SHEET NO.: 1.00  
CANCELING PSC NO.: 4  
9<sup>TH</sup> REVISED SHEET NO.: 1.00

SCHEDULE 1 CLASSIFICATION OF SERVICE

DOMESTIC – FARM & HOME SERVICE

RATE PER  
UNIT

AVAILABILITY-DOMESTIC

Available to members of the Cooperative for all residential farm and home uses subject to its established rules and regulations. Approval of the Cooperative must be obtained prior to the installation of any motor having a rated capacity of five horsepower or more.

TYPE OF SERVICE

Single-phase and/or three-phase, 60 cycle, alternating current at the Cooperative's standard secondary voltages.

RATE PER MONTH

Customer Charge  
Energy Charge Per KWH

\$8.16 (I)  
\$.07217(I)

FUEL ADJUSTMENT CLAUSE

All rates are applicable to the Fuel Adjustment Clause and may be increased or decreased by an amount per KWH equal to the fuel adjustment amount per KWH as billed by the Wholesale Power Supplier plus an allowance for line losses. The allowance for line losses will not exceed 10% and is based on a twelve month moving average of such losses. The Fuel clause is subject to all other applicable provisions as set out in 807 KAR 5:056.

MINIMUM CHARGE

The minimum monthly charge under the above rate shall be \$8.16 where 25 KVA or less of transformer capacity is required. For members requiring more than 25 KVA of transformer capacity, the minimum monthly charge shall be increased at a rate of \$.75 for each additional KVA or fraction thereof required. Where it is necessary to extend or reinforce existing distribution facilities, the minimum monthly charge may be increased to assure adequate compensation for the added facilities. Where the minimum charge is increased in accordance with this section, additional energy and demand shall be included in accordance with the foregoing rate schedule.

(I)

DATE OF ISSUE: April 11, 2007

Service on and after  
EFFECTIVE DATE: April 1, 2007

ISSUED BY: *Carroll Hill*

President & C.E.O., 109 Bagby Park, Grayson, KY

Issued by authority of an Order of the Public Service Commission of Kentucky in  
Case No. 2006-00480 Dated April 1, 2007

GRAYSON RURAL ELECTRIC  
COOPERATIVE CORPORATION

FOR: ENTIRE AREA SERVED  
PSC NO.: 4  
10<sup>TH</sup> REVISED SHEET NO.: 2.00  
CANCELING PSC NO.: 4  
9<sup>TH</sup> REVISED SHEET NO.: 2.00

SCHEDULE 2 CLASSIFICATION OF SERVICE

COMMERCIAL AND SMALL POWER LESS THAN 50 KVA, INCLUDING  
PUBLIC BUILDINGS, SCHOOLS, CHURCHES, ETC.

RATE PER UNIT

AVAILABILITY OF SERVICE

Available to members of the Cooperative for all Commercial and Small Power uses less than 50 KVA, subject to its established rules and regulations. Approval of the Cooperative must be obtained prior to the installation of any motor having a rated capacity of five horsepower or more.

TYPE OF SERVICE

Single-phase and/or three-phase, 60 cycle, alternating current at the Cooperative's standard secondary voltages.

RATE PER MONTH

Customer Charge  
Energy Charge per KWH

\$8.10 (I)  
\$.07217 (I)

FUEL ADJUSTMENT CLAUSE

All rates are applicable to the Fuel Adjustment Clause and may be increased or decreased by an amount per KWH equal to the fuel adjustment amount per KWH as billed by the Wholesale Power Supplier plus an allowance for line losses. The allowance for line losses will not exceed 10% and is based on a twelve month moving average of such losses. The Fuel Clause is subject to all other applicable provisions as set out in 807 KAR 5:056.

MINIMUM CHARGE

The minimum monthly charge under the above rate shall be \$8.10 where 25 KVA or less of transformer capacity is required. For members requiring more than 25 KVA of transformer capacity, the minimum monthly charge shall be increased at a rate of \$.75 for each additional KVA or fraction thereof required. Where it is necessary to extend or reinforce existing distribution facilities, the minimum monthly charge may be increased to assure adequate compensation for the added facilities. Where the minimum charge is increased in accordance with this section, additional energy and demand shall be included in accordance with the foregoing rate schedule.

(I)

DATE OF ISSUE: April 11, 2007

Service on and after  
EFFECTIVE DATE: April 1, 2007

ISSUED BY: 

President & C.E.O., 109 Bagby Park, Grayson, KY

Issued by authority of an Order of the Public Service Commission of Kentucky in  
Case No. 2006-00480 Dated April 1, 2007

GRAYSON RURAL ELECTRIC  
COOPERATIVE CORPORATION

FOR: ENTIRE AREA SERVED  
PSC NO.: 4  
10<sup>TH</sup> REVISED SHEET NO.: 3.00  
CANCELING PSC NO.: 4  
9<sup>TH</sup> REVISED SHEET NO.: 3.00

SCHEDULE 3 CLASSIFICATION OF SERVICE

OFF-PEAK MARKETING RATE

RATE PER UNIT

AVAILABILITY OF SERVICE

Available to members of the Cooperative eligible for service under Tariff Schedule 1--Domestic-Farm & Home Service, or Tariff Schedule 2--Commercial and Small Power Less than 50 KVA, who have installed Cooperative approved load management devices for the use of power during off-peak hours. This rate shall only apply to programs which have been expressly approved by the Public Service Commission to be offered under the Marketing Rate of East Kentucky Power Cooperative's Wholesale Rate Schedule A.

TYPE OF SERVICE

Single-phase and/or three-phase, 60 cycle, alternating current at the Cooperative's standard secondary voltages.

RATE PER MONTH

Customer Charge

\$8.16 (I)

ON-PEAK RATE:

All KWH

\$.07217 (I)

OFF PEAK RATE:

All KWH

\$.04330 (I)

PEAK PERIODS

WINTER SCHEDULE

For the purpose of this tariff, the on-peak billing period for the months of October, November, December, January, February, March, and April is defined as 7 a.m. to 12 noon and from 5 p.m. to 10 p.m., local time, for all days of the week, including Saturday, Sunday and holidays. The off-peak billing period is defined as 10 p.m. to 7 a.m. and from 12 noon to 5 p.m., local time, for all days of the week, including Saturday, Sunday and holidays.

SUMMER SCHEDULE

For the purpose of this tariff, the on-peak billing period for the months of May, June, July, August, and September is defined as 10 a.m. to 10 p.m. to 7 a.m. and from 12 noon to 5 p.m., local time, for all days of the week, including Saturday, Sunday, and holidays.

DATE OF ISSUE: April 11, 2007

Service on and after  
EFFECTIVE DATE: April 1, 2007

ISSUED BY: *Carroll Hill Druley*

President & C.E.O., 109 Bagby Park, Grayson, KY

Issued by authority of an Order of the Public Service Commission of Kentucky in  
Case No. 2006-00480 Dated April 1, 2007

GRAYSON RURAL ELECTRIC  
COOPERATIVE CORPORATION

FOR: ENTIRE AREA SERVED  
PSC NO.: 4  
10<sup>TH</sup> REVISED SHEET NO.: 4.00  
CANCELING PSC NO.: 4  
9<sup>TH</sup> REVISED SHEET NO.: 4.00

SCHEDULE 4 CLASSIFICATION OF SERVICE

LARGE POWER SERVICE-SINGLE AND THREE-PHASE KVA (T)	50-999	RATE PER UNIT
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AVAILABILITY

Available to consumers located on or near the Cooperative's facilities for Commercial service. Consumers shall contract for a definite amount of electrical capacity in kilovolt-amperes which shall be sufficient to meet normal maximum requirements but in no case shall the capacity contracted be less than 50 KVA. The Cooperative may not be required to supply capacity in excess multiples of 25 KVA.

TYPE OF SERVICE

Single-phase, three-phase, 60 cycles, at Cooperative's standard voltage.

RATE PER MONTH

Customer Charge	
Demand Charge per KW	\$60.91 (I)
Energy Charge per KWH	\$ 7.42 (I)
	\$.04669(I)

DETERMINATION OF BILLING DEMAND

The billing demand shall be the maximum kilowatt demand established by the consumer for any fifteen consecutive minutes during the month for which the bill is rendered, as indicated or recorded by a demand meter and adjusted for power factor as provided in the power factor adjustment clause.

POWER FACTOR ADJUSTMENT

The consumer agrees to maintain unity power factor as nearly as practicable. The measured demand will be demand to correct for average power factors lower than 90%, and may be so adjusted for other consumers if and when the Cooperative deems necessary. Such adjustments will be made by increasing the measured demand by 1% for each 1% by which the average power factor is less than 90% lagging.

RULES AND REGULATIONS

Service under this tariff is subject to the terms of all rules and regulations of the Cooperative that have been or may be adopted by its Board of Director's.

DATE OF ISSUE: <u>April 11, 2007</u>	Service on and after EFFECTIVE DATE: <u>April 1, 2007</u>
ISSUED BY: <i>Clayton Hill Druley</i>	President & C.E.O., 109 Bagby Park, Grayson, KY
Issued by authority of an Order of the Public Service Commission of Kentucky in Case No. 2006-00480 Dated April 1, 2007	

GRAYSON RURAL ELECTRIC  
COOPERATIVE CORPORATION

FOR: ENTIRE AREA SERVED  
PSC NO.: 4  
10<sup>TH</sup> REVISED SHEET NO.: 5.00  
CANCELING PSC NO.: 4  
9<sup>TH</sup> REVISED SHEET NO.: 5.00

SCHEDULE 5 CLASSIFICATION OF SERVICE

STREET LIGHTING SERVICE

RATE PER UNIT

AVAILABILITY

Available to rural communities and villages for street lighting.

BASE RATE PER LIGHT PER YEAR

For dusk to dawn lighting with lights mounted on existing wooden poles with bracket attachments and connected to existing overhead secondary circuits.

For the following monthly charges the Cooperative will furnish, install and maintain the lighting fixtures and accessories including hardware, control, lamps, overhead wiring, etc.; and the energy required.

<u>Lamp Size</u>	<u>Mercury Vapor Lamps</u>	<u>Annual Charge Per Lamp</u>
7,000 Lumens 175 Watt	\$7.42 per Month	\$89.04

(I)

FUEL ADJUSTMENT CLAUSE

All rates are applicable to the Fuel Adjustment Clause and may be increased or decreased by an amount per KWH equal to the fuel adjustment amount per KWH as billed by the Wholesale Power Supplier plus an allowance for line losses. The allowance for line losses will not exceed 10% and is based on a twelve month moving average of such losses. The Fuel Clause is subject to all other applicable provisions as set out in 807 KAR 5:056.

CONDITIONS OF SERVICE

1. Street lighting equipment including lamps, fixtures, control and the necessary street lighting circuits, transformers and additional guys and fittings will be furnished and maintained by the Cooperative.

2. Lamp replacements will be made by the Cooperative without additional charge, except that any damage to lamps and luminaries resulting from vandalism shall be charges to consumer at cost as a separate item on the monthly bill for service. Outages should be promptly reported.

3. This schedule applies to either multiple or series street lighting circuits. The Cooperative will determine the type of circuit.

**REFER TO BASIS FOR THE ACCOUNTABILITY OF ENERGY USED BY SECURITY LIGHTS.**

DATE OF ISSUE: April 11, 2007

Service on and after  
EFFECTIVE DATE: April 1, 2007

ISSUED BY: *Carol Hill Jolley*

President & C.E.O., 109 Bagby Park, Grayson, KY

Issued by authority of an Order of the Public Service Commission of Kentucky in  
Case No. 2006-00480 Dated April 1, 2007

GRAYSON RURAL ELECTRIC  
COOPERATIVE CORPORATION

FOR: ENTIRE AREA SERVED  
PSC NO.: 4  
10<sup>TH</sup> REVISED SHEET NO.: 6.00  
CANCELING PSC NO.: 4  
9<sup>TH</sup> REVISED SHEET NO.: 6.00

SCHEDULE 6 CLASSIFICATION OF SERVICE

OUTDOOR LIGHTING SERVICE – SECURITY LIGHTS

RATE PER UNIT

AVAILABILITY

Available to customers, other than towns and villages, for dusk to dawn outdoor lighting on existing overhead secondary circuits.

RATE PER LIGHT PER MONTH

7,000 Lumens Mercury Vapor Lamp  
10,000 Lumens Mercury Vapor Lamp

\$7.33 (I)  
\$9.21 (I)

FUEL ADJUSTMENT CLAUSE

All rates are applicable to the Fuel Adjustment Clause and may be increased or decreased by an amount per KWH equal to the fuel adjustment amount per KWH as billed by the Wholesale Power Supplier plus an allowance for line losses. The allowance for line losses will not exceed 10% and is based on a twelve month moving average of such losses. The Fuel Clause is subject to all other applicable provisions as set out in 807 KAR 5:056.

CONDITIONS OF SERVICE

1. The Cooperative shall furnish, install, 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 power for operation of the light does not pass through out the meter for the consumer's other usage, at a location mutually agreeable to both the Cooperative and the customer.

2. The Cooperative shall maintain the lighting equipment, including lamp replacement, at no additional cost the customer within 72 hours after the customer notifies the Cooperative of the need for maintenance of the lighting equipment.

3. The lighting equipment shall remain the property of the Cooperative. The customer shall protect the lighting equipment from deliberate damage.

DATE OF ISSUE: April 11, 2007

Service on and after  
EFFECTIVE DATE: April 1, 2007

ISSUED BY: *Caree Hill*

President & C.E.O., 109 Bagby Park, Grayson, KY

Issued by authority of an Order of the Public Service Commission of Kentucky in  
Case No. 2006-00480 Dated April 1, 2007

GRAYSON RURAL ELECTRIC  
COOPERATIVE CORPORATION

FOR: ENTIRE AREA SERVED  
PSC NO.: 4  
9<sup>TH</sup> REVISED SHEET NO.: 7.00  
CANCELING PSC NO.: 4  
8<sup>TH</sup> REVISED SHEET NO.: 7.00

SCHEDULE 7 CLASSIFICATION OF SERVICE

ALL ELECTRIC SCHOOLS (A.E.S.)

RATE PER UNIT

APPLICABLE

In all territory served by Seller.

AVAILABILITY

Available to all public or not-profit private schools whose total energy requirement, including but not limited to heating, air conditioning, lighting and water heating, is supplied electricity furnished by the Cooperative, subject to its established rules and regulations.

CHARACTER OF SERVICE

The electric service furnished under this rate schedule will be 60 cycle, alternating current, single phase or three phase service, present facilities permitting, and at the following nominal voltages: Single Phase, 120, 102/240, 480, 204/480 volts; Three Phase, 120/240, 120/208Y, 240/280, 277/480Y volts.

RATE PER MONTH

Customer Charge  
Demand Charge per KW  
Energy Charge per KWH

\$27.90 (I)  
\$ 4.44 (I)  
\$.04733(I)

MINIMUM CHARGE

the minimum annual charge shall be sufficient to assure adequate compensation for the facilities installed to serve the consumer, and in no event shall it be less than \$9.00 per KVA of required transformer capacity as determined by the Cooperative, or the amount specified in the contract for service, whichever is greater.

TERMS OF CONTRACT

Service under this rate schedule will be furnished under an "Agreement for Purchase of Power", for a term of not less than five (5) years.

TERMS OF PAYMENT

The above rates are net, the gross being ten percents higher. In the event the current monthly bill is not paid within fifteen (15) days from the mailing date of the bill, the gross rates shall apply.

DATE OF ISSUE: April 11, 2007

Service on and after  
EFFECTIVE DATE: April 1, 2007

ISSUED BY: *Carol Hill Daily*

President & C.E.O., 109 Bagby Park, Grayson, KY

Issued by authority of an Order of the Public Service Commission of Kentucky in  
Case No. 2006-00480 Dated April 1, 2007

GRAYSON RURAL ELECTRIC  
COOPERATIVE CORPORATION

FOR: ENTIRE AREA SERVED  
PSC NO.: 4  
5<sup>TH</sup> REVISED SHEET NO.: 12.00  
CANCELING PSC NO.: 4  
4<sup>TH</sup> REVISED SHEET NO.: 12.00

SCHEDULE 12 (a) CLASSIFICATION OF SERVICE

LARGE INDUSTRIAL SERVICE – LLF 1,000 TO 4,999 KVA RATE PER UNIT

AVAILABILITY

Available to all members of the Cooperative whose monthly contract demand is equal to or greater than ~~1,000~~ 500 KW but less than 5,000 KW. All use is subject to the established rules and regulations of the Cooperative that have been or may be adopted by its Board of Directors.

CONDITION FOR SERVICE

An "INDUSTRIAL POWER AGREEMENT" shall be executed by the member for service under this schedule.

TYPE OF SERVICE

Three-phase, 60 hertz, alternating current as specified in the "INDUSTRIAL POWER AGREEMENT".

RATE PER MONTH

Customer Charge	\$547.15 (I)
Demand Charge per KW of Billing Demand	\$ 8.00 (I)
Energy Charge per KWH	\$.03664 (I)

DETERMINATION OF BILLING DEMAND

The monthly billing demand shall be the greater of (A) or (B) listed below:

- (A) The contract demand
- (B) The kilowatt demand, as metered at the load center, shall be the highest average rate at which energy is used during any fifteen minute interval during the current month during the below listed hours:

<u>Months</u>	<u>Hours Applicable For Demand Billing - EST</u>
October through April	7:00a.m.to 12:00 Noon; 5:00p.m. to 10:00 p.m.
May through September	10:00a.m.to 10:00 p.m.

DATE OF ISSUE: April 11, 2007

EFFECTIVE DATE: Service on and after April 1, 2007

ISSUED BY: *Carol Hill*

President & C.E.O., 109 Bagby Park, Grayson, KY

Issued by authority of an Order of the Public Service Commission of Kentucky in Case No. 2006-00480 Dated April 1, 2007

GRAYSON RURAL ELECTRIC  
COOPERATIVE CORPORATION

FOR: ENTIRE AREA SERVED  
PSC NO.: 4  
5<sup>TH</sup> REVISED SHEET NO.: 12.20  
CANCELING PSC NO.: 4  
4<sup>TH</sup> REVISED SHEET NO.: 12.20

SCHEDULE 12 (b) CLASSIFICATION OF SERVICE

LARGE INDUSTRIAL SERVICE – LLF	5,000 TO 9,999 KVA	RATE PER UNIT
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AVAILABILITY

Available to all members of the Cooperative whose monthly contract demand is equal to or greater than 4,999 KW but less than 10,000 KW> All use is subject to the established rules and regulations of the Cooperative that have been or may be adopted by its Board of Directors.

CONDITION FOR SERVICE

An "INDUSTRIAL POWER AGREEMENT" shall be executed by the member for service under this schedule.

TYPE OF SERVICE

Three-phase, 60 hertz, alternating current as specified in the "INDUSTRIAL POWER AGREEMENT".

RATE PER MONTH

Customer Charge	\$1,093.28 (I)
Demand Charge per KW of Billing Demand	\$ 8.00 (I)
Energy Charge per KWH	\$ .03153 (I)

DETERMINATION OF BILLING DEMAND

The monthly billing demand shall be the greater of (A) or (B) listed below:

- (A) The contract demand
- (B) The kilowatt demand, as metered at the load center, shall be the highest average rate at which energy is used during any fifteen minute interval during the current month during the below listed hours:

<u>Months</u>	<u>Hours Applicable For Demand Billing - EST</u>
October through April	7:00 a.m. to 12:00 Noon 5:00 p.m. to 10:00 p.m.
May through September	10:00 a.m. to 10:00 p.m.

DATE OF ISSUE: April 11, 2007

Service on and after  
EFFECTIVE DATE: April 1, 2007

ISSUED BY: *Carol Hill Draley*

President & C.E.O., 109 Bagby Park, Grayson, KY

Issued by authority of an Order of the Public Service Commission of Kentucky in  
Case No. 2006-00480 Dated April 1, 2007

GRAYSON RURAL ELECTRIC  
COOPERATIVE CORPORATION

FOR: ENTIRE AREA SERVED  
PSC NO.: 4  
5<sup>TH</sup> REVISED SHEET NO.: 12.40  
CANCELING PSC NO.: 4  
4<sup>TH</sup> REVISED SHEET NO.: 12.40

SCHEDULE 12 (c)

CLASSIFICATION OF SERVICE

LARGE INDUSTRIAL SERVICE – LLF

10,000 KVA AND UNDER

RATE PER UNIT

AVAILABILITY

Available to all members of the Cooperative whose monthly contract demand is equal to or greater than 10,000 KW. All use is subject to the established rules and regulations of the Cooperative that have been or may be adopted by its Board of Directors.

CONDITION FOR SERVICE

An "INDUSTRIAL POWER AGREEMENT" shall be executed by the member for service under this schedule.

TYPE OF SERVICE

Three-phase, 60 hertz, alternating current as specified in the "INDUSTRIAL POWER AGREEMENT".

RATE PER MONTH

Customer Charge

\$1,093.28 (I)

Demand Charge per KW of Billing Demand

\$ 8.00 (I)

Energy Charge per KWH

\$ .03051 (I)

DETERMINATION OF BILLING DEMAND

The monthly billing demand shall be the greater of (A) or (B) listed below:

(A) The contract demand

(B) The kilowatt demand, as metered at the load center, shall be the highest average rate at which energy is used during any fifteen minute interval during the current month during the below listed hours:

<u>Months</u>	<u>Hours Applicable For Demand Billing - EST</u>
October through April	7:00 a.m. to 12:00 Noon; 5:00 p.m. to 10:00 p.m.
May through September	10:00 a.m. to 10:00 p.m.

DATE OF ISSUE: April 11, 2007

Service on and after  
EFFECTIVE DATE: April 1, 2007

ISSUED BY: *Carol Hill-Naley*

President & C.E.O., 109 Bagby Park, Grayson KY

Issued by authority of an Order of the Public Service Commission of Kentucky in  
Case No. 2006-00480 Dated April 1, 2007

GRAYSON RURAL ELECTRIC  
COOPERATIVE CORPORATION

FOR: ENTIRE AREA SERVED  
PSC NO.: 4  
5<sup>TH</sup> REVISED SHEET NO.: 13.00  
CANCELING PSC NO.: 4  
4<sup>TH</sup> REVISED SHEET NO.: 13.00

SCHEDULE 13 (a) CLASSIFICATION OF SERVICE

LARGE INDUSTRIAL SERVICE – HLF 1,000 TO 4,999 KVA RATE PER UNIT

AVAILABILITY

Available to all members of the Cooperative whose monthly contract demand is equal to or greater than ~~1,000~~ 500 KW but less than 5,000 KW. All use is subject to the established rules and regulations of the Cooperative that have been or may be adopted by its Board of Directors.

CONDITION OF SERVICE

An "INDUSTRIAL POWER AGREEMENT" shall be executed by the member for service under this schedule.

TYPE OF SERVICE

Three-phase, 60 hertz, alternating current as specified in the "INDUSTRIAL POWER AGREEMENT".

RATE PER MONTH

Customer Charge	\$547.15 (I)
Demand Charge per KW of Billing Demand	5.51 (I)
Energy charge per KWH	.03664 (I)

DETERMINATION OF BILLING DEMAND

The monthly billing demand shall be the greater of (A) or (B) listed below:

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

<u>Months</u>	<u>Hours Applicable For Demand Billing - EST</u>
October through April	Noon 7:00a.m. to 12:00 Noon 5:00p.m. to 10:00 p.m.
May through September	10:00a.m. to 10:00 p.m.

DATE OF ISSUE: April 11, 2007

Service on and after  
EFFECTIVE DATE: April 1, 2007

ISSUED BY: *Carol Hill*

President & C.E.O., 109 Bagby Park, Grayson, KY

Issued by authority of an Order of the Public Service Commission of Kentucky in  
Case No. 2006-00480 Dated April 1, 2007

GRAYSON RURAL ELECTRIC  
COOPERATIVE CORPORATION

FOR: ENTIRE AREA SERVED  
PSC NO.: 4  
5<sup>TH</sup> REVISED SHEET NO.: 13.20  
CANCELING PSC NO.: 4  
4<sup>TH</sup> REVISED SHEET NO.: 13.20

SCHEDULE 13 (b) CLASSIFICATION OF SERVICE

LARGE INDUSTRIAL SERVICE – HLF	5,000 TO 9,999 KVA	RATE PER UNIT
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AVAILABILITY

Available to all members of the Cooperative whose monthly contract demand is equal to or greater than 5,000 KW but less than 10,000 KW. All use is subject to the established rules and regulations of the Cooperative that have been or may be adopted by its Board of Directors.

CONDITION OF SERVICE

An "INDUSTRIAL POWER AGREEMENT" shall be executed by the member for service under this schedule.

TYPE OF SERVICE

Three-phase, 60 hertz, alternating current as specified in the "INDUSTRIAL POWER AGREEMENT".

RATE PER MONTH

Customer Charge	\$1,093.28 (l)
Demand Charge per KW of Billing Demand	\$ 5.51 (l)
Energy Charge per KWH	\$ .03153 (l)

DETERMINATION OF BILLING DEMAND

The monthly billing demand shall be the greater of (A) or (B) listed below:

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

<u>Months</u>	<u>Hours Applicable For Demand Billing - EST</u>
October through April	7:00 a.m. to 12:00 Noon 5:00 p.m. to 10:00 p.m.
May through September	10:00 a.m. to 10:00 p.m.

DATE OF ISSUE: April 11, 2007 Service on and after  
EFFECTIVE DATE: April 1, 2007

ISSUED BY: *Carol Hall Fraley* PRESIDENT & C.E.O., 109 BAGBY PARK, GRAYSON, KY

Issued by authority of an Order of the Public Service Commission of Kentucky in  
Case No. 2006-00480 Dated April 1, 2007

GRAYSON RURAL ELECTRIC  
COOPERATIVE CORPORATION

FOR: ENTIRE AREA SERVED  
PSC NO.: 4  
5<sup>TH</sup> REVISED SHEET NO.: 13.40  
CANCELING PSC NO.: 4  
4<sup>TH</sup> REVISED SHEET NO.: 13.40

SCHEDULE 13 (c) CLASSIFICATION OF SERVICE

LARGE INDUSTRIAL SERVICE – HLF 10,000 KVA AND OVER RATE PER UNIT

AVAILABILITY

Available to all members of the Cooperative whose monthly contract demand is equal to or greater than 10,000 KW. All use is subject to the established rules and regulations of the Cooperative that have been or may be adopted by its Board of Directors.

CONDITION OF SERVICE

An "INDUSTRIAL POWER AGREEMENT" shall be executed by the member for service under this schedule.

TYPE OF SERVICE

Three-phase, 60 hertz, alternating current as specified in the "INDUSTRIAL POWER AGREEMENT".

RATE PER MONTH

Customer Charge	\$1,093.28 (I)
Demand Charge per KW of Billing Demand	\$ 5.51 (I)
Energy Charge per KWH	\$ 0.03051 (I)

DETERMINATION OF BILLING DEMAND

The monthly billing demand shall be the greater of (A) or (B) listed below:

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

<u>Months</u>	<u>Hours Applicable For Demand Billing - EST</u>
October through April	7:00 a.m. to 12:00 Noon 5:00 p.m. to 10:00 p.m.
May through September	10:00 a.m. to 10:00 p.m.

DATE OF ISSUE: April 11, 2007 Service on and after  
EFFECTIVE DATE: April 1, 2007

ISSUED BY: *Carol Hall Drury* President & C.E.O., 109 Bagby Park, Grayson, KY

Issued by authority of an Order of the Public Service Commission of Kentucky in  
Case No. 2006-00480 Dated April 1, 2007



GRAYSON RURAL ELECTRIC  
COOPERATIVE CORPORATION

FOR: ENTIRE AREA SERVED  
PSC NO.: 4  
5<sup>TH</sup> REVISED SHEET NO.: 14.20  
CANCELING PSC NO.: 4  
4<sup>TH</sup> REVISED SHEET NO.: 14.20

SCHEDULE 14 (b) CLASSIFICATION OF SERVICE

LARGE INDUSTRIAL SERVICE – MLF 5,000 TO 9,999 KVA RATE PER UNIT

AVAILABILITY

Available to all members of the Cooperative whose monthly contract demand is equal to or greater than 5,000 KW but less than 10,000 KW. All use is subject to the established rules and regulations of the Cooperative that have been or may be adopted by its Board of Directors.

CONDITION OF SERVICE

An "INDUSTRIAL POWER AGREEMENT" shall be executed by the member for service under this schedule.

TYPE OF SERVICE

Tree-phase, 60 hertz, alternating current as specified in the "INDUSTRIAL POWER AGREEMENT".

RATE PER MONTH

Customer Charge	\$1,098.28 (I)
Demand Charge per KW of Contract Demand	\$ 5.51 (I)
Demand Charge per KW for Billing Demand	\$ 8.00 (I)
In Excess of Contract Demand	\$ 0.03153 (I)
Energy Charge per KWH	

BILLING DEMAND

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

<u>Months</u>	<u>Hours Applicable For Demand Billing - EST</u>
October through April	7:00 a.m. to 12:00 Noon 5:00 p.m. to 10:00 p.m.
May through September	10:00 a.m. to 10:00 p.m.

DATE OF ISSUE: April 11, 2007 Service on and after EFFECTIVE DATE: April 1, 2007

ISSUED BY: *Courtney Hill* President & C.E.O., 109 Bagby Park, Grayson, KY

Issued by authority of an Order of the Public Service Commission of Kentucky in Case No. 2006-00480 Dated April 1, 2007



GRAYSON RURAL ELECTRIC  
COOPERATIVE CORPORATION

CANCELLING 1<sup>ST</sup> REVISED SHEET NO: 1

SCHEDULE 17 CLASSIFICATION OF SERVICE

WATER PUMPING SERVICE

RATE PER UNIT

**Availability**

Available for water pumping service in areas served by the Cooperative.

**Conditions**

Consumer shall have the option of service under this schedule or any other applicable rate schedule. Consumer, having selected one schedule, will continue to be billed under such schedule for not less than twelve (12) consecutive months, unless there should be a material and permanent change in Consumer's use of service.

**Rate**

Customer Charge Per Month – Includes No kWh Usage

On Peak Energy - kWh Per Month

Off Peak Energy – kWh per Month

\$ 18.00 (I)

\$0.07217 (I)

\$0.04330 (I)

**On - Peak Hours and Off-Peak Hours**

On Peak Hours

May through September

10:00 a.m. to 10:00 p.m. EST

October through April

7:00 a.m. to 12:00 noon EST

5:00 p.m. to 10:00 p.m. EST

Off Peak Hours

May through September

10:00 p.m. to 10:00 a.m. EST

October through April

12:00 noon to 5:00 p.m. EST

10:00 p.m. to 7:00 a.m. EST

**Minimum Monthly Charge**

The minimum monthly charge shall be the minimum charge specified in the contract, or the minimum monthly customer charge, or \$.75 per **KVA** of installed transformer capacity, whichever may be greater.

**Fuel Cost Adjustment Charge**

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

DATE OF ISSUE: April 11, 2007

EFFECTIVE DATE: April 1, 2007

Service on and after

ISSUED BY: *Carol Hill*

President & C.E.O., 109 Bagby Park, Grayson, KY

Issued by authority of an Order of the Public Service Commission of Kentucky in  
Case No. 2006-00480 Dated April 1, 2007

## **RATE DESIGN INFORMATION**

The attached tariff rates were designed by applying the same percentage increase to each rate component. The annual revenues using the attached tariff rates will produce no more than the authorized dollar increase. In certain instances, a rate may have been decreased slightly to ensure that the total dollar increase was below the amount authorized by the Commission.

Special contract rates, as applicable, were designed using the wholesale rate design methodology included in the original EKPC application and approved for the interim rate increase in the Interim Order in EKPC Case No. 2006-00472.

Note also that the overall base rate increase percentage was applied to the rates of those classes for which there are currently no customers.

**Interim Order  
Recalc of Flow-Through  
Summary**

**Grayson  
Billing Analysis**

**for the 12 months ended September 30, 2006 (incl. Envir. Surcharge & FAC Revenues)**

	Total	Total	\$ Increase	% Increase	Present Revenue Percent	Proposed Revenue Percent
Domestic - Farm and Home Service	16,225,556	16,539,436	313,880	1.93%	70.82%	70.82%
Domestic - Farm & Home Service, Barns & Camps	337,432	344,134	6,702	1.99%	1.47%	1.47%
ETS	26,454	27,054	601	2.27%	0.12%	0.12%
Small Commercial	1,537,295	1,567,037	29,742	1.93%	6.71%	6.71%
Water Pumping Service	1,725	1,764	39	2.27%	0.01%	0.01%
All Elec Schools Sch AES	260,155	266,065	5,910	2.27%	1.14%	1.14%
Large Power Service - Single & Three-Phase	3,240,121	3,302,040	61,919	1.91%	14.14%	14.14%
Large Industrial Service - HLF	954,629	971,993	17,364	1.82%	4.17%	4.16%
Street & Security Lighting Outdoor Lighting	328,003	335,454	7,451	2.27%	1.43%	1.44%
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
	22,911,369	23,354,977	443,608	1.94%	100.00%	100.00%

**Grayson  
Billing Analysis**

**for the 12 months ended September 30, 2006 (excl. Envir. Surcharge & FAC Revenues)**

	Total	Total	\$ Increase	% Increase	Present Revenue Percent	Proposed Revenue Percent
Domestic - Farm and Home Service	13,817,539	14,131,419	313,880	2.27%	70.76%	70.76%
Domestic - Farm & Home Service, Barns & Camps	295,055	301,757	6,702	2.27%	1.51%	1.51%
ETS	26,454	27,054	601	2.27%	0.14%	0.14%
Small Commercial	1,309,293	1,339,035	29,742	2.27%	6.70%	6.70%
Water Pumping Service	1,725	1,764	39	2.27%	0.01%	0.01%
All Elec Schools Sch AES	260,155	266,065	5,910	2.27%	1.33%	1.33%
Large Power Service - Single & Three-Phase	2,725,769	2,787,688	61,919	2.27%	13.96%	13.96%
Large Industrial Service - HLF	764,401	781,765	17,364	2.27%	3.91%	3.91%
Street & Security Lighting Outdoor Lighting	328,003	335,454	7,451	2.27%	1.68%	1.68%
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
	19,528,393	19,972,001	443,608	2.27%	100.00%	100.00%

Grayson RECC  
Billing Analysis  
for the 12 months ended September 30, 2006

Schedule 1  
Domestic - Farm and Home Service

	Existing			Proposed			\$ Increase	% Increase
	Billing Determinants	Current	Annualized	Billing Determinants	Current	Annualized		
		Rate	Revenues		Rate	Revenues		
Customer Charge	157,877	\$7.98	\$1,259,858	157,877	\$8.16	\$1,288,477	\$28,619	2.27%
Energy charge per kWh	177,946,444	\$0.07057	12,557,681	177,946,444	\$0.07217	12,842,941	\$285,261	2.27%
Total from base rates			<u>13,817,539</u>			<u>14,131,419</u>	\$313,880	2.27%
Fuel adjustment			1,448,960			1,448,960	\$0	0.00%
Environmental surcharge			<u>959,057</u>			<u>959,057</u>	\$0	0.00%
Total revenues			<u>\$16,225,556</u>			<u>\$16,539,436</u>	\$313,880	1.93%
Average Bill			\$102.77			\$104.76	\$1.99	1.93%

Grayson RECC  
Billing Analysis  
for the 12 months ended September 30, 2006

Schedule 1  
Domestic - Farm & Home Service, Barns & Camps

	Existing			Proposed			\$ Increase	% Increase
	Billing Determinants	Current	Annualized	Billing Determinants	Current	Annualized		
		Rate	Revenues		Rate	Revenues		
Customer Charge	12,441	\$7.98	\$99,279	12,441	\$8.16	\$101,534	\$2,255	2.27%
Energy charge per kWh	2,774,205	\$0.07057	195,776	2,774,205	\$0.07217	<u>200,223</u>	\$4,447	2.27%
Total from base rates			<u>295,055</u>			<u>301,757</u>	\$6,702	2.27%
Fuel adjustment			22,172			22,172	\$0	0.00%
Environmental surcharge			<u>20,205</u>			<u>20,205</u>	\$0	0.00%
Total revenues			<u>\$337,432</u>			<u>\$344,134</u>	\$6,702	1.99%
Average Bill			\$27.12			\$27.66	\$0.54	1.99%

Grayson RECC  
Billing Analysis  
for the 12 months ended September 30, 2006

Schedule 3  
ETS

	Existing			Proposed			\$ Increase	% Increase
	Billing Determinants	Current	Annualized	Billing Determinants	Current	Annualized		
		Rate	Revenues		Rate	Revenues		
Customer Charge	1,128		\$0	1,128	\$0.00	\$0		
Energy Charge	624,789	\$0.04234	<u>26,454</u>	624,789	\$0.04330	<u>27,054</u>	\$601	2.27%
Total Baseload Charges			\$26,454			\$27,054	\$601	2.27%
Fuel Adjustment			0			0		
Environmental Surcharge			<u>0</u>			<u>0</u>		
Total Revenues			<u>\$26,454</u>			<u>\$27,054</u>	\$601	2.27%
Average Bill			\$ 23.45			\$ 23.98	0.53	2.27%

Grayson RECC  
Billing Analysis  
for the 12 months ended September 30, 2006

Schedule 2  
Small Commercial  
Rate

	Existing			Proposed			\$ Increase	% Increase
	Billing Determinants	Current	Annualized	Billing Determinants	Current	Annualized		
		Rate	Revenues		Rate	Revenues		
Customer Charge	14,284	\$7.92	\$113,129	14,284	\$8.10	\$115,699	\$2,570	2.27%
Energy Charge	16,950,029	\$0.07057	<u>1,196,164</u>	16,950,029	\$0.07217	<u>1,223,336</u>	\$27,172	2.27%
Total Baseload Charges			\$1,309,293			\$1,339,035	\$29,742	2.27%
Fuel Adjustment			136,218			136,218	\$0	0.00%
Environmental Surcharge			<u>91,784</u>			<u>91,784</u>	\$0	0.00%
Total Revenues			<u>\$1,537,295</u>			<u>\$1,567,037</u>	\$29,742	1.93%
Average Bill			\$ 107.62			\$ 109.71	2.08	1.93%

Grayson RECC  
Billing Analysis  
for the 12 months ended September 30, 2006

Schedule 17  
Water Pumping Service  
Rate

	Existing			Proposed			\$ Increase	% Increase
	Billing Determinants	Current	Annualized	Billing Determinants	Rate	Annualized		
		Rate	Revenues		Rate	Revenues		
Customer Charge	12	\$ 17.60	\$ 211	12	\$ 18.00	\$ 216	\$ 5	2.27%
Energy charge per kWh								
On-Peak	18,280	\$ 0.07057	1,290	18,280	\$ 0.07217	1,319	\$ 29	2.27%
Off-Peak	5,280	\$ 0.04234	224	5,280	\$ 0.04330	229	\$ 5	2.27%
Total from base rates			1,725			1,764	\$ 39	2.27%
Fuel adjustment						0	\$ 0	#DIV/0!
Environmental surcharge						0	\$ 0	#DIV/0!
Total revenues			\$ 1,725			\$ 1,764	\$ 39	2.27%
Average Bill			\$ 143.73			\$ 147.00	\$ 3.27	2.27%

Grayson RECC  
Billing Analysis  
for the 12 months ended September 30, 2006

Schedule 7  
All Electric Schools (AES)

	Existing			Proposed			\$ Increase	% Increase
	Billing Determinants	Current	Annualized	Billing Determinants	Rate	Annualized		
		Rate	Revenues		Rate	Revenues		
Customer Charge	72	\$ 27.28	\$ 1,964	72	\$ 27.90	\$ 2,009	\$ 45	2.27%
Demand Charge	15,175	\$ 4.34	\$ 65,859.50	15,175	\$ 4.44	\$ 67,355.57	\$ 1,496	2.27%
Energy Charge All kWh	4,155,820	\$ 0.04628	192,331	4,155,820	\$ 0.04733	196,700	\$ 4,369	2.27%
Total Baseload Charges			\$ 260,155			\$ 266,065	\$ 5,910	2.27%
Fuel adjustment						0	\$ 0	#DIV/0!
Environmental surcharge						0	\$ 0	#DIV/0!
Total Revenues			\$ 260,155			\$ 266,065	\$ 5,910	2.27%
Average Bill			\$ 3,613.26			\$ 3,695.34	\$ 82.08	2.27%

Grayson RECC  
Billing Analysis  
for the 12 months ended September 30, 2006

Schedule 4  
Large Power Service - Single & Three-Phase  
Rate

	Existing			Proposed			\$ Increase	% Increase
	Billing Determinants	Current	Annualized	Billing Determinants	Rate	Annualized		
		Rate	Revenues		Rate	Revenues		
Customer Charge	832	\$59.56	\$49,554	832	60.91	\$50,680	\$1,126	2.27%
Demand charge Contract	119,768	\$7.26	\$869,516	119,768	7.42	889,268	\$19,752	2.27%
Energy Charge All KWh	39,577,211	\$0.04565	1,806,700	39,577,211	0.04669	1,847,741	\$41,041	2.27%
Total Baseload Charges			<u>\$2,725,769</u>			<u>\$2,787,688</u>	\$61,919	2.27%
Fuel adjustment			319,786			319,786	\$0	0.00%
Environmental surcharge			<u>194,566</u>			<u>194,566</u>	\$0	0.00%
Total Revenues			<u>\$3,240,121</u>			<u>\$3,302,040</u>	\$61,919	1.91%
Average Bill			\$ 3,894.38			\$ 3,968.80	74.42	1.91%

Grayson RECC  
Billing Analysis  
for the 12 months ended September 30, 2006

Schedule 13 (a)  
Large Industrial Service - HLF

	Existing			Proposed			\$ Increase	% Increase
	Billing Determinants	Current	Annualized	Billing Determinants	Rate	Annualized		
		Rate	Revenues		Rate	Revenues		
Customer Charge	12	\$535.00	\$6,420	12	\$547.15	\$6,566	\$146	2.27%
Demand Charge	31,536	\$5.39	\$169,979	31,536	\$5.51	173,840	\$3,861	2.27%
Energy Charge	16,410,870	\$0.03583	588,001	16,410,870	\$0.03664	601,359	\$13,357	2.27%
Total Baseload Charges			<u>\$764,401</u>			<u>\$781,765</u>	\$17,364	2.27%
Fuel adjustment			133,266			133,266	\$0	0.00%
Environmental surcharge			<u>56,962</u>			<u>56,962</u>	\$0	0.00%
Total Revenues			<u>\$954,629</u>			<u>\$971,993</u>	\$17,364	1.82%
Average Bill			\$ 79,552			\$ 80,999	1,447.01	1.82%
			\$ 22,583,366					
			\$ -					
			\$ 22,583,366					
Base			\$19,528,393	Base		\$19,972,001	\$443,608	
FAC			2,060,402	FAC		2,060,402		
ES			1,322,574	ES		1,322,574		
Present Rev			\$22,911,369	Present Rev		\$23,354,977	\$443,608	
				Interim Order		\$443,608		
				% Increase +100%		102.271605%		

Grayson RECC  
Billing Analysis  
for the 12 months ended September 30, 2006

Street Lighting and Security Lights  
Outdoor Lighting

	kWh	Existing			Proposed			\$ Increase	% Increase	Present	Proposed	
		Billing Determinants	Total kWh	Current Rate	Annualized Revenues	Billing Determinants	Total kWh					Rate
7000 Lumens, 175 Watt - Street	62,2545	1,324	82,425	\$7.26	\$9,612	1,324	82,425	\$7.42	9,831	218	2.27%	2.93%
7000 Lumens Mercury Vapor lamp-Security	74,4701	44,406	3,306,920	\$7.17	\$318,391	44,406	3,306,920	\$7.33	325,624	7,233	2.27%	97.07%
										100.00%	100.00%	100.00%
		45,730	3,389,345		\$328,003.26	45,730	3,389,345		335,454	7,451	2.27%	