

INTER-COUNTY ENERGY COOPERATIVE
CORPORATION

PSC CASE 2006-00481
FILING FOR PASS-THROUGH OF EAST
KENTUCKY POWER COOPERATIVE, INC.
WHOLESALE RATE ADJUSTMENT
IN PSC CASE NO. 2006-00472

FILED 1/29/07



A Touchstone Energy Cooperative 

January 29, 2007

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

RECEIVED
JAN 29 2007
PUBLIC SERVICE
COMMISSION

**Re: Inter-County Energy Pass-Through of East Kentucky Power Cooperative, Inc.
Wholesale Rate Adjustment - PSC Case No. 2006-00481**

Dear Ms. O'Donnell:

Inter-County Energy Cooperative Corporation, ("Inter-County Energy") hereby submits to the Public Service Commission (the "Commission"), its Proposed Tariffs and other information required by 807 KAR 5:007 in regard to the pass-through of any wholesale rate adjustment granted to East Kentucky Power Cooperative, Inc., ("EKPC") in PSC Case No. 2006-00472. This filing includes the following:

1. Inter-County Energy's Proposed Tariffs are attached as Exhibit I.
2. The name and filing address of the filing cooperative is:

Inter-County Energy Cooperative Corporation
1009 Hustonville Rd. (40422)
P.O. Box 87
Danville, KY 40423-0087
3. In accordance with the provisions of KRS 278.455(2), Inter-County Energy hereby states that the effects of the increase in rates from its wholesale supplier, EKPC, is being passed through to its retail tariffs on a proportional basis and that the rate design structure proposed for each retail rate schedule does not change the rate design currently in effect.
4. A comparison of the current and proposed rates of Inter-County Energy is attached as Exhibit II.

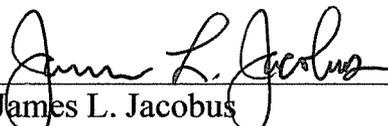
Ms. Elizabeth O'Donnell
Page 2
January 29, 2007

5. Attached as Exhibit III is a billing analysis which shows the existing and proposed rates for each rate class. EKPC's proposed rate increase to Inter-County Energy was developed by allocating the proposed wholesale increase on a proportional basis to each major group of customer classes. The proposed increase for EKPC's "B" and "C" industrial classes, and its large load special contracts, was applied to the demand charge for those customers. The remainder of the proposed increase was applied to the energy charge for the "E" customer class. Inter-County Energy, in turn, followed the same process by first increasing the demand charges for its industrial "B" and "C" rates, as applicable, and then allocating the remaining dollar increase to all remaining classes and increasing the energy charges for those rate schedules. In each instance, the retail rates for a particular class have been developed in a manner that is consistent with the method proposed by EKPC. The proposed rate design structure at retail does not change the rate design currently in effect and is consistent with the rate design methodology used at wholesale.
6. A certification that a copy of this filing has been filed with the Office of Rate Intervention, Office of the Attorney General, and is attached as Exhibit IV.
7. Notice of the proposed rate change has been given, not more than thirty (30) days prior to January 29, 2007, by publication in a newspaper of general circulation in the affected area of Inter-County Energy. A copy of this notice is attached as Exhibit V.

Inter-County Energy hereby requests that the Commission accept this filing and allow the pass-through to its retail rates of the wholesale rate adjustment granted to EKPC as of the effective date of such adjustment.

Respectfully submitted,

INTER-COUNTY ENERGY COOPERATIVE CORPORATION



James L. Jacobus
President and Chief Executive Officer

FOR ENTIRE TERRITORY SERVED

Community, Town or City

P.S.C. KY. NO. _____ 7 _____

REVISION #25 SHEET NO. _____ 1 _____

CANCELLING P.S.C. KY. NO. _____ 7 _____

REVISION #24 SHEET NO. _____ 1 _____

INTER-COUNTY ENERGY

(Name of Utility)

CLASSIFICATION OF SERVICE

RATES FOR FARM AND HOME SERVICE SCHEDULE 1

APPLICABLE

In all territory served by the seller.

AVAILABILITY

Effective July 1, 2004, this Schedule is available to customers for all uses in the home and on the farm. All electric service is subject to the established rules and regulations of the seller. Customers served under Schedule 1 prior to July 1, 2004, shall remain on Schedule 1 and will be subject to the availability of service conditions set forth in the Tariff immediately prior to July 1, 2004.

TYPE OF SERVICE

Single phase and three phase where available, at available voltages.

MONTHLY RATE

Customer Charge	\$5.55 per meter per month
First 500 kWh per month	\$0.07301 per kWh (I)
All over 500 kWh per month	\$0.06767 per kWh (I)

MINIMUM CHARGES

The minimum monthly charge under the above rate shall be \$5.55.

SPECIAL RULES

Approval of the cooperative must be obtained prior to the installation of any motor having a rated capacity of 10 HP or more.

DATE OF ISSUE _____ January 29, 2007 _____
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DATE EFFECTIVE _____ April 1, 2007 _____
Month / Date / Year

ISSUED BY _____
(Signature of Officer)

TITLE _____ PRESIDENT/CEO _____

FOR ENTIRE TERRITORY SERVED
Community, Town or City

P.S.C. KY. NO. _____ 7 _____

REVISION #8 SHEET NO. _____ 1A _____

CANCELLING P.S.C. KY. NO. _____ 7 _____

REVISION #7 SHEET NO. _____ 1A _____

INTER-COUNTY ENERGY
(Name of Utility)

CLASSIFICATION OF SERVICE

SCHEDULE 1-A FARM AND HOME MARKETING RATE (ETS)

AVAILABILITY OF SERVICE

This special marketing rate is available for specific marketing programs as approved by Inter-County Energy's Board of Directors. The electric power furnished under this marketing program shall be separately metered for each point of delivery and is applicable during the below off-peak hours. This rate is available to customers already receiving service under the Schedule 1, Farm and Home Service Rate. This marketing rate applies only to programs which are expressly approved by the Kentucky Public Service Commission to be offered under the Marketing Rate of East Kentucky Power Cooperative's Wholesale Power Rate Schedule E, the second (lower) energy rate.

MONTHS
May through September

October through April

OFF PEAK HOURS – PREVAILING TIME
10:00 PM to 10:00 AM

12:00 Noon to 5:00 PM
10:00 PM to 7:00 AM

RATES

The energy rate for this program is listed below:
All kWh \$.04060 (I)

TERMS OF PAYMENT

The customer's bill will be due the first day of each month. In the event the current monthly bill is not paid within fifteen (15) days from the issuance of the bill, ten percent (10%) shall be added to the bill.

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 ten percent (10%) and is based on a twelve (12) month moving average of such losses. This fuel clause is subject to all other applicable provisions as set out in 807 KAR 5:056.

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(Signature of Officer)

TITLE _____ PRESIDENT/CEO _____

FOR ENTIRE TERRITORY SERVED

Community, Town or City

P.S.C. KY. NO. _____ 7 _____

REVISION #25 SHEET NO. _____ 3 _____

CANCELLING P.S.C. KY. NO. _____ 7 _____

REVISION #24 SHEET NO. _____ 3 _____

INTER-COUNTY ENERGY

(Name of Utility)

CLASSIFICATION OF SERVICE

SMALL COMMERCIAL AND SMALL POWER SCHEDULE 2

APPLICABLE

In all territory served by the seller.

AVAILABILITY

Available to customers for single phase and three-phase commercial and industrial loads whose kilowatt demand is less than 50 kW for lighting and/or heating and/or power. Effective July 1, 2004, Schedule 2 will be available to churches and community buildings. All electric service is subject to the established rules and regulations of the seller.

TYPE OF SERVICE

Single phase and three phase where available, 60 Hz at available secondary voltage.

CHARACTER OF SERVICE

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

MONTHLY RATE

Demand Charges in Excess of 10 kW per month	\$4.02 per kW.
Customer Charge	\$5.55 per meter per month
First 1,000 kWh per month	\$0.08225 per kWh (I)
All over 1,000 kWh per month	\$0.06976 per kWh (I)

The Customer charge is without kWh usage. All kWh usage is billed at rates set forth above.

MINIMUM MONTHLY CHARGE

The minimum monthly charge under the above rate shall be \$5.55.

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(Signature of Officer)

TITLE PRESIDENT/CEO

FOR ENTIRE TERRITORY SERVED

Community, Town or City

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REVISION #24 SHEET NO. _____ 6 _____

CANCELLING P.S.C. KY. NO. _____ 7 _____

REVISION #23 SHEET NO. _____ 6 _____

INTER-COUNTY ENERGY
(Name of Utility)

CLASSIFICATION OF SERVICE

LARGE POWER RATE (LPR) SCHEDULE 4

APPLICABLE

In all territory served by the seller.

AVAILABILITY

Available to all commercial and industrial customers whose kilowatt demand shall exceed 50 kW for lighting and/or heating and/or power.

CONDITIONS

An "Agreement for Electric Service" shall be executed by the customer for service under this schedule.

CHARACTER OF SERVICE

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

RATE

Demand Charge	\$4.02 per month per kW of billing demand
Customer Charge	\$11.10 per meter per month
All kWh per month	\$0.06055 per kWh (I)

The Customer Charge does not allow for kWh usage. All kWh usage is billed at the above rate.

DETERMINATION OF BILLING DEMAND

The billing demand shall be the maximum kilowatt demand established by the customer for any period of fifteen consecutive minutes during the month for which the bill is rendered, as

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TITLE PRESIDENT/CEO

FOR ENTIRE TERRITORY SERVED

Community, Town or City

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REVISION #24 SHEET NO. _____ 8 _____

CANCELLING P.S.C. KY. NO. _____ 7 _____

REVISION #23 SHEET NO. _____ 8 _____

INTER-COUNTY ENERGY
(Name of Utility)

CLASSIFICATION OF SERVICE

ALL ELECTRIC SCHOOLS (AES) SCHEDULE 5

APPLICABLE

In all territory served by the seller.

AVAILABILITY

Available to all public or non-profit private schools whose total energy requirements, including but not limited to heating, air conditioning, lighting and water heating is supplied by electricity furnished by the cooperative.

CHARACTER OF SERVICE

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

RATE

All kilowatt hours per month \$0.06284 per kWh (I)

MINIMUM CHARGE

The minimum annual charge will be not less than \$16.00 per kVA of required transformer capacity as determined by the cooperative

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 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 forth in 807 KAR 5:056.

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Month / Date / Year

DATE EFFECTIVE April 1, 2007
Month / Date / Year

ISSUED BY _____
(Signature of Officer)

TITLE PRESIDENT/CEO

FOR ENTIRE TERRITORY SERVED
Community, Town or City

P.S.C. KY. NO. _____ 7 _____

REVISION #25 SHEET NO. _____ 10 _____

CANCELLING P.S.C. KY. NO. _____ 7 _____

REVISION #24 SHEET NO. _____ 10 _____

INTER-COUNTY ENERGY
(Name of Utility)

CLASSIFICATION OF SERVICE

OUTDOOR LIGHTING SERVICE - SECURITY LIGHTS SCHEDULE 6

AVAILABILITY

Available to all customers of the cooperative for dusk to dawn outdoor lighting in close proximity to the existing overhead and underground 120/240 volt secondary voltage.

RATE PER LIGHT PER MONTH

107,800 Lumen Directional Floodlight	\$24.39 per lamp per month	(I)
50,000 Lumen Directional Floodlight	\$13.12 per lamp per month	(I)
27,500 Lumen Directional Floodlight	\$ 9.27 per lamp per month	(I)
27,500 Lumen Cobra Head	\$ 8.66 per lamp per month	(I)
9,500 Lumen Security Light	\$ 6.84 per lamp per month	(I)
7,000 Lumen Security Light	\$ 6.97 per lamp per month	(I)
4,000 Lumen Decorative Colonial Post	\$ 8.54 per lamp per month	(I)
9,550 Lumen Decorative Colonial Post	\$11.04 per lamp per month	(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. This fuel clause is subject to all other applicable provisions as set forth in 807 KAR 5:056.

Estimated kWh consumptions are as follows:

107,800 Lumen Light	- 360 kWh per month
50,000 Lumen Light	- 159 kWh per month
27,500 Lumen Light	- 87 kWh per month
9,500 Lumen Light	- 39.3 kWh per month
7,000 Lumen Light	- 77 kWh per month
4,000 Lumen Light	- 20 kWh per month
9,550 Lumen Light	- 38.3 kWh per month

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TITLE PRESIDENT/CEO

FOR ENTIRE TERRITORY SERVED
Community, Town or City

P.S.C. KY. NO. _____ 7 _____

REVISION #12 SHEET NO. _____ 30 _____

CANCELLING P.S.C. KY. NO. _____ 7 _____

REVISION #11 SHEET NO. _____ 30 _____

INTER-COUNTY ENERGY
(Name of Utility)

CLASSIFICATION OF SERVICE

LARGE INDUSTRIAL RATE SCHEDULE IND B1

APPLICABLE

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

	<u>MONTHLY RATE</u>	
CUSTOMER CHARGE	\$535.00	
DEMAND CHARGE	\$7.29 per kW of Contract Demand	(I)
EXCESS DEMAND CHARGE	\$9.72 per kW of Excess of Contract Demand	(I)
ENERGY CHARGE	\$0.03532 per kWh	

BILLING DEMAND

The billing demand (Kilowatt Demand) shall be the contract demand plus any excess demand. Excess demand occurs when the ultimate customer's highest demand during the current month coincident with EKPC's system peak (coincident peak), exceeds the contract demand. EKPC's system the 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.

MONTHS

October through April

May through September

HOURS APPLICABLE FOR DEMAND BILLING - EST

7:00 AM to 12:00 Noon

5:00 PM to 10:00 PM

10:00 AM to 10:00 PM

MINIMUM MONTHLY CHARGE

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

- (a) The product of the contract demand multiplied by the respective demand charges, plus

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TITLE _____ PRESIDENT/CEO _____

FOR ENTIRE TERRITORY SERVED

Community, Town or City

P.S.C. KY. NO. 7

REVISION #12 SHEET NO. 32

CANCELLING P.S.C. KY. NO. 7

REVISION #11 SHEET NO. 32

INTER-COUNTY ENERGY

(Name of Utility)

CLASSIFICATION OF SERVICE

LARGE INDUSTRIAL RATE SCHEDULE IND B2

APPLICABLE

Applicable to contracts with demand of 5,000 to 9,999 kW with a monthly energy usage equal to or greater than 400 hours per kW of contracts demand.

	<u>MONTHLY RATE</u>	
CUSTOMER CHARGE	\$1,069.00	
DEMAND CHARGE	\$7.29 per kW of Contract Demand	(I)
EXCESS DEMAND CHARGE	\$9.72 per kW of Excess of Contract Demand	(I)
ENERGY CHARGE	\$0.03032 per kWh	

BILLING DEMAND

The billing demand (Kilowatt Demand) shall be the contract demand plus any excess demand. Excess demand occurs when the ultimate customer's highest demand during the current month coincident with EKPC's system peak (coincident peak), exceeds the contract demand. EKPC's system 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.

MONTHS

HOURS APPLICABLE FOR DEMAND BILLING - EST

October through April	7:00 AM to 12:00 Noon 5:00 PM to 10:00 PM
May through September	10:00 AM to 10:00 PM

MINIMUM MONTHLY CHARGE

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

- (a) The product of the contract demand multiplied by the respective demand charges, plus

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Month / Date / Year

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Month / Date / Year

ISSUED BY
(Signature of Officer)

TITLE PRESIDENT/CEO

FOR ENTIRE TERRITORY SERVED
Community, Town or City

P.S.C. KY. NO. _____ 7 _____

REVISION #12 SHEET NO. _____ 34 _____

CANCELLING P.S.C. KY. NO. _____ 7 _____

REVISION #11 SHEET NO. _____ 34 _____

INTER-COUNTY ENERGY
(Name of Utility)

CLASSIFICATION OF SERVICE

LARGE INDUSTRIAL RATE SCHEDULE IND B3

APPLICABLE

Applicable to contracts with demand of 10,000 kW or greater with a monthly energy usage equal to or greater than 400 hours per kW of contracts demand.

	<u>MONTHLY RATE</u>	
CUSTOMER CHARGE	\$1,069.00	
DEMAND CHARGE	\$7.29 per kW of Contract Demand	(I)
EXCESS DEMAND CHARGE	\$9.72 per kW of Excess of Contract Demand	(I)
ENERGY CHARGE	\$0.02932 per kWh	

BILLING DEMAND

The billing demand (Kilowatt Demand) shall be the contract demand plus any excess demand. Excess demand occurs when the ultimate customer's highest demand during the current month coincident with EKPC's system peak (coincident peak), exceeds the contract demand. EKPC's system 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.

MONTHS

HOURS APPLICABLE FOR DEMAND BILLING – EST

October through April	7:00 AM to 12:00 Noon 5:00 PM to 10:00 PM
May through September	10:00 AM to 10:00 PM

MINIMUM MONTHLY CHARGE

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

- (a) The product of the contract demand multiplied by the respective demand charges, plus

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Month / Date / Year

DATE EFFECTIVE _____ April 1, 2007 _____
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ISSUED BY _____
(Signature of Officer)

TITLE _____ PRESIDENT/CEO _____

FOR ENTIRE TERRITORY SERVED
Community, Town or City

P.S.C. KY. NO. _____ 7 _____

REVISION #12 SHEET NO. _____ 36 _____

CANCELLING P.S.C. KY. NO. _____ 7 _____

REVISION #11 SHEET NO. _____ 36 _____

INTER-COUNTY ENERGY
(Name of Utility)

CLASSIFICATION OF SERVICE

LARGE INDUSTRIAL RATE SCHEDULE IND C1

APPLICABLE

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

	<u>MONTHLY RATE</u>
CUSTOMER CHARGE	\$535.00
DEMAND CHARGE	\$7.29 per kW of Billing Demand (I)
ENERGY CHARGE	\$.03565 per kWh

BILLING DEMAND

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

- (a) The contract demand
- (b) The ultimate customer's highest demand during the current month or proceeding eleven months coincident with EKPC's system peak demand. EKPC's system 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.

MONTHS

HOURS APPLICABLE FOR DEMAND BILLING – EST

October through April	7:00 AM to 12:00 Noon 5:00 PM to 10:00 PM
May through September	10:00 AM to 10:00PM

MINIMUM MONTHLY CHARGE

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

- (a) The product of the billing demand multiplied by the respective demand charges, plus

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Month / Date / Year

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ISSUED BY _____
(Signature of Officer)

TITLE _____ PRESIDENT/CEO _____

FOR ENTIRE TERRITORY SERVED
Community, Town or City

P.S.C. KY. NO. _____ 7 _____

REVISION #12 SHEET NO. _____ 38 _____

CANCELLING P.S.C. KY. NO. _____ 7 _____

REVISION #11 SHEET NO. _____ 38 _____

INTER-COUNTY ENERGY
(Name of Utility)

CLASSIFICATION OF SERVICE

LARGE INDUSTRIAL RATE SCHEDULE IND C2

APPLICABLE

Applicable to contracts with demands of 5,000 to 9,999 kW with a monthly energy usage equal to or greater than 400 hours per kW of billing demand.

	<u>MONTHLY RATE</u>	
CUSTOMER CHARGE	\$1,069.00	
DEMAND CHARGE	\$7.29 per kW of Billing Demand	(I)
ENERGY CHARGE	\$.03065 per kWh	

BILLING DEMAND

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

- (a) The contract demand
- (b) The ultimate customer's highest demand during the current month or proceeding eleven months coincident with EKPC's system peak demand. EKPC's system 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.

MONTHS

HOURS APPLICABLE FOR DEMAND BILLING – EST

October through April	7:00 AM to 12:00 Noon 5:00 PM to 10:00 PM
May through September	10:00 AM to 10:00PM

MINIMUM MONTHLY CHARGE

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- (a) The product of the billing demand multiplied by the respective demand charges, plus

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(Signature of Officer)

TITLE _____ PRESIDENT/CEO _____

FOR ENTIRE TERRITORY SERVED
Community, Town or City

P.S.C. KY. NO. _____ 7 _____

REVISION #12 SHEET NO. _____ 40 _____

CANCELLING P.S.C. KY. NO. _____ 7 _____

REVISION #11 SHEET NO. _____ 40 _____

INTER-COUNTY ENERGY
(Name of Utility)

CLASSIFICATION OF SERVICE

LARGE INDUSTRIAL RATE SCHEDULE IND C3

APPLICABLE

Applicable to contracts with demands of 10,000 kW or greater with a monthly energy usage equal to or greater than 400 hours per kW of billing demand.

	<u>MONTHLY RATE</u>
CUSTOMER CHARGE	\$1,069.00
DEMAND CHARGE	\$7.29 per kW of Billing Demand (I)
ENERGY CHARGE	\$.02965 per kWh

BILLING DEMAND

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

- (a) The contract demand
- (b) The ultimate customer's highest demand during the current month or proceeding eleven months coincident with EKPC's system peak demand. EKPC's system 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.

MONTHS

HOURS APPLICABLE FOR DEMAND BILLING – EST

October through April	7:00 AM to 12:00 Noon 5:00 PM to 10:00 PM
May through September	10:00 AM to 10:00 PM

MINIMUM MONTHLY CHARGE

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

- (a) The product of the billing demand multiplied by the respective demand charges, plus

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ISSUED BY _____
(Signature of Officer)

TITLE _____ PRESIDENT/CEO _____

EXHIBIT II
Page 1 of 2

The present and proposed rates structures of Inter-County Energy Cooperative Corporation are listed below:

<u>Schedule</u>	<u>Rate Class</u>	<u>Present</u>	<u>Proposed</u>
1	Farm and Home Service		
	Customer Charge per month	\$5.55	\$5.55
	First 500 kWh/Mo per kWh	\$0.06900	\$0.07301
	Over 500 kWh/Mo per kWh	\$0.06366	\$0.06767
1-A	Firm and Home Marketing Rate (ETS)		
	Energy Charge per kWh	\$0.03820	\$0.04060
2	Small Commercial and Small Power		
	Customer Charge per month	\$5.55	\$5.55
	Demand Charge (over 10 kW/Mo) per KW	\$4.02	\$4.02
	Energy Charge per kWh for First 1,000 kWh/Mo	\$0.07825	\$0.08225
	Energy Charge per kWh for All Over 1,000 kWh/Mo	\$0.06576	\$0.06976
4	Large Power Rate		
	Customer Charge per month	\$11.10	\$11.10
	Demand Charge per KW	\$4.02	\$4.02
	Energy Charge per kWh	\$0.05655	\$0.06055
5	All Electric Schools		
	Energy Charge per kWh	\$0.05884	\$0.06284
6	Outdoor Lighting Service – Security Lights		
	107,800 Lumen Directional Floodlight per month	\$22.95	\$24.39
	50,000 Lumen Directional Floodlight per month	\$12.48	\$13.12
	27,500 Lumen Directional Floodlight per month	\$8.92	\$9.27
	27,500 Lumen Cobra Head per month	\$8.31	\$8.66
	9,500 Lumen Security Light per month	\$6.68	6.84
	7,000 Lumen Security Light per month	\$6.66	\$6.97
	4,000 Lumen Decorative Colonial Post per month	\$8.46	\$8.54
	9,550 Lumen Decorative Colonial Post per month	\$10.89	11.04
B1	Large Industrial Rate		
	Customer Charge per month	\$535.00	\$535.00
	Contract Demand Charge	\$5.39	\$7.29
	Demand Charge Excess of Contract	\$7.82	\$9.72
	Energy Charge per month	\$0.03532	\$0.03532
B2	Large Industrial Rate		
	Customer Charge per month	\$1,069.00	\$1,069.00
	Contract Demand Charge per KW	\$5.39	\$7.29
	Demand Charge Excess of Contract per KW	\$7.82	\$9.72
	Energy Charge per kWh	\$0.03032	\$0.03032
B3	Large Industrial Rate		
	Customer Charge per month	\$1,069.00	\$1,069.00
	Contract Demand Charge per KW	\$5.39	\$7.29
	Demand Charge Excess of Contract per KW	\$7.82	\$9.72
	Energy Charge per kWh	\$0.02932	\$0.02932
C1	Large Industrial Rate		
	Customer Charge per month	\$535.00	\$535.00
	Demand Rate per KW	\$5.39	\$7.29
	Energy Rate per kWh	\$0.03565	\$0.03565

EXHIBIT II
Page 2 of 2

C2	Large Industrial Rate		
	Customer Charge per month	\$1,069.00	\$1,069.00
	Demand Rate per KW	\$5.39	\$7.29
	Energy Rate per kWh	\$0.03065	\$0.03065
C3	Large Industrial Rate		
	Customer Charge per month	\$1,069.00	\$1,069.00
	Demand Rate per KW	\$5.39	\$7.29
	Energy Rate per kWh	\$0.02965	\$0.02965
	Interruptible Service Rider		

Inter-County
Billing Analysis
for the 12 months ended September 30, 2006

	Total	Total	\$ Increase	% Increase
Farm and Home Service	29,122,772	30,514,041	1,391,269	4.78%
Farm and Home Marketing Rate (ETS)	36,721	38,490	1,769	4.82%
Small commercial & Small Power	702,482	730,015	27,533	3.92%
Large Power Rate	1,930,149	2,016,742	86,593	4.49%
All Electric Schools	229,648	243,132	13,485	5.87%
Large Industrial Rate B1 (500 kW to 4,999 kW)	1,811,590	1,919,415	107,825	5.95%
Large Industrial Rate C1 (500 kW to 4,999 kW)	1,129,626	1,195,507	65,881	5.83%
Street/Security Lighting Outdoor Lighting	647,125	676,312	29,187	4.51%
	<hr/>	<hr/>	<hr/>	<hr/>
	35,610,113	37,333,655	1,723,542	4.84%

Inter-County Energy Cooperative
Billing Analysis
for the 12 months ended September 30, 2006

Schedule 1
Farm and Home Service
Rate Class A10-A19

	Existing			Proposed			\$ Increase	% Increase
	Billing Determinants	Current	Annualized	Billing Determinants	Current	Annualized		
		Rate	Revenues		Rate	Revenues		
Customer Charge	283,418	\$5.55	\$1,572,970	283,418	\$5.55	\$1,572,970	-	0.00%
Energy charge per kWh								
First 500 kWh per Month	138,093,191	\$0.06900	9,528,430	138,093,191	\$0.07301	10,081,865	553,435	5.81%
All Over 500 kWh per Month	209,056,703	\$0.06366	13,308,550	209,056,703	\$0.06767	14,146,384	837,835	6.30%
Total from base rates			24,409,950			25,801,219	1,391,269	5.70%
Fuel adjustment			2,934,000			2,934,000	-	0.00%
Environmental surcharge			1,778,822			1,778,822	-	0.00%
Total revenues			\$29,122,772			\$30,514,041	1,391,269	4.78%
Average Bill			\$ 102.76			\$ 107.66	\$ 4.91	4.78%

Schedule 1-A
Farm and Home Marketing Rate (ETS)
Rate E18

	Existing			Proposed			\$ Increase	% Increase
	Billing Determinants	Current	Annualized	Billing Determinants	Current	Annualized		
		Rate	Revenues		Rate	Revenues		
Customer Charge	1,373	\$5.55	\$7,621	1,373	\$5.55	\$7,621	\$0	0.00%
Energy charge per kWh	736,818	\$0.03820	28,146	736,818	\$0.04060	29,915	\$1,769	6.28%
Total from base rates			35,767			37,536	\$1,769	4.95%
Fuel adjustment			6,490			6,490	\$0	0.00%
Environmental surcharge			2,085			2,085	\$0	0.00%
Total revenues			\$44,342			\$46,111	\$1,769	3.99%
Average Bill			\$32.29			\$33.58	\$1.29	3.99%

Inter-County Energy Cooperative
Billing Analysis
for the 12 months ended September 30, 2006

Schedule 2
Small commercial & Small Power
Rate B20; B25; B26; B28

	Existing			Proposed			\$ Increase	% Increase
	Billing Determinants	Current	Annualized	Billing Determinants	Rate	Annualized		
		Rate	Revenues		Rate	Revenues		
Customer Charge	2,594	\$5.55	\$ 14,397	2,594	\$5.55	\$ 14,397	\$0	0.00%
Demand Charge	16,623	\$4.02	66,824	16,623	\$4.02	66,824	\$0	#DIV/0!
Energy charge per kWh							\$0	#DIV/0!
First 1,000 kWh per Month	1,771,719	\$0.07825	138,637	1,771,719	\$0.08225	145,731	\$7,094	5.12%
All Over 1000 kWh per Month	5,104,131	\$0.06576	335,648	5,104,131	\$0.06976	356,086	\$20,438	6.09%
Total from base rates			<u>555,506</u>			<u>583,039</u>	\$27,533	4.96%
Fuel adjustment			56,650			56,650	\$0	0.00%
Environmental surcharge			<u>90,326</u>			<u>90,326</u>	\$0	0.00%
Total revenues			<u>702,482</u>			<u>730,015</u>	\$27,533	3.92%
Average Bill			\$ 270.81			\$ 281.42	\$ 10.61	3.92%

Schedule 4
Large Power Rate
Rate C40; C45; C46

	Existing			Proposed			\$ Increase	% Increase
	Billing Determinants	Current	Annualized	Billing Determinants	Rate	Annualized		
		Rate	Revenues		Rate	Revenues		
Customer Charge	1,245	\$11.10	\$ 13,820	1,245	\$11.10	\$ 13,820	\$0	0.00%
Demand Charge	90,635	\$4.02	364,352	90,635	\$4.02	364,352	\$0	#DIV/0!
Energy charge per kWh							\$0	#DIV/0!
All KWh	21,625,142	\$0.05655	1,222,902	21,625,142	\$0.06055	1,309,495	\$86,593	7.08%
Total from base rates			<u>1,601,074</u>			<u>1,687,667</u>	\$86,593	5.41%
Fuel adjustment			183,781			183,781	\$0	0.00%
Environmental surcharge			<u>145,294</u>			<u>145,294</u>	\$0	0.00%
Total revenues			<u>1,930,149</u>			<u>2,016,742</u>	\$86,593	4.49%
Average Bill			\$ 1,550.32			\$ 1,619.87	\$ 69.55	4.49%

Inter-County Energy Cooperative
Billing Analysis
for the 12 months ended September 30, 2006

Schedule AES
All Electric Schools
Rate D50

	Existing			Proposed			\$ Increase	% Increase
	Billing Determinants	Current	Annualized	Billing Determinants	Rate	Annualized		
		Rate	Revenues		Rate	Revenues		
Customer Charge	60		\$0	60	\$0.00	\$0	\$0	#DIV/0!
Energy charge per kWh	3,367,553	\$0.05884	198,147	3,367,553	\$0.06284	211,631	\$13,485	6.81%
Total from base rates			<u>198,147</u>			<u>211,631</u>	\$13,485	6.81%
Fuel adjustment			28,304			28,304	\$0	0.00%
Environmental surcharge			<u>3,197</u>			<u>3,197</u>	\$0	0.00%
Total revenues			<u>\$229,648</u>			<u>\$243,132</u>	\$13,485	5.87%
Average Bill			\$3,827.46			\$4,052.21	\$224.74	5.87%

Schedule B1
Large Industrial Rate (500 kW to 4,999 kW)
Rate B10

	Existing			Proposed			\$ Increase	% Increase
	Billing Determinants	Current	Annualized	Billing Determinants	Rate	Annualized		
		Rate	Revenues		Rate	Revenues		
Customer Charge	84	\$535.00	\$44,940	84	\$535	\$44,940	\$0	0.00%
Demand charge							\$0	#DIV/0!
Contract	47,679	\$5.39	\$256,991	47,679	\$7.29	347,582	\$90,591	35.25%
Excess Demand	9,071	\$7.82	\$70,935	9,071	\$9.72	88,170	\$17,235	24.30%
Energy Charge	30,643,892	\$0.03532	1,082,342	30,643,892	\$0.03532	1,082,342	\$0	0.00%
Total Baseload Charges			<u>\$1,455,209</u>			<u>\$1,563,034</u>	\$107,825	7.41%
Fuel adjustment			247,831			247,831	\$0	0.00%
Environmental surcharge			<u>108,550</u>			<u>108,550</u>	\$0	0.00%
Total Revenues			<u>\$1,811,590</u>			<u>\$1,919,415</u>	\$107,825	5.95%
Average Bill			\$ 21,566.54			\$ 22,850.18	1,283.64	5.95%

Inter-County Energy Cooperative
Billing Analysis
for the 12 months ended September 30, 2006

Schedule C1
Large Industrial Rate (500 kW to 4,999 kW)
Rate C10

	Existing			Proposed			\$ Increase	% Increase
	Billing Determinants	Current	Annualized	Billing Determinants	Current	Annualized		
		Rate	Revenues		Rate	Revenues		
Customer Charge	12	\$535.00	\$6,420	12	\$535	\$6,420	\$0	0.00%
Demand Charge	34,674	\$5.39	\$186,893	34,674	\$7.29	252,773	\$65,881	#DIV/0! 35.25%
Energy Charge	19,611,349	\$0.03565	699,145	19,611,349	\$0.03565	699,145	\$0	#DIV/0! 0.00%
Total Baseload Charges			<u>\$892,457</u>			<u>\$958,338</u>	\$65,881	7.38%
Fuel adjustment			159,554			159,554	\$0	0.00%
Environmental surcharge			<u>77,615</u>			<u>77,615</u>	\$0	0.00%
Total Revenues			<u>\$1,129,626</u>			<u>\$1,195,507</u>	\$65,881	5.83%
Average Bill			\$ 94,136			\$ 99,626	5,490.05	5.83%

Inter-County Energy Cooperative
Billing Analysis
for the 12 months ended September 30, 2006

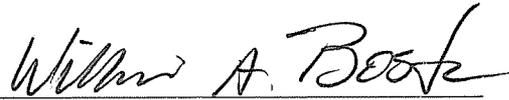
Street Lighting and Security Lights
Outdoor Lighting

	Existing				Proposed				\$ Increase	% Increase
	Billing Determinants	Total kWh	Current	Annualized	Billing Determinants	Total kWh	Rate	Annualized		
			Rate	Revenues			Rate	Revenues		
107,800 Lumen Directional Floodlight	381	137,160	\$22.95	\$8,743.95	381	137,160	\$24.39	9,293	549	6.28%
50,000 Lumen Directional Floodlight	1,640	260,760	\$12.48	\$20,467.20	1,640	260,760	\$13.12	21,511	1,044	5.10%
27,500 Lumen Directional Floodlight	2,268	197,316	\$8.92	\$20,230.56	2,268	197,316	\$9.27	21,021	790	3.91%
27,500 Lumen Cobra Head	1,338	116,406	\$8.31	\$11,118.78	1,338	116,406	\$8.66	11,585	466	4.19%
9,500 Lumen Security Light	0	0	\$6.68	\$0.00	0	0	\$6.84	0	-	-
7,000 Lumen Security Light	84,737	6,524,749	\$6.66	\$564,348.42	84,737	6,524,749	\$6.97	590,475	26,127	4.63%
4,000 Lumen Decorative Colonial Post	2,626	52,520	\$8.46	\$22,215.96	2,626	52,520	\$8.54	22,426	210	0.95%
9,550 Lumen Decorative Colonial Post	0	0	\$10.89	\$0.00	0	0	\$11.04	0	-	-
	92,990	7,288,911		\$647,124.87	92,990	7,288,911		676,312	29,186.89	4.51%

INTER-COUNTY ENERGY COOPERATIVE CORPORATION

CASE NO. 2006-00481

I, William A. Bosta, hereby certify that a complete copy of the filing provided to the Kentucky Public Service Commission has been sent to the Office of Rate Intervention, Office of the Attorney General.



William A. Bosta
East Kentucky Power Cooperative, Inc.

Subscribed and sworn before me on this 29th day of January, 2007.


Notary Public

My Commission expires

December 8, 2009

NOTICE OF PROPOSED RATE CHANGE

In accordance with the requirements of the Public Service Commission of the Commonwealth of Kentucky as set forth in 807 KAR 5:007, Section 3, of the Rules and Regulations of the Public Service Commission, notice is hereby given to the member consumers of Inter-County Energy Cooperative Corporation of a proposed rate adjustment. An Application for Approval of Adjustment to Rates will be filed with the Public Service Commission on January 29, 2007, Case No. 2006-00481. The rates are being revised to reflect a change in wholesale rates pursuant to KRS 278.455(2). This adjustment will result in a general rate increase to the member-consumers of Inter-County Energy Cooperative Corporation. The amount and percent of increase by rate class are listed below.

<u>Schedule</u>	<u>Rate Class</u>	<u>Increase</u>	<u>Percent</u>
1	Farm and Home Service	\$1,391,269	4.78%
1-A	Firm and Home Marketing Rate (ETS)	\$1,769	4.82%
2	Small Commercial and Small Power	\$27,533	3.92%
4	Large Power Rate	\$86,593	4.49%
5	All Electric Schools	\$13,485	5.87%
6	Outdoor Lighting Service – Security Lights	\$29,187	4.51%
B1	Large Industrial Rate	\$107,825	5.95%
C1	Large Industrial Rate	\$65,881	5.83%

The effect of the proposed rates on the average monthly bill by rate class are listed below:

<u>Schedule</u>	<u>Rate Class</u>	<u>\$ Increase</u>	<u>Percent Increase</u>
1	Farm and Home Service	\$4.91	4.78%
1-A	Firm and Home Marketing Rate (ETS)	\$1.29	3.99%
2	Small Commercial and Small Power	\$10.61	3.92%
4	Large Power Rate	\$69.55	4.49%
5	All Electric Schools	\$224.74	5.87%
6	Outdoor Lighting Service – Security Lights	\$0.31	4.51%
B1	Large Industrial Rate	\$1,283.64	5.95%
C1	Large Industrial Rate	\$5,490.05	5.83%

The present and proposed rates structures of Inter-County Energy Cooperative Corporation are listed below:

<u>Schedule</u>	<u>Rate Class</u>	<u>Present</u>	<u>Proposed</u>
1	Farm and Home Service		
	Customer Charge per month	\$5.55	\$5.55
	First 500 kWh/Mo per kWh	\$0.06900	\$0.07301
1-A	Over 500 kWh/Mo per kWh	\$0.06366	\$0.06767
	Firm and Home Marketing Rate (ETS)		
	Energy Charge per kWh	\$0.03820	\$0.04060
2	Small Commercial and Small Power		
	Customer Charge per month	\$5.55	\$5.55
	Demand Charge (over 10 kW/Mo) per KW	\$4.02	\$4.02
	Energy Charge per kWh for First 1,000 kWh/Mo	\$0.07825	\$0.08225
4	Energy Charge per kWh for All Over 1,000 kWh/Mo	\$0.06576	\$0.06976
	Large Power Rate		
	Customer Charge per month	\$11.10	\$11.10
	Demand Charge per KW	\$4.02	\$4.02
	Energy Charge per kWh	\$0.05655	\$0.06055

EXHIBIT V
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5	All Electric Schools		
	Energy Charge per kWh	\$0.05884	\$0.06284
6	Outdoor Lighting Service – Security Lights		
	107,800 Lumen Directional Floodlight per month	\$22.95	\$24.39
	50,000 Lumen Directional Floodlight per month	\$12.48	\$13.12
	27,500 Lumen Directional Floodlight per month	\$8.92	\$9.27
	27,500 Lumen Cobra Head per month	\$8.31	\$8.66
	9,500 Lumen Security Light per month	\$6.68	\$6.84
	7,000 Lumen Security Light per month	\$6.66	\$6.97
	4,000 Lumen Decorative Colonial Post per month	\$8.46	\$8.54
	9,550 Lumen Decorative Colonial Post per month	\$10.89	11.04
B1	Large Industrial Rate		
	Customer Charge per month	\$535.00	\$535.00
	Contract Demand Charge	\$5.39	\$7.29
	Demand Charge Excess of Contract	\$7.82	\$9.72
	Energy Charge per month	\$0.03532	\$0.03532
B2	Large Industrial Rate		
	Customer Charge per month	\$1,069.00	\$1,069.00
	Contract Demand Charge per KW	\$5.39	\$7.29
	Demand Charge Excess of Contract per KW	\$7.82	\$9.72
	Energy Charge per kWh	\$0.03032	\$0.03032
B3	Large Industrial Rate		
	Customer Charge per month	\$1,069.00	\$1,069.00
	Contract Demand Charge per KW	\$5.39	\$7.29
	Demand Charge Excess of Contract per KW	\$7.82	\$9.72
	Energy Charge per kWh	\$0.02932	\$0.02932
C1	Large Industrial Rate		
	Customer Charge per month	\$535.00	\$535.00
	Demand Rate per KW	\$5.39	\$7.29
	Energy Rate per kWh	\$0.03565	\$0.03565
C2	Large Industrial Rate		
	Customer Charge per month	\$1,069.00	\$1,069.00
	Demand Rate per KW	\$5.39	\$7.29
	Energy Rate per kWh	\$0.03065	\$0.03065
C3	Large Industrial Rate		
	Customer Charge per month	\$1,069.00	\$1,069.00
	Demand Rate per KW	\$5.39	\$7.29
	Energy Rate per kWh	\$0.02965	\$0.02965
	Interruptible Service Rider		

The rates contained in this notice are the rates proposed by Inter-County Energy Cooperative Corporation. However, the Public Service Commission may order rates to be charged that differ from the proposed rates contained in this notice. Such actions may result in rates for consumers other than the rates in this notice.

Any person may examine the rate application at the main office of Inter-County Energy Cooperative Corporation at the following address:

Inter-County Energy Cooperative Corporation
1009 Hustonville Road
Danville, Kentucky 40422
(859) 236-4561

Any person may also examine the rate application at the office of the Public Service Commission, 211 Sower Boulevard, Frankfort, Kentucky.