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(1920-1998)

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October 31, 2008

RECEIVED

OCT 31 2008
PUBLIC SERVICE
COMMISSION

Ms. Stephanie Stumbo, Executive Director
Public Service Commission
211 Sower Boulevard
Frankfort, KY 40602

Dear Ms. Stumbo:

Re: Taylor County Rural Electric Cooperative
Corporation Pass-Through of East
Kentucky Power Cooperative, Inc.
Wholesale Rate Adjustment;
PSC Case No. 2008-00425

Taylor County Rural Electric Cooperative Corporation (TCRECC) 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. 2008-00409. This filing includes the following:

1. TCRECC's Proposed Tariffs are attached as Exhibit 1.
2. The name and filing address of the filing cooperative is:

Taylor County RECC
P O Box 100
Campbellsville, KY 42719

3. In accordance with the provisions of KRS 278.455(2), TCRECC hereby states that the effects of the increase in rates from its wholesale supplier, EKPC, are 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 TCRECC is attached as Exhibit 2.

Ms. Stephanie Stumbo, Executive Director
Page 2
October 31, 2008

5. Attached as Exhibit 3 is a billing analysis which shows the existing and proposed rates for each rate class.
6. TCRECC recognizes that this pass-through will only apply to rates effective dated December 1, 2008, and does not apply to any future EKPC rate design changes that may be approved by the Commission.
7. A certification that an original and five (5) copies of this filing have been filed with the Office of Rate Intervention, Office of the Attorney General, is attached as Exhibit 4.
8. Notice of the proposed rate change has been given, not more than thirty (30) days prior to October 31, 2008, by publication in a newspaper of general circulation in the affected area of TCRECC. A copy of this notice is attached as Exhibit 5.

TCRECC 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.

Very truly yours,

SPRAGENS & HIGDON, P.S.C.



Robert Spragens, Jr., Attorney for
Taylor County Rural Electric
Cooperative Corporation

RS, JR:js
Enclosures

EXHIBIT 1
Page 1 of 13

FOR ALL TERRITORY SERVED

P.S.C. KY No.

Sheet No. 39

TAYLOR COUNTY RURAL ELECTRIC
COOPERATIVE CORPORATION

Cancelling P.S.C. No.

Sheet No.

CLASSIFICATION OF SERVICE

=====

SCHEDULE A - FARM AND HOME SERVICE

=====

APPLICABILITY

Applicable to residential consumers subject to the established rules and regulations of the Seller. The capacity of individual meters served under this schedule shall not exceed 7.5 H.P. Not applicable to loads having demands greater than 50 KW.

TYPE OF SERVICE

Single phase, 60 cycles, at available secondary voltage.

MONTHLY RATE

| | | |
|-------------------|----------------------------|---|
| Customer Charge | \$7.66 per meter per month | I |
| All KWH per month | 0.07503 per KWH | 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 out in 807 KAR 5:056.

MINIMUM CHARGES

The minimum monthly charge under the above rate shall be \$7.66 net where 10 KVA or less of transformer capacity is required. Each consumer who requires more than 10 KVA of transformer capacity shall pay, in addition to the above minimum \$.86 for each additional KVA or fraction thereof required. Payment of the minimum monthly charge shall entitle the member in all cases to the use of the number of kilowatt-hours corresponding to the minimum charge in accordance with the foregoing rate. I

=====

| | | | |
|---------------|-------------------|-----------|--------------------------|
| DATE OF ISSUE | October 31, 2008 | EFFECTIVE | December 1, 2008 |
| | | | PO Box 100 |
| ISSUED BY | _____ | Manager, | Campbellsville, KY 42719 |
| | (Name of Officer) | (Title) | (Address) |

EXHIBIT 1
Page 2 of 13

FOR ALL TERRITORY SERVED

P.S.C. KY No.

Sheet No. 41

TAYLOR COUNTY RURAL ELECTRIC
COOPERATIVE CORPORATION

Cancelling P.S.C. No.

Sheet No.

=====
CLASSIFICATION OF SERVICE
=====

SCHEDULE GP - GENERAL PURPOSE SERVICE
=====

APPLICABILITY

Applicable to small commercial, churches, community centers, industrial, public buildings, and three-phase farm service, including lighting, heating and power, subject to the established rules and regulations of the Seller.

CHARACTER OF SERVICE

Single-phase or three-phase, 60 cycles, at available secondary voltages.

MONTHLY RATE

PART I (For demands less than 50 KVA)

Demand Charge: None

Energy:

| | | |
|-------------------|----------------------------|---|
| Customer Charge | \$7.88 per meter per month | I |
| All KWH per month | 0.07515 Per KWH | I |

Minimum Monthly Charges:

\$7.88 where 3 KVA or less of transformer capacity is required. I
Each consumer who requires more than 3 KVA of transformer capacity shall pay, in addition to the above minimum, \$.86 for each additional KVA or fraction thereof required. Where the minimum charge is increased in accordance with the terms of this section, additional energy therefore may be taken in accordance with the terms of the foregoing schedule.

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DATE OF ISSUE October 31, 2008 EFFECTIVE December 1, 2008

PO Box 100

ISSUED BY _____ Manager, Campbellsville, KY 42719

(Name of Officer) (Title) (Address)

EXHIBIT 1
Page 3 of 13

FOR ALL TERRITORY SERVED

P.S.C. KY No.

Sheet No. 42

TAYLOR COUNTY RURAL ELECTRIC
COOPERATIVE CORPORATION

Cancelling P.S.C. No.

Sheet No.

CLASSIFICATION OF SERVICE

=====

SCHEDULE GP - GENERAL PURPOSE SERVICE (continued)

=====

PART 2 (for loads requiring 50 KVA and above
installed transformer capacity)

| | | |
|-------------------|-------------------------------|---|
| Demand Charge: | 5.14 per KW of billing demand | I |
| Energy Charges: | | |
| Customer Charge | \$48.09 per meter per month | I |
| All KWH per month | 0.05541 Per KWH | I |

DETERMINATION OF BILLING DEMAND

The billing demand shall be the maximum kilowatt demand established by the consumer for any period of 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 below.

POWER FACTOR ADJUSTMENT

The consumer agrees to maintain unity power factor as nearly as practicable. The measured demand will be adjusted to correct for consumers with 50 KW or more of measured demand to correct for average power factors lower than 90 per cent. Such adjustments will be made by increasing the measured demand 1 percent for each 1 percent by which the average power factor is less than 90 percent lagging.

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-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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| | | | |
|---------------|-------------------|-----------------------------------|------------------|
| DATE OF ISSUE | October 31, 2008 | EFFECTIVE | December 1, 2008 |
| | | | PO Box 100 |
| ISSUED BY | _____ | Manager, Campbellsville, KY 42719 | |
| | (Name of Officer) | (Title) | (Address) |

EXHIBIT 1
Page 4 of 13

FOR ALL TERRITORY SERVED

P.S.C. KY No.

Sheet No. 45

TAYLOR COUNTY RURAL ELECTRIC
COOPERATIVE CORPORATION

Cancelling P.S.C. No.

Sheet No.

=====
CLASSIFICATION OF SERVICE
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SCHEDULE SL - STREET LIGHTING SERVICE
=====

AVAILABILITY

Available to towns and villages for controlled street lighting
From dusk to dawn.

| <u>Mercury Vapor</u> | <u>Charge/Fixture</u> | |
|----------------------|--|---|
| 175 watts | \$3.07 plus 70 KWH/Light/Month @ GP-1 Rate | I |
| 250 watts | 3.68 plus 100 KWH/Light/Month @ GP-1 Rate | I |
| 400 watts | 4.88 plus 160 KWH/Light/Month @ GP-1 Rate | I |

| <u>High Pressure Sodium</u> | <u>Charge/Fixture</u> | |
|-----------------------------|--|---|
| 100 watts | \$3.51 plus 41 KWH/Light/Month @ GP-1 Rate | I |
| 250 watts | 5.40 plus 106 KWH/Light/Month @ GP-1 Rate | I |

CONDITIONS OF SERVICE

1. Street-Lighting equipment including lamps, fixtures, controls and the necessary overhead street-lighting circuits, transformers and additional guys and fittings will all be furnished by the Cooperative.
2. Lamp replacements will be furnished and made by the Cooperative.
3. Service will be furnished for future additional lamps in accordance With the above charges.
4. Billing will be on a monthly basis.

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DATE OF ISSUE October 31, 2008 EFFECTIVE December 1, 2008

PO Box 100

ISSUED BY _____ Manager, Campbellsville, KY 42719
(Name of Officer) (Title) (Address)

Form For Filing Rates Schedules

For All Territory Served

Taylor County Rural Electric
Cooperative Corporation
Name of Issuing Corporation

PSC KY No. _____
SHEET No. 69
Canceling PSC KY NO _____
Revised Sheet No. 69

CLASSIFICATION OF SERVICE

Residential Marketing Rate – Schedule R-1

APPLICABLE

In all territory served.

AVAILABILITY

This special marketing rate is available for specific marketing programs as approved by Taylor County 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 listed off-peak hours. This rate is available to consumers already receiving service under Schedule A, 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 Cooperative Wholesale power Rate Schedule A.

| <u>Months</u> | <u>Off-Peak Hours - EST</u> |
|-----------------------|---|
| May through September | 10:00 P.M. to 10:00 A.M. |
| October through April | 12:00 P.M. to 5:00 P. M. 10:00 P.M. to 7:00 A.M. |

TYPE OF SERVICE

Single phase, 60 Hertz, at available secondary voltage.

RATES

The energy rate for this program is:

| | | |
|---------|-----------|---|
| All KWH | \$0.04502 | I |
|---------|-----------|---|

Date of Issue October 31, 2008 Date Effective December 1, 2008
 Issued By _____ Title Manager
 Name of Office _____

Form For Filing Rates Schedules

For All Territory Served

Taylor County Rural Electric
Cooperative Corp.

PSC KY No. _____

SHEET No. 71

Name of Issuing Corporation

Canceling PSC KY No. _____

Revised Sheet No. 71

CLASSIFICATION OF SERVICE

Large Industrial Rate - Schedule C1

Availability

Applicable to contracts with demands of 500 to 4,999 KW with a monthly energy usage equal to or greater than 400 hours per KW of billing demand. These contracts will be two "two-party" contracts with the first one being between the Seller and the Cooperative association and the second one being between the Seller and the ultimate consumer.

Monthly Rate

| | | | |
|-----------------|------------|--------------------------|---|
| Consumer Charge | \$1,183.99 | | I |
| Demand Charge | \$5.97 | per KW of billing demand | I |
| Energy Charge | \$.04691 | per KWH | I |

Billing Demand

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

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

Months

**Hours Applicable for
Demand Billing - EST**

| | |
|-----------------------|--|
| 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: October 31, 2008 Date Effective: December 1, 2008
 Issued By: _____ Title: Manager
 (Name of Officer)

Form For Filing Rates Schedules

For All Territory Served

Taylor County Rural Electric
Cooperative Corp.

PSC KY No. _____

SHEET No. 74

Name of Issuing Corporation

Canceling PSC KY No. _____

Revised Sheet No. 74

CLASSIFICATION OF SERVICE

Large Industrial Rate - Schedule C2

Availability

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

Monthly Rate

| | | | |
|-----------------|------------|--------------------------|----------|
| Consumer Charge | \$2,766.71 | | I |
| Demand Charge | \$5.97 | per KW of billing demand | I |
| Energy Charge | \$.04137 | per KWH | I |

Billing Demand

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

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

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

Date of Issue: October 31, 2008 Date Effective: December 1, 2008
 Issued By: _____ Title: Manager
 (Name of Officer)

Form For Filing Rates Schedules

For All Territory Served

Taylor County Rural Electric
Cooperative Corp.

PSC KY No. _____

SHEET No. 77

Name of Issuing Corporation

Canceling PSC KY NO. _____

Revised Sheet No. 77

CLASSIFICATION OF SERVICE

Large Industrial Rate - Schedule C3

Availability

Applicable to contracts with demands of 10,000 KW and over with a monthly energy usage equal to or greater than 400 hours per KW of billing demand. These contracts will be two "two-party" contracts with the first one being between the Seller and the Cooperative association and the second one being between the Seller and the ultimate consumer

Monthly Rate

| | | | |
|-----------------|------------|--------------------------|---|
| Consumer Charge | \$3,300.56 | | I |
| Demand Charge | \$5.97 | per KW of billing demand | I |
| Energy Charge | \$.04027 | per KWH | I |

Billing Demand

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

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

Months

**Hours Applicable for
Demand Billing - EST**

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: October 31, 2008

Date Effective: December 1, 2008

Issued By: _____
(Name of Officer)

Title: Manager

Form For Filing Rates Schedules

For All Territory Served

Taylor County Rural Electric
Cooperative Corp.

PSC KY No. _____

SHEET No. 80

Name of Issuing Corporation

Canceling PSC KY No. _____

Revised Sheet No. 80

CLASSIFICATION OF SERVICE

Large Industrial Rate - Schedule B1

Availability

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

Monthly Rate

| | | |
|---|------------|---|
| Consumer Charge | \$1,183.99 | I |
| Demand Charge per KW of Contract Demand | \$5.97 | I |
| Demand Charge per KW for Billing Demand in Excess of Contract Demand | \$8.66 | I |
| Energy Charge per KWH | \$.04691 | I |

Billing Demand

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

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

Date of Issue: October 31, 2008 Date Effective: December 1, 2008
 Issued By: _____ Title: Manager
 (Name of Officer)

Form For Filing Rates Schedules

For All Territory Served

Taylor County Rural Electric
Cooperative Corp.
Name of Issuing Corporation

PSC KY No. _____
SHEET No. 83
Canceling PSC KY No. _____
Revised Sheet No. 83

CLASSIFICATION OF SERVICE

Large Industrial Rate - Schedule B2

Availability

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

Monthly Rate

| | | |
|---|------------|----------|
| Consumer Charge | \$2,766.71 | I |
| Demand Charge per KW of Contract Demand | \$5.97 | I |
| Demand Charge per KW for Billing Demand in Excess of Contract Demand | \$8.66 | I |
| Energy Charge per KWH | \$.04137 | I |

Billing Demand

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

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

Date of Issue: October 31, 2008 Date Effective: December 1, 2008
 Issued By: _____ Title: Manager
 (Name of Officer)

Form For Filing Rates Schedules

For All Territory Served

Taylor County Rural Electric
Cooperative Corp.

PSC KY No. _____

SHEET No. 86

Name of Issuing Corporation

Canceling PSC KY No. _____

Revised Sheet No. 86

CLASSIFICATION OF SERVICE

Large Industrial Rate - Schedule B3

Availability

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

Monthly Rate

| | | |
|---|------------|----------|
| Consumer Charge | \$3,300.56 | I |
| Demand Charge per KW of Contract Demand | \$5.97 | I |
| Demand Charge per KW for Billing Demand in Excess of Contract Demand | \$8.66 | I |
| Energy Charge per KWH | \$.04027 | I |

Billing Demand

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

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

Date of Issue: October 31, 2008 Date Effective: December 1, 2008
 Issued By: _____ Title: Manager
 (Name of Officer)

Form For Filing Rates Schedules

For All Territory Served

Taylor County Rural Electric
Cooperative, Corp.

PSC KY No. _____

Revised SHEET NO. _____

Name of Issuing Corporation

Canceling PSC KY NO. _____

Sheet NO. _____

CLASSIFICATION OF SERVICE

Interruptible Service

INTERRUPTIBLE SERVICE

APPLICABLE: In all territory served.

STANDARD RIDER: This Interruptible Rate is a rider to Rate Schedule GP Part 2 General Purpose Service.

AVAILABILITY OF SERVICE: This schedule shall be made available to any customer who contracts for an interruptible demand of not less than 250 kW and not more than 20,000 kW, subject to a maximum number of hours of interruption per year and a notice period as listed below.

MONTHLY RATES: A monthly demand credit per kW is based on the following matrix:

| <u>NOTICE MINUTES</u> | <u>ANNUAL HOURS OF INTERRUPTION</u> | | | |
|---------------------------|-------------------------------------|------------|------------|---|
| | <u>200</u> | <u>300</u> | <u>400</u> | |
| 10 | \$2.97 | \$3.47 | \$3.97 | I |
| 60 | \$2.48 | \$2.97 | \$3.47 | I |

DETERMINATION OF BILLING DEMAND: The billing demand shall be the maximum kilowatt demand established by the consumer for any period of 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 Rate Schedule GP Part 2.

The interruptible billing demand shall be equal to the amount by which the monthly billing demand exceeds the minimum billing demand as specified in the contract.

CONDITIONS OF SERVICE:

1. The customer will, upon notification by the Cooperative, reduce his load being supplied by the Cooperative to the firm amount capacity level specified by the contract.
2. The Cooperative will endeavor to provide the customer as much advance notice as possible of the interruption of service. However, the customer shall interrupt service within the notice period as contracted.
3. Service will be furnished under the Cooperative's "General Rules and Regulations" or "Terms and Conditions" except as set out herein and/or provisions agreed to by written contract.

DATE OF ISSUE: October 31, 2008 DATE EFFECTIVE December 1, 2008
ISSUE BY: _____ Title: Manager
(Name of Officer)

Form For Filing Rates Schedules

For All Territory Served

Taylor County Rural Electric
Cooperative, Corp.

PSC KY No. _____

Name of Issuing Corporation

Revised SHEET NO. _____

Canceling PSC KY NO. _____

_____ Sheet NO. _____

CLASSIFICATION OF SERVICE

Interruptible Service

INTERRUPTIBLE SERVICE

APPLICABLE: In all territory served.

STANDARD RIDER: This Interruptible Rate is a rider to Rate Schedule B1 Large Industrial Rate, B2 Large Industrial Rate, B3 Large Industrial Rate, C1 Large Industrial Rate, C2 Large Industrial Rate, and C3 Large Industrial Rate.

AVAILABILITY OF SERVICE: This schedule shall be made available to any customer who contracts for an interruptible demand of not less than 250 kW and not more than 20,000 kW, subject to a maximum number of hours of interruption per year and a notice period as listed below.

MONTHLY RATES: A monthly demand credit per kW is based on the following matrix:

| <u>NOTICE</u> <u>MINUTES</u> | <u>ANNUAL HOURS OF INTERRUPTION</u> | | | |
|---------------------------------|-------------------------------------|------------|------------|---|
| | <u>200</u> | <u>300</u> | <u>400</u> | |
| 10 | \$2.97 | \$3.47 | \$3.97 | I |
| 60 | \$2.48 | \$2.97 | \$3.47 | I |

DETERMINATION OF BILLING DEMAND: The billing demand shall be the maximum kilowatt demand established by the consumer for any period of 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 above listed Rate Schedules and recorded during the below listed hour:

| <u>Months</u> | <u>Hours Applicable for Demand Billing-</u> <u>E.S.T.</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. |

The interruptible billing demand shall be equal to the amount by which the monthly billing demand exceeds the minimum billing demand as specified in the contract.

Date of Issue: October 31, 2008 Date Effective: December 1, 2008

Issued By: _____ Title: Manager
(Name of Officer)

EXHIBIT 2
Page 1 of 2

The present and proposed rates structures of Taylor County RECC are listed below:

| | <u>Rate Class</u> | <u>Present</u> | <u>Proposed</u> |
|-------------|---|----------------|-----------------|
| A | Farm & Home Service | | |
| | Customer Charge / Mo | \$7.10 | \$7.66 |
| | Energy Charge / kWh | \$0.06952 | \$0.07503 |
| GP-1 | General Purpose Service – Less than 50 KVA | | |
| | Customer Charge / Mo | \$7.30 | \$7.88 |
| | Energy Charge / kWh | \$0.06963 | \$0.07518 |
| GP-2 | General Purpose Service – 50 KVA and Above | | |
| | Customer Charge / Mo | \$44.56 | \$48.09 |
| | Demand Charge / kW | \$4.76 | \$5.14 |
| | Energy Charge / kWh | \$0.05134 | \$0.05541 |
| R-1 | Residential Marketing Rate | | |
| | Energy Charge / kWh | \$0.04171 | \$0.04502 |
| SL | Street Lighting Service | | |
| | Mercury Vapor 175 Watts Fixture Charge | \$2.84 | \$2.84 |
| | Mercury Vapor 175 Watts Energy Charge | \$4.87 | \$5.26 |
| | Mercury Vapor 250 Watts Fixture Charge | \$3.41 | \$3.41 |
| | Mercury Vapor 250 Watts Energy Charge | \$6.96 | \$7.52 |
| | Mercury Vapor 400 Watts Fixture Charge | \$4.52 | \$4.52 |
| | Mercury Vapor 400 Watts Energy Charge | \$11.14 | \$12.02 |
| | High Pressure Sodium 100 Watts Fixture Charge | \$3.25 | \$3.25 |
| | High Pressure Sodium 100 Watts Energy Charge | \$2.85 | \$3.08 |
| | High Pressure Sodium 250 Watts Fixture Charge | \$5.00 | \$5.00 |
| | High Pressure Sodium 250 Watts Energy Charge | \$7.38 | \$7.97 |
| C1 | Large Industrial Rate 500-4,999 kW | | |
| | Customer Charge / Mo | \$1,097.01 | \$1,183.99 |
| | Demand Charge / kW | \$5.53 | \$5.97 |
| | Energy Charge / kWh | \$0.04346 | \$0.04691 |
| C2 | Large Industrial Rate 5,000-9,999 kW | | |
| | Customer Charge / Mo | \$2,563.45 | \$2,766.71 |
| | Demand Charge / kW | \$5.53 | \$5.97 |
| | Energy Charge / kWh | \$0.03833 | \$0.04137 |
| C3 | Large Industrial Rate 10,000 kW and Over | | |
| | Customer Charge / Mo | \$3,058.08 | \$3,300.56 |
| | Demand Charge / kW | \$5.53 | \$5.97 |
| | Energy Charge / kWh | \$0.03731 | \$0.04027 |
| B1 | Large Industrial Rate 500-4,999 kW | | |
| | Customer Charge / Mo | \$1,097.01 | \$1,183.99 |
| | Contract Demand Charge | \$5.53 | \$5.97 |
| | Demand Charge in Excess of Contract | \$8.02 | \$8.66 |
| | Energy Charge / kWh | \$0.04346 | \$0.04691 |
| B2 | Large Industrial Rate 5,000-9,999 kW | | |
| | Customer Charge / Mo | \$2,563.45 | \$2,766.71 |
| | Contract Demand Charge | \$5.53 | \$5.97 |
| | Demand Charge in Excess of Contract | \$8.02 | \$8.66 |
| | Energy Charge / kWh | \$0.03833 | 0.04137 |
| B3 | Large Industrial Rate 10,000 kW and Over | | |
| | Customer Charge / Mo | \$3,058.08 | \$3,300.56 |
| | Contract Demand Charge | \$5.53 | \$5.97 |
| | Demand Charge in Excess of Contract | \$8.02 | \$8.66 |
| | Energy Charge / kWh | \$0.03731 | \$0.04027 |

EXHIBIT 2
Page 2 of 2

| <u>Rate Class</u> | <u>Present</u> | <u>Proposed</u> |
|---|----------------|-----------------|
| Interruptible Service Rider – Credit | | |
| 10-Minute Interruption, 200 Hours | \$2.70 | \$2.97 |
| 10-Minute Interruption, 300 Hours | \$3.15 | \$3.47 |
| 10-Minute Interruption, 400 Hours | \$3.60 | \$3.97 |
| 60-Minute Interruption, 200 Hours | \$2.25 | \$2.48 |
| 60-Minute Interruption, 300 Hours | \$2.70 | \$2.97 |
| 60-Minute Interruption, 400 Hours | \$3.15 | \$3.47 |

Taylor County RECC
Billing Analysis
for the 12 months ended June 30, 2008

| | Total | % of Total | Total | % of Total | \$ Increase | % Increase |
|--|------------|------------|------------|------------|-------------|------------|
| Schedule A Farm & Home | 23,950,361 | 69.32% | 25,847,879 | 69.31% | 1,897,518 | 7.92% |
| Schedule GP-1 General Purpose Service - Less than 50 kVA | 2,897,562 | 8.39% | 3,128,460 | 8.39% | 230,899 | 7.97% |
| Schedule GP-2 General Purpose Service - 50 kVA and Above | 6,072,326 | 17.57% | 6,554,544 | 17.58% | 482,219 | 7.94% |
| R-1 Residential Marketing Rate | - | 0.00% | - | 0.00% | - | - |
| SL Street Lighting Service | 66,548 | 0.19% | 69,887 | 0.19% | 3,339 | 5.02% |
| C1 - Large Industrial Rate | 1,137,102 | 3.29% | 1,227,402 | 3.29% | 90,300 | 7.94% |
| C2 - Large Industrial Rate | - | 0.00% | - | 0.00% | - | - |
| C3 - Large Industrial Rate | - | 0.00% | - | 0.00% | - | - |
| B1 - Large Industrial Rate | 428,469 | 1.24% | 462,498 | 1.24% | 34,029 | 7.94% |
| B2 - Large Industrial Rate | - | 0.00% | - | 0.00% | - | - |
| B3 - Large Industrial Rate | - | 0.00% | - | 0.00% | - | - |
| | <hr/> | | <hr/> | | <hr/> | |
| | 34,552,368 | 100.00% | 37,290,671 | 100.00% | 2,738,303 | 7.93% |
| FAC + ES | 5,295,887 | | 5,295,887 | | | |
| Pumping Station - No Change | 5,869,784 | | 5,869,784 | | | |
| | <hr/> | | <hr/> | | <hr/> | |
| Total Revenue | 45,718,039 | | 48,456,342 | | 2,738,303 | 5.99% |

**Taylor County RECC
Billing Analysis
for the 12 months ended June 30, 2008**

**Schedule A
Farm and Home Service**

| Actual Billing Data | Escalation % | Existing | | | | Proposed | | | | \$ Increase | % Increase | |
|-------------------------|--------------|-------------------------|--------------|---------------------|---------------------|----------------------|---------------|---------------------|---------------------|-------------|--------------------|-------|
| | | Billing Units Escalated | Current Rate | Annualized Revenues | % of Total | Billing Determinants | Proposed Rate | Annualized Revenues | % of Total | | | |
| Customer Charge | 266,089 | 1.11% | 269,043 | \$7.10 | \$1,910,202 | 7.98% | 269,043 | \$7.66 | \$2,060,866 | 7.97% | 150,664 | 7.89% |
| Energy charge per kWh | 309,905,528 | 2.30% | 317,033,355 | \$0.06952 | <u>22,040,159</u> | 92.02% | 317,033,355 | \$0.07503 | <u>23,787,013</u> | 92.03% | 1,746,854 | 7.93% |
| Total from base rates | | | | | <u>23,950,361</u> | 100.00% | | | <u>25,847,879</u> | 100.00% | <u>1,897,518</u> | |
| Fuel adjustment | | | | | 1,850,394 | | | | 1,850,394 | | | |
| Environmental surcharge | | | | | <u>1,549,379</u> | | | | <u>1,549,379</u> | | | |
| Total revenues | | | | | <u>\$27,350,134</u> | | | | <u>\$29,247,652</u> | | <u>\$1,897,518</u> | 6.94% |
| Average Bill | | | | | \$ 101.66 | | 1,178 | | \$ 108.71 | | \$ 7.05 | 6.94% |

**Schedule GP1
Small Commercial
Part 1 For Demands Less Than 50 KVA**

| Actual Billing Data | Escalation % | Existing | | | | Proposed | | | | \$ Increase | % Increase | |
|-------------------------|--------------|-------------------------|--------------|---------------------|--------------------|----------------------|---------------|---------------------|--------------------|-------------|----------------|-------|
| | | Billing Units Escalated | Current Rate | Annualized Revenues | % of Total | Billing Determinants | Proposed Rate | Annualized Revenues | % of Total | | | |
| Customer Charge | 30,046 | 2.04% | 30,659 | \$7.30 | \$223,810 | 7.72% | 30,659 | \$7.88 | \$241,592 | 7.72% | 17,782 | 7.95% |
| Energy charge per kWh | 37,536,085 | 2.30% | 38,399,415 | \$0.06963 | 2,673,751 | 92.28% | 38,399,415 | \$0.07518 | 2,886,868 | 92.28% | 213,117 | 7.97% |
| Total from base rates | | | | | <u>2,897,562</u> | 100.00% | | | <u>3,128,460</u> | 100.00% | <u>230,899</u> | |
| Fuel adjustment | | | | | 237,889 | | | | 237,889 | | - | |
| Environmental surcharge | | | | | <u>190,019</u> | | | | <u>190,019</u> | | - | |
| Total revenues | | | | | <u>\$3,325,470</u> | | | | <u>\$3,556,368</u> | | 230,899 | 6.94% |
| Average Bill | | | | | \$ 108.47 | | | | \$ 116.00 | | \$ 7.53 | 6.94% |

**Taylor County RECC
Billing Analysis
for the 12 months ended June 30, 2008**

**Schedule GP2
General Purpose Service
Part 2 For Loads Requiring 50 KVA and Above Installed Transformer Capacity**

| Actual Billing Data | Escalation % | Existing | | | | Proposed | | | | \$ Increase | % Increase | |
|-------------------------|--------------|-------------------------|--------------|---------------------|------------|----------------------|---------------|---------------------|--------------|-------------------|------------|-------|
| | | Billing Units Escalated | Current Rate | Annualized Revenues | % of Total | Billing Determinants | Proposed Rate | Annualized Revenues | % of Total | | | |
| Customer Charge | 3,097 | 3,097 | \$44.56 | \$138,002 | 2.27% | 3,097 | \$48.09 | \$148,935 | 2.27% | 10,932.41 | 7.92% | |
| Demand Charge | 313,089 | 1.30% | 317,159 | \$4.76 | 1,509,678 | 24.86% | 317,159 | \$5.14 | 1,630,198.07 | 24.87% | 120,520.48 | 7.98% |
| Energy Charge | 84,245,562 | 2.30% | 86,183,210 | \$0.05134 | 4,424,646 | 72.87% | 86,183,210 | \$0.05541 | 4,775,412 | 72.86% | 350,765.66 | 7.93% |
| Total Baseload Charges | | | | <u>\$ 6,072,326</u> | 100.00% | | | <u>\$ 6,554,544</u> | 100.00% | <u>482,218.55</u> | | |
| Fuel adjustment | | | | 609,918 | | | | 609,918 | | - | | |
| Environmental surcharge | | | | 410,381 | | | | 410,381 | | - | | |
| Total revenues | | | | <u>\$ 7,092,625</u> | | | | <u>\$ 7,574,843</u> | | <u>\$ 482,219</u> | 6.80% | |
| Average Bill | | | | \$ 2,290.16 | | | | \$ 2,445.86 | | \$ 155.71 | 6.80% | |

**Schedule B-1
Large Industrial Rate**

| Actual Billing Data | Escalation % | Existing | | | | Proposed | | | | \$ Increase | % Increase | |
|-------------------------|--------------|-------------------------|--------------|---------------------|----------------|----------------------|---------------|---------------------|----------------|------------------|---------------|-------|
| | | Billing Units Escalated | Current Rate | Annualized Revenues | % of Total | Billing Determinants | Proposed Rate | Annualized Revenues | % of Total | | | |
| Customer Charge | 18 | 0.00% | 18 | \$ 1,097.01 | \$19,746 | 4.61% | 18 | \$1,183.99 | \$21,312 | 4.61% | 1,565.64 | 7.93% |
| kW Demand | 13,936 | 1.30% | 14,117 | \$ 5.53 | \$78,067.94 | 18.22% | 14,117 | \$5.97 | \$84,279.49 | 18.22% | 6,211.55 | 7.96% |
| kW Excess Demand | 879 | 1.30% | 890 | \$ 8.02 | \$7,141.22 | 1.67% | 890 | \$8.66 | \$7,711.10 | 1.67% | 569.87 | 7.98% |
| Energy charge per kWh | 7,276,582 | 2.30% | 7,443,943 | 0.04346 | 323,514 | 75.50% | 7,443,943 | \$0.04691 | 349,195 | 75.50% | 25,681.60 | 7.94% |
| Total from base rates | | | | | <u>428,469</u> | 100.00% | | | <u>462,498</u> | 100.00% | <u>34,029</u> | |
| Fuel adjustment | | | | | 45,560 | | | 45,560 | | - | | |
| Environmental surcharge | | | | | 27,450 | | | 27,450 | | - | | |
| Total revenues | | | | <u>\$ 501,479</u> | | | | <u>\$ 535,508</u> | | <u>\$ 34,029</u> | 6.79% | |
| Average Bill | | | | \$ 27,860 | | | | \$ 29,750 | | 1,890.48 | 6.79% | |

**Taylor County RECC
Billing Analysis
for the 12 months ended June 30, 2008**

**Schedule C-1
Large Industrial Rate**

| Actual Billing Data | Escalation % | Existing | | | | Proposed | | | | \$ Increase | % Increase | |
|-------------------------|-----------------|----------------------------|-----------------|------------------------|---------------------|-------------------------|------------------|------------------------|---------------------|-------------|------------------|-------|
| | | Billing Units Escalated | Current Rate | Annualized Revenues | % of Total | Billing Determinants | Proposed Rate | Annualized Revenues | % of Total | | | |
| Customer Charge | 12 | 0.00% | 12 | \$1,097.01 | \$13,164 | 1.16% | 12 | \$1,183.99 | \$14,208 | 1.16% | 1,043.76 | 7.93% |
| Demand Charge | 33,087 | 1.30% | 33,517 | \$5.53 | \$185,350 | 16.30% | 33,517 | \$5.97 | \$200,097 | 16.30% | 14,747.54 | 7.96% |
| Energy charge per kWh | 21,111,047 | 2.30% | 21,596,601 | \$0.04346 | 938,588 | 82.54% | 21,596,601 | \$0.04691 | 1,013,097 | 82.54% | 74,508.27 | 7.94% |
| Total from base rates | | | | | <u>1,137,102</u> | 100.00% | | | <u>1,227,402</u> | 100.00% | <u>90,300</u> | 7.94% |
| Fuel adjustment | | | | | 75,642 | | | | 75,642 | | | |
| Environmental surcharge | | | | | 66,240 | | | | 66,240 | | | |
| Total revenues | | | | | <u>\$ 1,278,984</u> | | | | <u>\$ 1,369,284</u> | | <u>\$ 90,300</u> | 7.06% |
| Average Bill | | | | | \$ 106,582 | | | | \$ 114,107 | | 7,524.96 | 7.06% |

**Special Contract
Tennessee Gas**

| Actual Billing Data | Escalation % | Existing | | | | Proposed | | | | \$ Increase | % Increase | |
|-------------------------|-----------------|-------------------------|-----------------|------------------------|---------------------|-------------------------|------------------|------------------------|---------------------|-------------|-------------|-------|
| | | Billing Determinants | Current Rate | Annualized Revenues | % of Total | Billing Determinants | Proposed Rate | Annualized Revenues | % of Total | | | |
| Customer Charge | | | 12 | \$2/MWH | \$146,349 | 2.49% | 12 | \$2/MWH | \$146,349 | 2.49% | - | 0.00% |
| Demand Charge | | | 165,258 | \$1.75 | \$281,531 | 4.80% | 165,258 | \$1.75 | \$281,531 | 4.80% | - | 0.00% |
| Energy charge per kWh | | | 73,174,568 | \$0.07437 | 5,441,904 | 92.71% | 73,174,568 | \$0.05628 | 5,441,904 | 92.71% | - | 0.00% |
| Total from base rates | | | | | <u>5,869,784</u> | 100.00% | | | <u>5,869,784</u> | 100.00% | <u>-</u> | 0.00% |
| Fuel adjustment | | | | | - | | | | - | | - | 0.00% |
| Environmental surcharge | | | | | 233,015 | | | | 233,015 | | - | 0.00% |
| | | | | | <u>\$ 6,102,799</u> | | | | <u>\$ 6,102,799</u> | | <u>\$ -</u> | 0.00% |
| | | | | | \$ 508,567 | | | | \$ 508,567 | | \$ - | 0.00% |

Taylor County RECC
Billing Analysis
for the 12 months ended June 30, 2008

Schedule STL
Street Lights

Current Rates

| Billing Determinants | Unit Rates | Cust Chg | Unit kWh | kWh | Energy Rate | kWh Chg | Total \$ | % of Total | Avg Per Cust/Mo | |
|-------------------------|------------|----------|--------------|--------|-------------|---------|--------------|--------------|-----------------|-------|
| 175 Watt Mercury Vapor | 4502 | 2.84 | 12,785.68 | 70.00 | 315,140 | 0.06963 | 21,943 | 34,728.88 | 52.19% | 7.71 |
| 250 Watt Mercury Vapor | | 3.41 | - | 100.00 | - | 0.06963 | - | - | 0.00% | |
| 400 Watt Mercury Vapor | 612 | 4.52 | 2,766.24 | 160.00 | 97,920 | 0.06963 | 6,818 | 9,584.41 | 14.40% | 15.66 |
| 100 Watt Sodium | 156 | 3.25 | 507.00 | 41.00 | 6,396 | 0.06963 | 445 | 952.35 | 1.43% | 6.10 |
| 250 Watt Sodium | 1719 | 5.00 | 8,595.00 | 106.00 | 182,214 | 0.06963 | 12,688 | 21,282.56 | 31.98% | 12.38 |
| | 6,989 | | \$ 24,653.92 | | 601,670 | | \$ 41,894.28 | \$ 66,548.20 | 100.00% | |
| Fuel Adjustment | | | | | | | | 3,909 | | |
| Environmental Surcharge | | | | | | | | 4,390 | | |
| Total | | | | | | | | \$ 74,847 | | |
| Average per customer | | | | | | | | \$ 10.71 | | |

Taylor County RECC
Billing Analysis
for the 12 months ended June 30, 2008

Schedule SL
Street Lighting Service

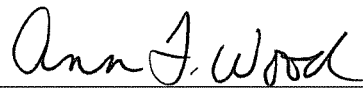
Proposed Rates

| Billing Determinants | Unit Rates | | Unit kWh | kWh | Energy Rate | kWh Chg | Total \$ | % of Total | Avg per cust | \$ Increase | % Increase | |
|-------------------------|------------|------|-----------|--------|-------------|---------|----------|--------------|--------------|-------------|------------|-------|
| 175 Watt Mercury Vapor | 4,502 | 2.84 | 12,785.68 | 70.00 | 315,140 | 0.07518 | 23,692 | 36,477.91 | 52.20% | 8.10 | 0.39 | 5.04% |
| 250 Watt Mercury Vapor | - | 3.41 | - | 100.00 | - | 0.07518 | - | - | 0.00% | - | - | |
| 400 Watt Mercury Vapor | 612 | 4.52 | 2,766.24 | 160.00 | 97,920 | 0.07518 | 7,362 | 10,127.87 | 14.49% | 16.55 | 0.89 | 5.67% |
| 100 Watt Sodium | 156 | 3.25 | 507.00 | 41.00 | 6,396 | 0.07518 | 481 | 987.85 | 1.41% | 6.33 | 0.23 | 3.73% |
| 250 Watt Sodium | 1,719 | 5.00 | 8,595.00 | 106.00 | 182,214 | 0.07518 | 13,699 | 22,293.85 | 31.90% | 12.97 | 0.59 | 4.75% |
| | 6,989 | | 24,653.92 | | 601,670 | | 45,234 | 69,887 | 100.00% | | | |
| Fuel Adjustment | | | | | | | | \$ 3,909.00 | | | | |
| Environmental Surcharge | | | | | | | | \$ 4,390.00 | | | | |
| Total | | | | | | | | \$ 78,186.47 | | \$ 3,339.27 | | 4.46% |
| Average per customer | | | | | | | | \$ 11.19 | | | | |
| | | | | | | | | \$ 0.48 | | 4.46% | | |

TAYLOR COUNTY RURAL ELECTRIC COOPERATIVE CORPORATION

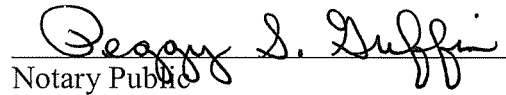
CASE NO. 2008-00425

I, Ann F. Wood, hereby certify that an original and five copies of the filing provided to the Kentucky Public Service Commission have been sent to the Office of Rate Intervention, Office of the Attorney General.

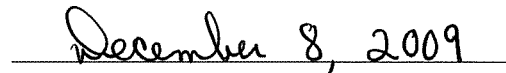


Ann F. Wood
East Kentucky Power Cooperative, Inc.

Subscribed and sworn before me on this 31st day of October, 2008.


Notary Public

My Commission expires:



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 Taylor County RECC of a proposed rate adjustment. An Application for Approval of Adjustment to Rates will be filed with the Public Service Commission on October 31, 2008, Case No. 2008-00425. 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 Taylor County RECC. The amount and percent of increase by rate class are listed below.

| | <u>Rate Class</u> | <u>Increase</u> | <u>Percent</u> |
|------|--|-----------------|----------------|
| A | Farm & Home Service | \$1,897,518 | 6.94% |
| GP-1 | General Purpose Service – Less than 50 KVA | \$230,899 | 6.94% |
| GP-2 | General Purpose Service – 50 KVA and Above | \$482,219 | 6.80% |
| SL | Street Lighting Service | \$3,339 | 4.46% |
| C1 | Large Industrial Rate 500-4,999 kW | \$90,300 | 7.06% |
| B1 | Large Industrial Rate 500-4,999 kW | \$34,029 | 6.79% |

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

| | <u>Rate Class</u> | <u>\$ Increase</u> | <u>Percent Increase</u> |
|------|--|--------------------|-------------------------|
| A | Farm & Home Service | \$7.05 | 6.94% |
| GP-1 | General Purpose Service – Less than 50 KVA | \$7.53 | 6.94% |
| GP-2 | General Purpose Service – 50 KVA and Above | \$155.71 | 6.80% |
| SL | Street Lighting Service | \$0.48 | 4.46% |
| C1 | Large Industrial Rate 500-4,999 kW | \$7,524.96 | 7.06% |
| B1 | Large Industrial Rate 500-4,999 kW | \$1,890.48 | 6.79% |

The present and proposed rates structures of Taylor County RECC are listed below:

| | <u>Rate Class</u> | <u>Present</u> | <u>Proposed</u> |
|-------------|---|----------------|-----------------|
| A | Farm & Home Service | | |
| | Customer Charge / Mo | \$7.10 | \$7.66 |
| GP-1 | Energy Charge / kWh | \$0.06952 | \$0.07503 |
| | General Purpose Service – Less than 50 KVA | | |
| GP-2 | Customer Charge / Mo | \$7.30 | \$7.88 |
| | Energy Charge / kWh | \$0.06963 | \$0.07518 |
| GP-2 | General Purpose Service – 50 KVA and Above | | |
| | Customer Charge / Mo | \$44.56 | \$48.09 |
| | Demand Charge / kW | \$4.76 | \$5.14 |
| R-1 | Energy Charge / kWh | \$0.05134 | \$0.05541 |
| | Residential Marketing Rate | | |
| SL | Energy Charge / kWh | \$0.04171 | \$0.04502 |
| | Street Lighting Service | | |
| | Mercury Vapor 175 Watts Fixture Charge | \$2.84 | \$2.84 |
| | Mercury Vapor 175 Watts Energy Charge | \$4.87 | \$5.26 |
| | Mercury Vapor 250 Watts Fixture Charge | \$3.41 | \$3.41 |
| | Mercury Vapor 250 Watts Energy Charge | \$6.96 | \$7.52 |
| | Mercury Vapor 400 Watts Fixture Charge | \$4.52 | \$4.52 |

EXHIBIT 5
Page 2 of 2

| | <u>Rate Class</u> | <u>Present</u> | <u>Proposed</u> |
|-----------|---|----------------|-----------------|
| | Mercury Vapor 400 Watts Energy Charge | \$11.14 | \$12.02 |
| | High Pressure Sodium 100 Watts Fixture Charge | \$3.25 | \$3.25 |
| | High Pressure Sodium 100 Watts Energy Charge | \$2.85 | \$3.08 |
| | High Pressure Sodium 250 Watts Fixture Charge | \$5.00 | \$5.00 |
| | High Pressure Sodium 250 Watts Energy Charge | \$7.38 | \$7.97 |
| C1 | Large Industrial Rate 500-4,999 kW | | |
| | Customer Charge / Mo | \$1,097.01 | \$1,183.99 |
| | Demand Charge / kW | \$5.53 | \$5.97 |
| | Energy Charge / kWh | \$0.04346 | \$0.04691 |
| C2 | Large Industrial Rate 5,000-9,999 kW | | |
| | Customer Charge / Mo | \$2,563.45 | \$2,766.71 |
| | Demand Charge / kW | \$5.53 | \$5.97 |
| | Energy Charge / kWh | \$0.03833 | \$0.04137 |
| C3 | Large Industrial Rate 10,000 kW and Over | | |
| | Customer Charge / Mo | \$3,058.08 | \$3,300.56 |
| | Demand Charge / kW | \$5.53 | \$5.97 |
| | Energy Charge / kWh | \$0.03731 | \$0.04027 |
| B1 | Large Industrial Rate 500-4,999 kW | | |
| | Customer Charge / Mo | \$1,097.01 | \$1,183.99 |
| | Contract Demand Charge | \$5.53 | \$5.97 |
| | Demand Charge in Excess of Contract | \$8.02 | \$8.66 |
| | Energy Charge / kWh | \$0.04346 | \$0.04691 |
| B2 | Large Industrial Rate 5,000-9,999 kW | | |
| | Customer Charge / Mo | \$2,563.45 | \$2,766.71 |
| | Contract Demand Charge | \$5.53 | \$5.97 |
| | Demand Charge in Excess of Contract | \$8.02 | \$8.66 |
| | Energy Charge / kWh | \$0.03833 | 0.04137 |
| B3 | Large Industrial Rate 10,000 kW and Over | | |
| | Customer Charge / Mo | \$3,058.08 | \$3,300.56 |
| | Contract Demand Charge | \$5.53 | \$5.97 |
| | Demand Charge in Excess of Contract | \$8.02 | \$8.66 |
| | Energy Charge / kWh | \$0.03731 | \$0.04027 |
| | Interruptible Service Rider – Credit | | |
| | 10-Minute Interruption, 200 Hours | \$2.70 | \$2.97 |
| | 10-Minute Interruption, 300 Hours | \$3.15 | \$3.47 |
| | 10-Minute Interruption, 400 Hours | \$3.60 | \$3.97 |
| | 60-Minute Interruption, 200 Hours | \$2.25 | \$2.48 |
| | 60-Minute Interruption, 300 Hours | \$2.70 | \$2.97 |
| | 60-Minute Interruption, 400 Hours | \$3.15 | \$3.47 |

The rates contained in this notice are the rates proposed by Taylor County RECC. 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 Taylor County RECC at the following address:

Taylor County RECC
625 West Main Street
Campbellsville, KY 42718
270-465-4101

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