

COMMONWEALTH OF KENTUCKY  
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

APPLICATION OF BIG SANDY RURAL ELECTRIC )  
COOPERATIVE CORPORATION FOR AN ) CASE NO.  
ADJUSTMENT IN RATES ) 2008-00401

ORDER

On December 10, 2008, Big Sandy Rural Electric Cooperative Corporation (“Big Sandy”) filed an application requesting approval of an increase in its base rates and increases in certain pole attachment charges. Big Sandy is a consumer-owned rural electric cooperative organized pursuant to KRS Chapter 279 and engaged in the sale of electric energy to approximately 13,090 customers in the Kentucky counties of Breathitt, Floyd, Johnson, Knott, Lawrence, Magoffin, Martin, and Morgan. It is one of 16 member distribution cooperatives that own and receive their wholesale power from East Kentucky Power Cooperative, Inc.

Pursuant to an Order dated January 29, 2009, the Commission established a procedural schedule which provided for discovery, an opportunity to file testimony, and a hearing. The Attorney General of the Commonwealth of Kentucky, by and through his Office of Rate Intervention (“AG”), sought and was granted full intervention in this matter.

At the request of Big Sandy, an informal conference was held at the Commission’s offices on April 24, 2009 to discuss the terms of a settlement agreement entered into between Big Sandy and the AG. The settlement agreement and supporting

documentation were filed with the Commission on May 4, 2009. A copy of the settlement agreement is appended to this Order as Appendix A. The Commission conducted a public hearing on May 12, 2009 for the purpose of taking testimony concerning the reasonableness of the settlement agreement.

The settlement agreement provides for approval of the following requests:

1. Big Sandy be granted an increase in its base rate revenues of \$1,739,501, which represents a \$161,519 reduction to the original requested increase of \$1,901,020.
2. The residential customer charge has been decreased from \$15 proposed in the application to \$10 per month and the energy charges for most customer classes have been modified to make up the difference resulting from the change in the residential customer charge.
3. The modified pole attachment charges as proposed by Big Sandy in its application.
4. Big Sandy will implement, in conjunction with the effective date of this Order, the depreciation rates that were proposed in the application.

Having reviewed the settlement agreement and the evidence of record in this proceeding, the Commission finds that its terms are reasonable and in the public interest and should be approved. The proposed rates as set forth in the settlement agreement will produce an additional \$1,739,501 in annual base rate revenues. Therefore the Commission finds that the proposed rates provided for in the settlement agreement are fair, just, and reasonable rates for Big Sandy to charge for electric service.

The depreciation rates proposed by Big Sandy and contained in the settlement agreement were developed in a study that followed the guidelines established in "RUS Bulletin 183-1" and used Big Sandy's utility plant information for the 12-month period

ending December 31, 2007. Upon review of Big Sandy's depreciation study, the Commission finds that the proposed depreciation rates are reasonable and that the effective date of those rates should be the date of this Order. We further find that the pole attachment charges contained in the settlement agreement are reasonable and should be approved.

Our approval of the settlement agreement is based solely on its reasonableness *in toto* and does not constitute approval of any rate-making adjustment or specific rate-making theory.

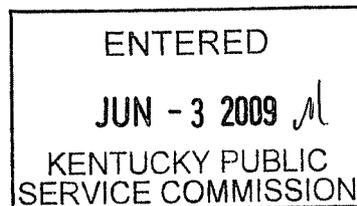
There have been several questions in the discovery process of this proceeding as well as at the public hearing regarding Big Sandy's demand-side management programs and its efforts to promote energy efficiency. The Commission believes that conservation, energy efficiency and demand-side management will become more important and cost-effective as there will likely be more constraints placed upon utilities whose main source of supply is coal-based generation. The Governor's proposed energy plan, *Intelligent Energy Choices for Kentucky's Future, November 2008* calls for an increase in demand-side management by 2025. In addition, the Commission stated its support for cost-effective demand-side programs in response to several recommendations included in *Electric Utility Regulation and Energy Policy in Kentucky*, the report the Commission submitted in July 2008 to the Kentucky General Assembly pursuant to Section 50 of the 2007 Energy Act. Although Big Sandy has a number of demand-side management programs in place, the Commission believes that it is appropriate to encourage Big Sandy, and all other electric energy providers, to make a

greater effort to offer cost-effective demand-side management and other energy efficiency programs.

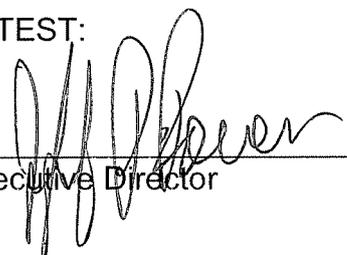
IT IS THEREFORE ORDERED, that

1. The rates and charges proposed by Big Sandy are denied.
2. The settlement agreement, appended hereto as Appendix A, is incorporated into this Order as if fully set forth herein.
3. The settlement agreement is adopted and approved in its entirety.
4. The rates and charges set forth in Appendix B are approved for service rendered by Big Sandy on and after the date of this Order.
5. The proposed depreciation rates, as agreed upon in the settlement agreement, are approved for implementation by Big Sandy on the date of this Order.
6. Within 20 days of the date of this Order, Big Sandy shall file new tariff sheets setting forth the rates and charges approved herein and reflecting their effective date and that they were authorized by this Order.

By the Commission



ATTEST:

  
\_\_\_\_\_  
Executive Director

APPENDIX A

APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE  
COMMISSION IN CASE NO. 2008-00401 DATED JUN - 3 2009

COMMONWEALTH OF KENTUCKY  
BEFORE THE PUBLIC SERVICE COMMISSION

RECEIVED

MAY - 4 2009

PUBLIC SERVICE  
COMMISSION

In the Matter of:

APPLICATION OF BIG SANDY RURAL )  
ELECTRIC COOPERATIVE CORPORATION ) CASE NO. 2008-00401  
FOR AN ADJUSTMENT OF RATES )

**JOINT SETTLEMENT STIPULATION AND RECOMMENDATION**

It is the intent and purpose of the parties to this proceeding, being the applicant, Big Sandy RECC (“Big Sandy RECC”) and the intervenor, Attorney General of the Commonwealth of Kentucky (“Attorney General”) to express their agreement on a mutually satisfactory resolution of all of the issues in the instant proceeding which shall hereafter be referred to as the “Stipulation” and/or the “Recommendation.”

It is understood by all parties hereto that this Recommendation is not binding upon the Kentucky Public Service Commission (“Commission”), nor does it represent agreement on any specific theory supporting the appropriateness of any recommended adjustment to Big Sandy’s rates. Big Sandy RECC and the Attorney General have expended considerable efforts to reach the stipulation and agreements that form the basis for this Recommendation. The parties, representing diverse interests and divergent viewpoints, agree that this Recommendation, viewed in its entirety, constitutes a reasonable resolution of all issues in this proceeding.

In addition, the adoption of this Recommendation will eliminate the need for the Commission and the parties to expend considerable resources in litigation of this proceeding, and will eliminate the possibility of, and any need for, rehearing or appeals of the Commission’s final order herein. Based upon the parties’ participation in a settlement conference and the materials on file with the Commission, and upon the belief that these materials adequately support this Stipulation and Recommendation, the parties hereby stipulate and recommend the following:

1. Big Sandy RECC filed an application for a rate adjustment seeking a total increase in base rate revenue in the amount of \$1,901,020 on Big Sandy's normalized test year. The parties agree that Big Sandy RECC should be permitted to adjust its rates to permit a total increase in base rate revenue of only \$1,739,501, being \$161,519 less than sought in the application. All rate schedules have been adjusted to reflect this change in retail rates.

Big Sandy RECC agreed to reduce the customer charge per month for its residential class (Schedule A1 – Farm & Home) from \$15.00 to \$10.00. The demand charges and customer charges for all other classes remain as contained in the original application. In addition, the Attorney General does not contest the cable television attachment rates proposed by Big Sandy RECC in the application.

2. Big Sandy's proposed tariff revisions are attached in "Exhibit A" and should be adopted and should become effective as of April 1, 2009, or as soon thereafter as ordered by the Commission. Attached as "Exhibit B" is the testimony of James R. Adkins which explains the development of these rates.

3. Additional exhibits to this agreement include a comparative schedule of rates, "Exhibit D" which include the current rates, the rates proposed in the application and the rates that are a result of this agreement. Also attached is "Exhibit E" which provides the basis for the revenue requirements for each rate class as well as the proposed rate design.

4. Big Sandy RECC will implement the proposed depreciation rates included in the depreciation study that accompanied the Application. The depreciation rates will be implemented in conjunction with the effective date of the Commission's Order.

5. It is the purpose and intent of the parties hereto that the revision in rates for Big Sandy RECC result in a 2.0 TIER (times interest earned ratio), and the revision in rates as proposed by this Recommendation and Stipulation will result in such a TIER rating.

6. Big Sandy's Board of Directors has approved the stipulated and amended rate amount of \$1,739,501.

7. Each party hereto waives all cross-examination of the other parties' witnesses except for supporting this Recommendation, unless the Commission disapproves this Recommendation, and each party further stipulates and recommends that the Notice of Intent, Application, testimony, pleadings, and responses to data requests filed in this proceeding be admitted into the record.

8. This Recommendation is submitted for purposes of this case only and is not deemed binding upon the parties hereto in any other proceeding, nor is it to be offered or relied upon in any other proceeding involving Big Sandy RECC or any other utility.

9. If the Commission issues an order adopting this Recommendation in its entirety, each of the parties hereto agrees that it shall file neither an application for rehearing with the Commission, nor an appeal to the Franklin County Circuit Court with respect to such order.

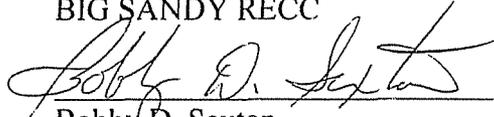
10. If this Recommendation is not adopted in its entirety, each party reserves the right to withdraw from it and require that hearings go forward upon any and all matters involved herein, and that in such event the terms of this Recommendation shall not be deemed binding upon the parties hereto, nor shall such Recommendation be admitted into evidence, or referred to, or relied upon in any manner by any party hereto, the Commission or its Staff in any such hearing.

11. Attached as "Exhibit C" is proof of revenue analysis showing that the proposed rate adjustments will generate the proposed revenue reduction to which the parties have agreed in paragraph (1) of this Stipulation.

12. The parties hereto agree that the foregoing Recommendation is reasonable and is in the best interests of all concerned, and urge the Commission to adopt this Recommendation in its entirety.

This 24<sup>th</sup> day of April, 2009.

BIG SANDY RECC



Bobby D. Sexton

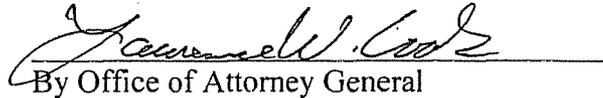
President and General Manager, Big Sandy RECC



Albert A. Burchett

Attorney for Big Sandy RECC

KENTUCKY ATTORNEY GENERAL



By Office of Attorney General

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MAY - 4 2009

PUBLIC SERVICE  
COMMISSION

FORM FOR FILING RATE SCHEDULES

FOR ALL TERRITORIES SERVED

PSC NO. 2008-00401

ORIGINAL SHEET NO. 1

**BIG SANDY RURAL ELECTRIC  
COOPERATIVE CORPORATION**

CANCELLING PSC NO. 2008-00410

ORIGINAL SHEET NO. 1

**CLASSIFICATION OF SERVICE**

**SCHEDULE A-1 FARM & HOME**

**RATE PER UNIT**

**APPLICABLE:**

Entire territory served.

**AVAILABILITY OF SERVICE:**

Available to members of this Cooperative for Farm and Home use having a required transformer capacity not to exceed 50 KVA, subject to all rules and regulations established by the Cooperative.

**TYPE OF SERVICE:**

- A. Single-Phase, 120/240 volts, or
- B. Three-Phase, 240/480 volts, or
- C. Three-Phase, 120/208 wye volts

**RATES:**

Customer charge per delivery point	\$ 10.00 per month	(I)
Energy charge	0.08129 per KWH	(I)
Off peak energy charge	0.04877	(I)

Applicable only to programs which are expressly approved by the Commission to be offered under the Marketing Rate of East Kentucky Power Cooperative's Wholesale Power Rate Schedule A during the following off-peak hours. Energy furnished under this rate shall be separately metered for each point of delivery.

<b>Months</b>	<b>Off-Peak Hours (EST)</b>
October through April	12:00 noon to 5:00 PM 10:00 PM to 7:00 PM
May through September	10:00 PM to 10:00 AM

**DATE OF ISSUE:**

**DATE EFFECTIVE: APRIL 1, 2009**

**ISSUED BY: \_\_\_\_\_**

**TITLE: PRESIDENT/GENERAL MANAGER**

Issued by authority of an Order of the Public Service Commission of Kentucky in Case No. 2008-00401, dated

**FORM FOR FILING RATE SCHEDULES**

**FOR ALL TERRITORIES SERVED**

**PSC NO. 2008-00401**

**BIG SANDY RURAL ELECTRIC  
COOPERATIVE CORPORATION**

**ORIGINAL SHEET NO. 2**

**CANCELLING PSC NO. 2008-00410**

**ORIGINAL SHEET NO. 2**

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**CLASSIFICATION OF SERVICE**

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**SCHEDULE A-1 FARM & HOME**

**RATE PER UNIT**

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**MINIMUM CHARGES:**

The minimum monthly charge under the above rate is \$10.00. For members requiring more than 15 KVA of transformer capacity, the minimum monthly charge shall be increased at the rate of 75 cents for each additional KVA or fraction thereof required.

**TERMS OF PAYMENT:**

All of the above rates are net, the gross rates being seven percent (7%) higher. In the event the current monthly bill is not paid within 15 days from the date of the bill, the gross rates shall apply.

**SPECIAL RULES:**

- A. The rated capacity of a single-phase motor shall not be in excess of ten horsepower (10 hp).
- B. Motors having a rated capacity in excess of ten horsepower (10 hp) must be three phase.
- C. Service under this schedule is limited to customers whose load requirements can be met by transformers having a capacity not to exceed 50 KVA. Customers requiring more than 50 KVA shall be serviced under an appropriate schedule for larger power service.

**BUDGET BILLING:**

Members having an opportunity to sign agreements with the Cooperative for spreading billing evenly over a twelve (12) month period. The billing is based on estimated consumption made by a Cooperative representative. In May, the end of the twelve-month

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FORM FOR FILING RATE SCHEDULES

FOR ALL TERRITORIES SERVED

PSC NO. 2008-00401

**BIG SANDY RURAL ELECTRIC  
COOPERATIVE CORPORATION**

ORIGINAL SHEET NO. 3

CANCELLING PSC NO. 2008-00410

ORIGINAL SHEET NO. 3

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**CLASSIFICATION OF SERVICE**

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**SCHEDULE A-1 FARM & HOME**

**RATE PER UNIT**

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Period, the difference between payments and actual usage is adjusted by adding or crediting  
The difference of the regular electric service 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 10%  
and is based on a 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.

**DATE OF ISSUE:**

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No. 2008-00401, date

FORM FOR FILING RATE SCHEDULES

FOR ALL TERRITORIES SERVED

PSC NO. 2008-00401

**BIG SANDY RURAL ELECTRIC  
COOPERATIVE CORPORATION**

ORIGINAL SHEET NO. 4

CANCELLING PSC NO. 2008-00410

ORIGINAL SHEET NO. 4

**CLASSIFICATION OF SERVICE**

**SCHEDULE A-2 COMMERCIAL AND SMALL POWER**

**RATE PER UNIT**

**APPLICABLE:**

Entire territory served.

**AVAILABILITY OF SERVICE:**

Available to commercial loads having a required transformer capacity not to exceed 25 KVA

**TYPE OF SERVICE:**

Single-phase and Three-phase at a standard voltage

**RATES:**

Customer charge per delivery point	\$ 20.00	per month	(I)
Energy charge	0.07048	per KWH	(I)
Demand charge	5.00	per KW	(I)

**MINIMUM MONTHLY CHARGE:**

The minimum monthly charge under the above rate shall be \$20.00 where 15 KVA or less of transformer capacity is required. For consumers requiring more than 15 KVA of transformer capacity, the minimum monthly charge shall be increased at the rate of 75 cents for each additional KVA or fraction thereof required.

**MINIMUM ANNUAL CHARGE FOR SEASONAL SERVICE:**

Customers requiring service during, but not to exceed nine months per year may guarantee a minimum annual payment of twelve (12) times the minimum monthly charge determined in accordance with the foregoing section, in which case there shall be no minimum monthly charge.

**DATE OF ISSUE:**

**DATE EFFECTIVE: APRIL 1, 2009**

**ISSUED BY: \_\_\_\_\_**

**TITLE: PRESIDENT/GENERAL MANAGER**

FORM FOR FILING RATE SCHEDULES

FOR ALL TERRITORIES SERVED

PSC NO. 2008-00401

**BIG SANDY RURAL ELECTRIC  
COOPERATIVE CORPORATION**

ORIGINAL SHEET NO. 5

CANCELLING PSC NO. 2008-00410

ORIGINAL SHEET NO. 5

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**CLASSIFICATION OF SERVICE**

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**SCHEDULE A-2 COMMERCIAL AND SMALL POWER      RATE PER UNIT**

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**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 for line losses will not exceed 10% and is based on a 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.

**TEMPORARY SERVICE:**

Temporary service shall be supplied in accordance with the foregoing rate except that there shall be an additional charge of one dollar and twenty-five cents (\$1.25) for each kilowatt or fraction thereof of connected load for each month or fraction thereof that service is connected. Bills will not be prorated for a fractional part of a month. The customer shall in addition, pay the total cost of connecting and disconnecting service less the value of materials returned to stock. The cooperative may require a deposit, in advance, of two-twelfth (2/12) of the estimated annual bill.

**TERMS OF PAYMENT:**

All of the above rates are net, the gross rates being seven percent (7%) higher. In the event the current monthly bill is not paid within 15 days from the date of the bill, the gross rates shall apply.

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**DATE EFFECTIVE: APRIL 1, 2009**

**ISSUED BY: \_\_\_\_\_**

**TITLE: PRESIDENT/GENERAL MANAGER**

FORM FOR FILING RATE SCHEDULES

FOR ALL TERRITORIES SERVED

PSC NO. 2008-00401

BIG SANDY RURAL ELECTRIC  
COOPERATIVE CORPORATION

ORIGINAL SHEET NO. 6

CANCELLING PSC NO. 2008-00410

ORIGINAL SHEET NO. 6

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CLASSIFICATION OF SERVICE

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SCHEDULE A-2 COMMERCIAL AND SMALL POWER

RATE PER UNIT

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SPECIAL RULES:

- A. The rated capacity of a single-phase motor shall not be in excess of ten Horsepower (10 hp).
- B. Motors having a rated capacity in excess of ten horsepower (10 hp) Must be three-phase.
- C. Service under this schedule is limited to customers whose load requirements can be met by transformers having a capacity not to exceed 25 KVA. Customers requiring more than 25 KVA shall be served under an appropriate schedule for large power service.

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FORM FOR FILING RATE SCHEDULES

FOR ALL TERRITORIES SERVED

PSC NO. 2008-00401

ORIGINAL SHEET NO. 7

**BIG SANDY RURAL ELECTRIC  
COOPERATIVE CORPORATION**

CANCELLING PSC NO. 2008-00410

ORIGINAL SHEET NO. 7

**CLASSIFICATION OF SERVICE**

**SCHEDULE LP LARGE POWER SERVICE**

**RATE PER UNIT**

**APPLICABLE:**

Entire territory served.

**AVAILABILITY OF SERVICE:**

Available to customers located on or near Seller's three-phase lines having a required transformer capacity not to exceed 750 KVA, subject of the established rules and regulations of seller.

**RATES:**

Demand Charge	\$ 6.00	per KW of billing	(I)
Secondary Meter Energy Charge	0.05450	per KWH	(I)
Primary Meter Energy Charge	0.05249	per KWH	(I)
Customer Charge Per Delivery Point	62.00	per Month	(I)

**DETERMINATION OF BILLING DEMAND:**

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

**POWER FACTOR ADJUSTMENT:**

The customer agrees to maintain unity power factor as nearly as practicable. Should the demand meter indicate that the average power factor is less than ninety percent (90%), the demand for billing purposes shall be the demand as indicated or recorded by the demand meter multiplied by ninety percent (90%) and divided by the percentage power factor.

**DATE OF ISSUE:**

**DATE EFFECTIVE: APRIL 1, 2009**

**ISSUED BY: \_\_\_\_\_**

**TITLE: PRESIDENT/GENERAL MANAGER**

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FORM FOR FILING RATE SCHEDULES

FOR ALL TERRITORIES SERVED

BIG SANDY RURAL ELECTRIC  
COOPERATIVE CORPORATION

PSC NO. 2008-00401

ORIGINAL SHEET NO. 8

CANCELLING PSC NO. 2008-00410

ORIGINAL SHEET NO. 8

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CLASSIFICATION OF SERVICE

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SCHEDULE LP LARGE POWER SERVICE

RATE PER UNIT

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**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 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.

**MINIMUM MONTHLY CHARGE:**

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

- (1) The minimum monthly charge specified in the contract for service.
- (2) A charge of seventy-five cents (\$.75) per KVA of installed transformer capacity.
- (3) A charge of Sixty-two Dollars and no cents (\$62.00).

**MINIMUM ANNUAL CHARGE FOR SEASONAL SERVICE:**

Customers requiring service only during certain seasons not exceeding nine (9) months per year may guarantee a minimum annual payment of twelve (12) times the minimum monthly charge determined in accordance with the foregoing section in which case there shall be no minimum monthly charge.

**TYPE OF SERVICE:**

Three-phase, 60 hertz, at Seller's standard voltage.

DATE OF ISSUE:

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TITLE: PRESIDENT/GENERAL MANAGER

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FORM FOR FILING RATE SCHEDULES

FOR ALL TERRITORIES SERVED

PSC NO. 2008-00401

ORIGINAL SHEET NO. 9

**BIG SANDY RURAL ELECTRIC  
COOPERATIVE CORPORATION**

CANCELLING PSC NO. 2008-00410

ORIGINAL SHEET NO. 9

**CLASSIFICATION OF SERVICE**

**SCHEDULE LP LARGE POWER SERVICE**

**RATE PER UNIT**

**CONDITIONS OF SERVICE:**

1. Motors having a rated capacity in excess of ten horsepower (10 hp) must be three-phase.
2. Both power and lighting shall be billed at the foregoing rate. If a separate meter is required for the lighting circuit, it shall be a kilowatt-hour meter only (not a demand meter). The registration of the two kilowatt-hour meters shall be added to obtain the total kilowatt hours used and the registration of the one demand meter shall determine the kilowatt demand for billing purposes.
3. All wiring, pole lines, and other electrical equipment beyond the metering point, shall be considered the distribution system of the customer and shall be furnished and maintained by the customer.
4. If service is furnished at primary distribution voltage, the primary meter energy charge shall apply.

**TERMS OF PAYMENT:**

All of the above rates are net, the gross rates being seven percent (7%) higher, In the event the current monthly bill is not paid within 15 days from the date of the bill, the gross rates shall apply.

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**DATE EFFECTIVE: APRIL 1, 2009**

**ISSUED BY: \_\_\_\_\_**

**TITLE: PRESIDENT/GENERAL MANAGER**

FORM FOR FILING RATE SCHEDULES

FOR ALL TERRITORIES SERVED

PSC NO. 2008-00401

**BIG SANDY RURAL ELECTRIC  
COOPERATIVE CORPORATION**

ORIGINAL SHEET NO. 10

CANCELLING PSC NO. 2008-00410

ORIGINAL SHEET NO. 10

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**CLASSIFICATION OF SERVICE**

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**SCHEDULE LPR LARGE POWER SERVICE**

**RATE PER UNIT**

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**APPLICABLE:**

In all territory served.

**AVAILABILITY OF SERVICE:**

Available to all commercial and industrial customers whose power requirements shall exceed 750 KVA of transformer capacity.

**CONDITIONS:**

An "Agreement for Purchase of Power" shall be executed by the customer for service under this schedule.

**CHARACTER OF SERVICE:**

The electric service furnished under this schedule will be 60 hertz, alternating current and at available nominal voltage.

**RATE:**

Maximum Demand Charge:	\$ 6.00	per KW of billing demand	(I)
Secondary Meter Energy Charge:	0.05100	per KWH	(I)
Primary Meter Energy Charge:	0.04917	per KWH	(I)
Customer Charge Per Delivery Point:	\$ 83.04	per month	(I)

**DETERMINATION OF BILLING DEMAND:**

The billing demand shall be the maximum kilowatt demand established by the customer for any period of fifteen (15) consecutive minutes during the month for which the bill is

**DATE OF ISSUE:**

**DATE EFFECTIVE: APRIL 1, 2009**

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**TITLE: PRESIDENT/GENERAL MANAGER**

FORM FOR FILING RATE SCHEDULES

FOR ALL TERRITORIES SERVED

PSC NO. 2008-00401

**BIG SANDY RURAL ELECTRIC  
COOPERATIVE CORPORATION**

ORIGINAL SHEET NO. 11

CANCELLING PSC NO. 2008-00410

ORIGINAL SHEET NO. 11

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**CLASSIFICATION OF SERVICE**

---

**SCHEDULE LPR LARGE POWER SERVICE**

**RATE PER UNIT**

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rendered, as indicated or recorded by a demand meter and adjusted for power factor as provided below.

**POWER FACTOR ADJUSTMENT:**

The customer agrees to maintain unity power factor as nearly as practicable. Should the demand meter indicate that the average power factor is less than ninety percent (90%), the demand for billing purposes shall be the demand as indicated or recorded by the demand meter multiplied by ninety percent (90%), the demand for billing purposes shall be the demand as indicated or recorded by the demand meter multiplied by ninety percent (90%) and divided by the percentage power factor.

**MINIMUM CHARGES:**

The minimum monthly charge shall be the highest one of the following charges:

- (a) The minimum monthly charge as specified in the contract for service.
- (b) A charge of seventy-five cents (\$.75) per KVA per month of contract capacity.

**FUEL COST ADJUSTMENT:**

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.

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**ISSUED BY: \_\_\_\_\_**

**TITLE: PRESIDENT/GENERAL MANAGER**

FORM FOR FILING RATE SCHEDULES

FOR ALL TERRITORIES SERVED

PSC NO. 2008-00401

BIG SANDY RURAL ELECTRIC  
COOPERATIVE CORPORATION

ORIGINAL SHEET NO. 12

CANCELLING PSC NO. 2008-00410

ORIGINAL SHEET NO. 12

**CLASSIFICATION OF SERVICE**

**SCHEDULE LPR LARGE POWER SERVICE**

**RATE PER UNIT**

The allowance for line losses will not exceed 10% and is based on a 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.

**SPECIAL PROVISIONS:**

1. **Delivery Point** – If service is furnished at secondary voltage, the delivery point shall be the metering point unless otherwise specified in the contract for service. All wiring, pole lines, and other electric equipment on the load side of the delivery point shall be the point of attachment of Seller’s primary line to customer’s transformer structure unless otherwise specified in the contract for service. All wiring, pole lines, and other electrical equipment (except metering equipment on the load side of the delivery point) shall be owned and maintained by the customer.
2. **Lighting** – Both power and lighting shall be billed at the foregoing rate.
3. **Primary Service** – If service is furnished at 7620/13200 volts or above, the Primary Meter Energy Charge shall apply.

**TERMS OF PAYMENT:**

All of the above rates are net, the gross rates being seven percent (7%) higher. In the event the current monthly bill is not paid within 15 days from the date of the bill, the gross rates shall apply.

**DATE OF ISSUE:**  
**ISSUED BY:** \_\_\_\_\_

**DATE EFFECTIVE:** APRIL 1, 2009  
**TITLE:** PRESIDENT/GENERAL MANAGER

FORM FOR FILING RATE SCHEDULES

FOR ALL TERRITORIES SERVED

PSC NO. 2008-00401

ORIGINAL SHEET NO. 13

**BIG SANDY RURAL ELECTRIC  
COOPERATIVE CORPORATION**

CANCELLING PSC NO. 2008-00410

ORIGINAL SHEET NO. 13

**CLASSIFICATION OF SERVICE**

**SCHEDULE YL-1**

**RATE PER UNIT**

**APPLICABLE:**

Entire territory served.

**AVAILABILITY OF SERVICE:**

Available to all members of the Cooperative subject to its established rules and regulations.

**TYPE OF SERVICE:**

Single-Phase, 120 volts, mercury vapor type or equivalent lighting unit.

**RATES:**

Flat rate per light per month as follows:

175	Watt	@	\$ 8.30	per month	(I)
400	Watt	@	12.27	per month	(I)
500	Watt	@	14.34	per month	(I)
1,500	Watt	@	32.75	per month	(I)
400	Watt Flood	@	16.82	per month	(I)

**TERMS OF PAYMENT:**

All of the above rates are net, the gross rates being seven percent (7%) higher. In the event the current monthly bill is not paid within 15 days from the date of the bill, the gross rates shall apply.

**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%

**DATE OF ISSUE:**

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**TITLE: PRESIDENT/GENERAL MANAGER**

Issued by authority of an Order of the Public Service Commission of Kentucky in Case No. 2008-00401, dated

FORM FOR FILING RATE SCHEDULES

FOR ALL TERRITORIES SERVED

**BIG SANDY RURAL ELECTRIC  
COOPERATIVE CORPORATION**

PSC NO. 2008-00401

ORIGINAL SHEET NO. 14

CANCELLING PSC NO. 2008-00410

ORIGINAL SHEET NO. 14

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**CLASSIFICATION OF SERVICE**

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**SCHEDULE YL-1**

**RATE PER UNIT**

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and is based on a 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.

**SPECIAL RULES:**

Those members having primary metering or receiving service at a voltage other than approximately 120 volts shall not be eligible for service under this rate schedule except for special agreement.

**DATE OF ISSUE:**

**DATE EFFECTIVE: APRIL 1, 2009**

**ISSUED BY:** \_\_\_\_\_

**TITLE: PRESIDENT/GENERAL MANAGER**

Issued by authority of an Order of the Public Service Commission of Kentucky in Case No. 2008-00401, dated

FORM FOR FILING RATE SCHEDULES

FOR ALL TERRITORIES SERVED

PSC NO. 2008-00401

BIG SANDY RURAL ELECTRIC  
COOPERATIVE CORPORATION

ORIGINAL SHEET NO. 15

CANCELLING PSC NO. 2008-00410

ORIGINAL SHEET NO. 15

CLASSIFICATION OF SERVICE

SCHEDULE IND 1

RATE PER UNIT

APPLICABLE:

Applicable to contracts with contract demands of 1000 KW or greater with a monthly energy usage equal to or greater than 425 hours per KW of Billing Demand. These contracts will be a "two party" contract between the Cooperative and the ultimate consumer.

AVAILABILITY:

Available to all members.

MONTHLY RATE:

Demand Charge:	\$ 5.93	per KW of Billing Demand	(I)
Secondary Meter Energy Charge	0.04620	per KWH	(I)
Primary Meter Energy Charge:	0.04557	per KWH	(I)
Customer Charge:	\$ 165.06		(I)

BILLING DEMAND:

The Kilowatt 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:

Months:

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

DATE OF ISSUE:

DATE EFFECTIVE: APRIL 1, 2009

ISSUED BY: \_\_\_\_\_

TITLE: PRESIDENT/GENERAL MANAGER

Issued by authority of an Order of the Public Service Commission of Kentucky in Case No. 2008-00401, dated

FORM FOR FILING RATE SCHEDULES

FOR ALL TERRITORIES SERVED

BIG SANDY RURAL ELECTRIC  
COOPERATIVE CORPORATION

PSC NO. 2008-00401

ORIGINAL SHEET NO. 16

CANCELLING PSC NO. 2008-00410

ORIGINAL SHEET NO. 16

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CLASSIFICATION OF SERVICE

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SCHEDULE IND 1

RATE PER UNIT

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MINIMUM MONTHLY CHARGE:

The Minimum monthly charge shall not be less than the sum of (A), (B) & (C) below:

- A. The product of the billing demand multiplies by the demand charge, plus
- B. The product of the billing demand multiplies by 425 hours and the energy charge per KWH,  
plus
- C. Consumer Charge

POWER FACTOR ADJUSTMENT:

The consumer agrees to maintain unity power factor as nearly as practicable. Should the demand meter indicate that the average power factor is less than ninety percent (90%), the demand for billing purposes shall be the demand as indicated or recorded by the demand meter multiplied by ninety percent (90%) and dividing this product by the actual power factor at the time of the monthly maximum demand.

DATE OF ISSUE:

DATE EFFECTIVE: APRIL 1, 2009

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TITLE: PRESIDENT/GENERAL MANAGER

Issued by authority of an Order of the Public Service Commission of Kentucky in Case No. 2008-00401, dated

FORM FOR FILING RATE SCHEDULES

FOR ALL TERRITORIES SERVED

PSC NO. 2008-00401

ORIGINAL SHEET NO. 17

BIG SANDY RURAL ELECTRIC  
COOPERATIVE CORPORATION

CANCELLING PSC NO. 2008-00410

ORIGINAL SHEET NO. 17

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CLASSIFICATION OF SERVICE

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SCHEDULE IND 1

RATE PER UNIT

---

**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 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.

**SPECIAL PROVISIONS:**

1. **Delivery Point** – If service is furnished at secondary voltage, the delivery point shall be the metering point unless otherwise specified in the contract for service. All wiring, pole lines, and other electric equipment on the load side of the delivery point shall be owned and maintained by the customer. If service is furnished at Seller's primary line voltage, the delivery point shall be the point of attachment of Seller's primary line to customer's transformer structure unless otherwise specified in the contract for service. All wiring, pole lines, and other electrical equipment (except metering equipment on the load side of the delivery point) shall be owned and maintained by the customer.
2. **Lighting** – Both power and lighting shall be billed at the foregoing rate.

DATE OF ISSUE:

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ISSUED BY: \_\_\_\_\_

TITLE: PRESIDENT/GENERAL MANAGER

Issued by authority of an Order of the Public Service Commission of Kentucky in Case No. 2008-00401, dated

FORM FOR FILING RATE SCHEDULES

FOR ALL TERRITORIES SERVED

PSC NO. 2008-00401

**BIG SANDY RURAL ELECTRIC  
COOPERATIVE CORPORATION**

ORIGINAL SHEET NO. 18

CANCELLING PSC NO. 2008-00410

ORIGINAL SHEET NO. 18

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**CLASSIFICATION OF SERVICE**

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**SCHEDULE IND 1**

**RATE PER UNIT**

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3. Primary Service – If service is furnished at 7620/13200 volts or above, the Primary Meter Energy Charge shall apply.

**TERMS OF PAYMENT:**

All of the above rates are net, the gross rates being seven percent (7%) higher. In the event the current monthly bill is not paid within 15 days from the date of the bill, the gross rates shall apply.

**DATE OF ISSUE:**

**DATE EFFECTIVE: APRIL 1, 2009**

**ISSUED BY: \_\_\_\_\_**

**TITLE: PRESIDENT/GENERAL MANAGER**

Issued by authority of an Order of the Public Service Commission of Kentucky in Case No. 2008-00401, dated

FORM FOR FILING RATE SCHEDULES

FOR ALL TERRITORIES SERVED

PSC NO. 2008-00401

**BIG SANDY RURAL ELECTRIC  
COOPERATIVE CORPORATION**

ORIGINAL SHEET NO. 19

CANCELLING PSC NO. 2008-00410

ORIGINAL SHEET NO. 19

**CLASSIFICATION OF SERVICE**

**SCHEDULE IND 2**

**RATE PER UNIT**

**APPLICABLE:**

Applicable to contracts with contract demands of 5000 KW or greater with a monthly energy usage equal to or greater than 425 hours per KW of Billing Demand. These contracts will be a "two party" contract between the Cooperative and the ultimate consumer.

**AVAILABILITY:**

Available to all members.

**MONTHLY RATE:**

Demand Charge:	\$ 5.93	per KW of Billing Demand	(I)
Secondary Meter Energy Charge	0.04070	per KWH	(I)
Primary Meter Energy Charge	0.04021	per KWH	(I)
Customer Charge	\$ 1,176.33		(I)

**BILLING DEMAND:**

The Kilowatt 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.

**DATE OF ISSUE:**

**DATE EFFECTIVE: APRIL 1, 2009**

**ISSUED BY:** \_\_\_\_\_

**TITLE: PRESIDENT/GENERAL MANAGER**



FORM FOR FILING RATE SCHEDULES

FOR ALL TERRITORIES SERVED

PSC NO. 2008-00401

**BIG SANDY RURAL ELECTRIC  
COOPERATIVE CORPORATION**

ORIGINAL SHEET NO. 21

CANCELLING PSC NO. 2008-00410

ORIGINAL SHEET NO. 21

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**CLASSIFICATION OF SERVICE**

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**SCHEDULE IND 2**

**RATE PER UNIT**

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moving average of such losses. This fuel clause is subject to all other applicable provisions as set out in 807 KAR 5:056.

**SPECIAL PROVISIONS:**

1. **Delivery Point** – If service is furnished at secondary voltage, the delivery point shall be the metering point unless otherwise specified in the contract for service. All wiring, pole lines, and other electric equipment on the load side of the delivery point shall be owned and maintained by the customer. If service is furnished at Seller's primary line voltage, the delivery point shall be the point of attachment of Seller's primary line to customer's transformer structure unless otherwise specified in the contract for service. All wiring, pole lines, and other electrical equipment (except metering equipment on the load side of the delivery point) shall be owned and maintained by the customer.
2. **Lighting** – Both power and lighting shall be billed at the foregoing rate.
3. **Primary Service** – If service is furnished at 7620/13200 volts or above, the Primary Meter Energy Charge shall apply.

**TERMS OF PAYMENT:**

All of the above rates are net, the gross rates being seven percent (7%) higher. In the event the current monthly bill is not paid within 15 days from the date of the bill, the gross rates shall apply

**DATE OF ISSUE:**

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**TITLE: PRESIDENT/GENERAL MANAGER**

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FORM FOR FILING RATE SCHEDULES

FOR ALL TERRITORIES SERVED

PSC NO. 2008-00401

ORIGINAL SHEET NO. 1

BIG SANDY RURAL ELECTRIC  
COOPERATIVE CORPORATION

CANCELLING PSC NO. 2005-00125

ORIGINAL SHEET NO. 1

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CLASSIFICATION OF SERVICE

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SCHEDULE	CATV TELEVISION ATTACHMENT TARIFF	RATE PER UNIT
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**APPLICABLE:**

In all territory served by the company on poles owned and used by the Company for their electric plant.

**AVAILABILITY:**

To all qualified CATV operators having the right to receive service.

**RENTAL CHARGE:**

The yearly rental charge shall be as follows:

	<u>Annual</u>
Two-party pole attachment	\$ 6.64 (I)
Three-party pole attachment	4.87 (I)

**BILLING:**

Rental charges shall be billed yearly in advance based on the number of pole attachments. The rental charges are net, the gross being ten percent (10%) higher. In the event the current annual bill is not paid within thirty (30) days from the date of the bill, the gross rate shall apply.

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TITLE: PRESIDENT/GENERAL MANAGER

Issued by authority of an Order of the Public Service Commission of Kentucky in Case No. 2008-00401.

FORM FOR FILING RATE SCHEDULES

FOR ALL TERRITORIES SERVED

PSC NO. 2008-00410<sup>101</sup>

BIG SANDY RURAL ELECTRIC  
COOPERATIVE CORPORATION

ORIGINAL SHEET NO. 1

CANCELLING PSC NO. 2006-00511<sup>2009-00410</sup>

ORIGINAL SHEET NO. 1

CLASSIFICATION OF SERVICE

SCHEDULE A-1 FARM & HOME

RATE PER UNIT

APPLICABLE:

Entire territory served.

AVAILABILITY OF SERVICE:

Available to members of this Cooperative for Farm and Home use having a required transformer capacity not to exceed 50 KVA, subject to all rules and regulations established by the Cooperative.

TYPE OF SERVICE:

- A. Single-Phase, 120/240 volts, or
- B. Three-Phase, 240/480 volts, or
- C. Three-Phase, 120/208 wye volts

RATES:

Customer charge per delivery point	<del>\$7.70 per month</del> 10.00 (I)
Energy charge	<del>\$0.07481 per kWh</del> 0.08129 (I)
Off peak energy charge	<del>\$0.04488 per kWh</del> 0.64877 (I)

Applicable only to programs which are expressly approved by the Commission to be offered under the Marketing Rate of East Kentucky Power Cooperative's Wholesale Power Rate Schedule A during the following off-peak hours. Energy furnished under this rate shall be separately metered for each point of delivery.

Months	Off-Peak Hours (EST)
October through April	12:00 noon to 5:00 PM 10:00 PM to 7:00 PM
May through September	10:00 PM to 10:00 AM

Issued by the authority of an Order of the Public Service Commission of Kentucky in Case No. 2008-00410  
Dated March 31, 2009.

DATE OF ISSUE: MARCH 26, 2009  
ISSUED BY: Sally Auten

DATE EFFECTIVE: APRIL 1, 2009  
TITLE: PRESIDENT/GENERAL MANAGER

FORM FOR FILING RATE SCHEDULES

FOR ALL TERRITORIES SERVED

BIG SANDY RURAL ELECTRIC  
COOPERATIVE CORPORATION

PSC NO. 2008-00410<sup>d01</sup>

ORIGINAL SHEET NO. 2

CANCELLING PSC NO. 2006-00511<sup>2008-00410</sup>

ORIGINAL SHEET NO. 2

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CLASSIFICATION OF SERVICE

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SCHEDULE A-1 FARM & HOME

RATE PER UNIT

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MINIMUM CHARGES:

The minimum monthly charge under the above rate is <sup>10.00</sup>~~\$7.70~~. For members requiring more than 15 KVA of transformer capacity, the minimum monthly charge shall be increased at the rate of 75 cents for each additional KVA or fraction thereof required.

TERMS OF PAYMENT:

All of the above rates are net, the gross rates being seven percent (7%) higher. In the event the current monthly bill is not paid within 15 days from the date of the bill, the gross rates shall apply.

SPECIAL RULES:

- A. The rated capacity of a single-phase motor shall not be in excess of ten horsepower (10 hp).
- B. Motors having a rated capacity in excess of ten horsepower (10 hp) must be three phase.
- C. Service under this schedule is limited to customers whose load requirements can be met by transformers having a capacity not to exceed 50 KVA. Customers requiring more than 50 KVA shall be serviced under an appropriate schedule for larger power service.

BUDGET BILLING:

Members having an opportunity to sign agreements with the Cooperative for spreading billing evenly over a twelve (12) month period. The billing is based on estimated consumption made by a Cooperative representative. In May, the end of the twelve-month

Issued by the authority of an Order of the Public Service Commission of Kentucky in Case No. 2008-00410<sup>60401</sup>,  
Dated March 31, 2009.

DATE OF ISSUE: MARCH 26, 2009

DATE EFFECTIVE: APRIL 1, 2009

ISSUED BY: *Robby Sexton*

TITLE: PRESIDENT/GENERAL MANAGER

FORM FOR FILING RATE SCHEDULES

FOR ALL TERRITORIES SERVED

PSC NO. 2008-00410<sup>00401</sup>

BIG SANDY RURAL ELECTRIC  
COOPERATIVE CORPORATION

ORIGINAL SHEET NO. 4

CANCELLING PSC NO. 2006-00511<sup>2008-00410</sup>

ORIGINAL SHEET NO. 4

CLASSIFICATION OF SERVICE

SCHEDULE A-2 COMMERCIAL AND SMALL POWER

RATE PER UNIT

APPLICABLE:

Entire territory served.

AVAILABILITY OF SERVICE:

Available to commercial loads having a required transformer capacity not to exceed 25 KVA

TYPE OF SERVICE:

Single-phase and Three-phase at a standard voltage

RATES:

Customer charge per delivery point	\$16.51	per month	20.00	(I)
Energy charge	<del>\$0.06762</del>	per kWh	0.07048	(I)
Demand charge	<del>\$4.40</del>	per kW	5.00	(I)

MINIMUM MONTHLY CHARGE:

The minimum monthly charge under the above rate shall be ~~\$16.51~~<sup>20.00</sup> where 15 KVA or less of transformer capacity is required. For consumers requiring more than 15 KVA of transformer capacity, the minimum monthly charge shall be increased at the rate of 75 cents for each additional KVA or fraction thereof required.

MINIMUM ANNUAL CHARGE FOR SEASONAL SERVICE:

Customers requiring service during, but not to exceed nine months per year may guarantee a minimum annual payment of twelve (12) times the minimum monthly charge determined in accordance with the foregoing section, in which case there shall be no minimum monthly charge.

Issued by the authority of an Order of the Public Service Commission of Kentucky in Case No. 2008-00410<sup>00401</sup>,  
Dated March 31, 2009.

DATE OF ISSUE: MARCH 26, 2009  
ISSUED BY: *[Signature]*

DATE EFFECTIVE: APRIL 1, 2009  
TITLE: PRESIDENT/GENERAL MANAGER

PSC Request 1  
Page 5 of 10

FORM FOR FILING RATE SCHEDULES

FOR ALL TERRITORIES SERVED

PSC NO. 2008-00410 <sup>00401</sup>

BIG SANDY RURAL ELECTRIC  
COOPERATIVE CORPORATION

ORIGINAL SHEET NO. 7

CANCELLING PSC NO. ~~2006-00511~~ <sup>2006-00410</sup>

ORIGINAL SHEET NO. 7

CLASSIFICATION OF SERVICE

SCHEDULE LP LARGE POWER SERVICE

RATE PER UNIT

APPLICABLE:

Entire territory served.

AVAILABILITY OF SERVICE:

Available to customers located on or near Seller's three-phase lines having a required transformer capacity not to exceed 750 KVA, subject of the established rules and regulations of seller.

RATES:

Demand Charge	<del>\$5.61</del>	per kW of billing	6.00	(1)
Secondary Meter Energy Charge	<del>\$0.05374</del>	per kWh	0.05450	(1)
Primary Meter Energy Charge	<del>\$0.05298</del>	per KWH	0.05249	(1)
Customer Charge Per Delivery Point	<del>\$55.02</del>	per Month	62.00	(1)

DETERMINATION OF BILLING DEMAND:

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

POWER FACTOR ADJUSTMENT:

The customer agrees to maintain unity power factor as nearly as practicable. Should the demand meter indicate that the average power factor is less than ninety percent (90%), the demand for billing purposes shall be the demand as indicated or recorded by the demand meter multiplied by ninety percent (90%) and divided by the percentage power factor.

Issued by the authority of an Order of the Public Service Commission of Kentucky in Case No. 2008-00410, <sup>00401</sup>  
Dated March 31, 2009.

DATE OF ISSUE: MARCH 26, 2009

DATE EFFECTIVE: APRIL 1, 2009

ISSUED BY: *Lobby Sexton*

TITLE: PRESIDENT/GENERAL MANAGER

FORM FOR FILING RATE SCHEDULES

FOR ALL TERRITORIES SERVED

PSC NO. 2008-00410<sup>401</sup>

BIG SANDY RURAL ELECTRIC  
COOPERATIVE CORPORATION

ORIGINAL SHEET NO. 8

CANCELLING PSC NO. 2006-00473<sup>2008-00410</sup>

ORIGINAL SHEET NO. 8

CLASSIFICATION OF SERVICE

SCHEDULE LP LARGE POWER SERVICE

RATE PER UNIT

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 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.

MINIMUM MONTHLY CHARGE:

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

- (1) The minimum monthly charge specified in the contract for service.
- (2) A charge of seventy-five cents (\$.75) per KVA of installed transformer capacity.
- (3) A charge of ~~Fifty One Dollars and twenty-nine cents \$55.02~~ <sup>Sixty-two</sup> ~~cents~~ <sup>no</sup> ~~\$55.02~~ <sup>62.00</sup>

MINIMUM ANNUAL CHARGE FOR SEASONAL SERVICE:

Customers requiring service only during certain seasons not exceeding nine (9) months per year may guarantee a minimum annual payment of twelve (12) times the minimum monthly charge determined in accordance with the foregoing section in which case there shall be no minimum monthly charge.

TYPE OF SERVICE:

Three-phase, 60 hertz, at Seller's standard voltage.

Issued by the authority of an Order of the Public Service Commission of Kentucky in Case No. 2008-00410<sup>00401</sup>,  
Dated March 31, 2009.

DATE OF ISSUE: MARCH 26, 2009  
ISSUED BY: 

DATE EFFECTIVE: APRIL 1, 2009  
TITLE: PRESIDENT/GENERAL MANAGER

FORM FOR FILING RATE SCHEDULES

FOR ALL TERRITORIES SERVED

PSC NO. 2008-00410 <sup>00401</sup>

BIG SANDY RURAL ELECTRIC  
COOPERATIVE CORPORATION

ORIGINAL SHEET NO. 10

CANCELLING PSC NO. ~~2006-00511~~ <sup>2008-00410</sup>

ORIGINAL SHEET NO. 10

CLASSIFICATION OF SERVICE

SCHEDULE LPR LARGE POWER SERVICE

RATE PER UNIT

APPLICABLE:

In all territory served.

AVAILABILITY OF SERVICE:

Available to all commercial and industrial customers whose power requirements shall exceed 750 KVA of transformer capacity.

CONDITIONS:

An "Agreement for Purchase of Power" shall be executed by the customer for service under this schedule.

CHARACTER OF SERVICE:

The electric service furnished under this schedule will be 60 hertz, alternating current and at available nominal voltage.

RATE:

Maximum Demand Charge:	<del>\$5.61</del>	per kW of billing demand	6.00 (I)
Secondary Meter Energy Charge:	<del>-\$0.05123</del>	per kWh	0.05100 (I)
Primary Meter Energy Charge:	<del>\$0.05050</del>	per kWh	0.04917 (I)
Customer Charge Per Delivery Point:	<del>\$82.54</del>	per month	83.04 (I)

DETERMINATION OF BILLING DEMAND:

The billing demand shall be the maximum kilowatt demand established by the customer for any period of fifteen (15) consecutive minutes during the month for which the bill is

Issued by the authority of an Order of the Public Service Commission of Kentucky in Case No. 2008-00410, <sup>00401</sup>  
Dated March 31, 2009.

DATE OF ISSUE: MARCH 26, 2009

DATE EFFECTIVE: APRIL 1, 2009

ISSUED BY: *Bobby Sexton*

TITLE: PRESIDENT/GENERAL MANAGER

FORM FOR FILING RATE SCHEDULES

FOR ALL TERRITORIES SERVED

PSC NO. 2008-00410<sup>401</sup>

BIG SANDY RURAL ELECTRIC  
COOPERATIVE CORPORATION

ORIGINAL SHEET NO. 13

CANCELLING PSC NO. 2006-00511<sup>2008-00410</sup>

ORIGINAL SHEET NO. 13

CLASSIFICATION OF SERVICE

SCHEDULE YL-1

RATE PER UNIT

APPLICABLE:

Entire territory served.

AVAILABILITY OF SERVICE:

Available to all members of the Cooperative subject to its established rules and regulations.

TYPE OF SERVICE:

Single-Phase, 120 volts, mercury vapor type or equivalent lighting unit.

RATES:

Flat rate per light per month as follows:

175	Watt	@	\$ <del>7.72</del> per month	8.30	(I)
400	Watt	@	\$11.41 per month	12.27	(I)
500	Watt	@	\$13.33 per month	14.34	(I)
1,500	Watt	@	\$30.45 per month	32.75	(I)
400 Watt Flood		@	\$15.64 per month	16.52	(I)

TERMS OF PAYMENT:

All of the above rates are net, the gross rates being seven percent (7%) higher. In the event the current monthly bill is not paid within 15 days from the date of the bill, the gross rates shall apply.

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%

Issued by the authority of an Order of the Public Service Commission of Kentucky in Case No. 2008-00410,<sup>00401</sup>  
Dated March 31, 2009.

DATE OF ISSUE: MARCH 26, 2009

DATE EFFECTIVE: APRIL 1, 2009

ISSUED BY: 

TITLE: PRESIDENT/GENERAL MANAGER

FORM FOR FILING RATE SCHEDULES

FOR ALL TERRITORIES SERVED

PSC NO. 2008-00410<sup>00401</sup>

BIG SANDY RURAL ELECTRIC  
COOPERATIVE CORPORATION

ORIGINAL SHEET NO. 15

CANCELLING PSC NO. 2006-00511<sup>2008-00410</sup>

ORIGINAL SHEET NO. 15

CLASSIFICATION OF SERVICE

SCHEDULE IND 1

RATE PER UNIT

APPLICABLE:

Applicable to contracts with contract demands of 1000 KW or greater with a monthly energy usage equal to or greater than 425 hours per KW of Billing Demand. These contracts will be a "two party" contract between the Cooperative and the ultimate consumer.

AVAILABILITY:

Available to all members.

MONTHLY RATE:

Demand Charge:	\$ 5.93	per KW of Billing Demand	(I)
Secondary Meter Energy Charge	\$0 .04620	per KWH	(I)
Primary Meter Energy Charge:	\$0 .04557	per KWH	(I)
Customer Charge:	\$165.06		(I)

BILLING DEMAND:

The Kilowatt 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:

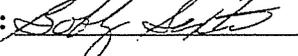
Months:

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

Issued by the authority of an Order of the Public Service Commission of Kentucky in Case No. 2008-00410,  
Dated March 31, 2009.

DATE OF ISSUE: MARCH 26, 2009

DATE EFFECTIVE: APRIL 1, 2009

ISSUED BY: 

TITLE: PRESIDENT/GENERAL MANAGER

FORM FOR FILING RATE SCHEDULES

FOR ALL TERRITORIES SERVED

<sup>00401</sup>  
PSC NO. 2008-00410

BIG SANDY RURAL ELECTRIC  
COOPERATIVE CORPORATION

ORIGINAL SHEET NO. 19

<sup>2008-00410</sup>  
CANCELLING PSC NO. ~~2006-00511~~

ORIGINAL SHEET NO. 19

CLASSIFICATION OF SERVICE

SCHEDULE IND 2

RATE PER UNIT

APPLICABLE:

Applicable to contracts with contract demands of 5000 KW or greater with a monthly energy usage equal to or greater than 425 hours per KW of Billing Demand. These contracts will be a "two party" contract between the Cooperative and the ultimate consumer.

AVAILABILITY:

Available to all members.

MONTHLY RATE:

Demand Charge:	\$ 5.93	per KW of Billing Demand	(I)
Secondary Meter Energy Charge	\$0 .04070	per KWH	(I)
Primary Meter Energy Charge	\$0 .04021	per KWH	(I)
Customer Charge	\$1,176.33		(I)

BILLING DEMAND:

The Kilowatt 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.

Issued by the authority of an Order of the Public Service Commission of Kentucky in Case No. 2008-00410,  
Dated March 31, 2009. <sup>00401</sup>

DATE OF ISSUE: MARCH 26, 2009

DATE EFFECTIVE: APRIL 1, 2009

ISSUED BY: 

TITLE: PRESIDENT/GENERAL MANAGER

FORM FOR FILING RATE SCHEDULES

FOR ALL TERRITORIES SERVED

PSC NO. ~~2005-00125~~ 2008-00401

BIG SANDY RURAL ELECTRIC  
COOPERATIVE CORPORATION

ORIGINAL SHEET NO. 1

CANCELLING PSC NO. ~~95-383~~ 2005-00125

ORIGINAL SHEET NO. 1

CLASSIFICATION OF SERVICE

SCHEDULE                      CATV TELEVISION ATTACHMENT TARIFF                      RATE PER UNIT

APPLICABLE:

In all territory served by the company on poles owned and used by the Company for their electric plant.

AVAILABILITY:

To all qualified CATV operators having the right to receive service.

RENTAL CHARGE:

The yearly rental charge shall be as follows:

	<u>Annual</u>
Two-party pole attachment	<del>\$4.92</del> 6 64
Three-party pole attachment	<del>4.01</del> 4 87
Two-party anchor attachment	<del>2.13</del>
Three-party anchor attachment	<del>1.41</del>
Two-party pole ground attachment	<del>0.27</del>
Three-party pole ground attachment	<del>0.17</del>

Delete

BILLING:

Rental charges shall be billed yearly in advance based on the number of pole attachments. The rental charges are net, the gross being ten percent (10%) higher. In the event the current annual bill is not paid within thirty (30) days from the date of the bill, the gross rate shall apply.

DATE OF ISSUE: ~~SEPT-07, 2005~~ DATE EFFECTIVE: ~~OCTOBER-01, 2005~~ April 1, 2009  
ISSUED BY: \_\_\_\_\_ TITLE: PRESIDENT/GENERAL MANAGER

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

~~2005-00125, dated 09/29/05.~~

2008-00401.

RECEIVED

MAY - 4 2009

PUBLIC SERVICE  
COMMISSION

Settlement – Exhibit B

Page 1 of 2

BIG SANDY RECC  
CASE NO. 2008-000401

DIRECT TESTIMONY OF JAMES R. ADKINS

- 1Q. What is the purpose of your testimony?
- 1A. The purpose of my testimony is to explain the development of the rates based on the settlement that has been reached with the Office of the Attorney General (“OAG”) with Farmers RECC. The OAG has agreed to allow Big Sandy RECC (“BSRECC”) increase its rates by the amount of \$1,739,501. This amount is \$161,519 less than the original request. This increase amount is for BSRECC’s own distribution costs and is separate from the recent increase in BSRECC’s purchased power costs
- 2Q. What has been the basis for allocating this change from the original application to BSRECC’s rate classes and in the resulting rate design?
- 2A. This change has been accomplished by completing a new Cost of Service Study (“COSS”) which included the change in wholesale rates and the reduction in expenses contained in the settlement with the OAG. The change in rate design was accomplished by changing the energy rate for the applicable rate classes and the lamp charges for the lighting classes.
- 3Q. How can we determine that the proposed rate design will provide the amount of revenue in the settlement.

3A. As a part of this agreement is a billing analysis which develops the amount of revenues that BSRECC would receive from its current rates applied to the test year billing units and from its proposed rates applied to the test billing units. The proof of revenues results in an increase of \$1,739,501.

4Q. Will these proposed rates meet the needs of FBSRECC.

4A. The proposed rates as a result of this settlement will provide for the immediate financial needs of BSRECC and should insure that BSRECC will meet its mortgage requirements for a few years.

5Q. What documentation is BSRECC providing in support of this settlement.

5A. The following additional documents are provided as support.

- A comparative schedule of proposed rates and current rates;
- A billing analysis which includes the revenues for the rates in effect at the end of the test year, the current rates (Case No. 2008-000414) and the proposed rates;
- The increase amount for each rate class; and
- The proposed rate design.

6Q. Does this conclude your testimony?

6A. This concludes my testimony.

Big Sandy Rural Electric  
Case No. 2008-00401  
Revenue Analysis  
August 31, 2008

	Rate Schedule	Kwh Usage	Test Year Revenue	Percent of Total	Normalized Case No. 2006-0511	Percent of Total	Normalized Case No. 2008-0410	Percent of Total	Proposed Revenue	Percent of Total	Increase Amount	Percent
10	A-1, Farm and Home	180,351,531	\$13,619,913	69%	\$13,619,913	69%	\$14,609,772	69%	\$16,111,733	76%	\$1,501,961	10.3%
11	A-2, Commercial and Small Power	13,310,272	1,258,677	6%	1,258,678	6%	1,350,270	6%	1,464,142	7%	113,871	8.4%
12	LP, Large Power Service	31,079,924	2,216,821	11%	2,216,820	11%	2,377,906	11%	2,444,936	12%	67,030	2.8%
13	LPR, Large Power Service	30,573,620	1,997,333	10%	1,997,333	10%	2,142,435	10%	2,142,496	10%	62	0.0%
14	Schedule 6, Security Lights	7,504,455	713,922	4%	713,922	4%	765,521	4%	823,252	4%	57,730	7.5%
15	Envirowatts	58,800	1,661	0%	1,661	0%	1,661	0%	1,661	0%	0	0.0%
16	Rounding differences								0		(1,154)	
17												
18	Total from base rates	<u>262,878,602</u>	19,808,328	100%	<u>\$19,808,328</u>	100%	<u>\$21,247,565</u>	100%	<u>\$22,988,219</u>	108%	<u>\$1,739,501</u>	8.2%
19												
20	Fuel adjustment billed		1,461,065									
21	Environmental surcharge billed		<u>1,127,948</u>									
22	Increase		\$22,397,341		\$0		\$1,439,237		\$1,740,655			
23												
24												
25												
26												
27												

7.27%

Schedule A1 - Farm and Home

Description	Billing Determinants	Test Year	Normalized Case No. 2006-00511		Normalized Case No. 2008-00410		Proposed	
			Rates	Revenues	Rates	Revenues	Rates	Revenues
Customer Charge	144,805	\$1,039,700	\$7.18	\$1,039,700	\$7.70	\$1,114,999	\$10.00	\$1,448,050
Energy charge per kWh	180,351,531	12,577,719	\$0.06974	12,577,716	\$0.07481	13,492,098	\$0.08129	14,660,776
Off peak energy charge	59,599	2,494	\$0.04184	2,494	\$0.04489	2,675	\$0.04877	2,907
				4				
Total from base rates		13,619,913		\$13,619,913		\$14,609,772		\$16,111,733
Fuel adjustment		1,008,962						
Environmental surcharge		808,549						
Total revenues		\$15,437,424						
Amount		\$0		\$0		\$989,858		\$1,501,961
Percent		0.0%		0.0%		7.3%		10.3%
Average monthly bill		\$94.06		\$94.06		\$100.89		\$111.27
Amount		\$0.00		\$0.00		\$6.84		\$10.37
Percent		0.0%		0.0%		7.3%		10.3%

Schedule A-2, Commercial and Small Power

Description	Billing Determinants	Test Year Revenues	Normalized Case No. 2006-00511		Normalized Case No. 2008-00410		Proposed	
			Rates	Revenues	Rates	Revenues	Rates	Revenues
Customer Charge	11,633	\$179,032	\$15.39	\$179,032	\$16.51	\$192,061	\$20.00	\$232,660
Demand charge	58,675	\$240,566	\$4.10	240,566	\$4.40	258,169	\$5.00	293,374
Energy charge	13,310,272	839,079	\$0.06304	839,080	\$0.06762	900,041	\$0.07048	938,108
Total from base rates		1,258,677		<u>\$1,258,678</u>		<u>\$1,350,270</u>		<u>\$1,464,142</u>
Fuel adjustment		81,376						
Environmental surcharge		73,953						
Total revenues		<u>\$1,414,007</u>						
Amount		\$0		\$0		\$91,592		\$113,871
Percent		0.0%		0.0%		7.3%		8.4%
Average monthly bill		\$108.20		\$108.20		\$116.07		\$125.86
Amount		\$0.00		\$0.00		\$7.87		\$9.79
Percent		0.0%		0.0%		7.3%		8.4%

Schedule LP, Large Power Rate

Description	Billing Determinants	Test Year	Normalized Case No. 2006-00511		Normalized Case No. 2008-00410		Proposed	
			Rates	Revenues	Rates	Revenues	Rates	Revenues
Customer Charge	1,731	\$88,783	\$51.29	\$88,783	\$55.02	\$95,240	\$62.00	\$107,322
Demand Charge	110,441	577,604	\$5.23	577,604	\$5.61	619,572	\$6.00	662,644
Secondary meter charge per kwh	21,683,888	1,086,363	\$0.05010	1,086,363	\$0.05374	1,165,292	\$0.05450	1,181,772
Primary meter charge per kwh	9,396,036	464,071	\$0.04939	464,070	\$0.05298	497,802	\$0.05249	493,198
	<u>31,079,924</u>							
Total from base rates		2,216,821		<u>\$2,216,820</u>		<u>\$2,377,906</u>		<u>\$2,444,936</u>
Fuel adjustment		186,226						
Environmental surcharge		130,003						
Total revenues		<u>\$2,533,050</u>						
Amount				(\$0)		\$161,085		\$67,030
Percent				0.0%		7.3%		2.8%
Average monthly bill		\$1,280.66		\$1,280.66		\$1,373.72		\$1,412.44
Amount				(\$0.00)		\$93.06		\$38.72
Percent				0.0%		7.3%		2.8%

Schedule LPR - Large Power Service

Description	Billing Determinants	Test Year	Normalized Case No. 2006-00511		Normalized Case No. 2008-00410		Proposed	
			Rates	Revenues	Rates	Revenues	Rates	Revenues
Customer Charge	168	\$12,926	\$76.94	\$12,926	\$82.54	\$13,867	\$83.04	\$13,951
Demand Charge	104,206,780	545,001	\$5.23	545,001	\$5.61	584,600	\$6.00	625,241
Secondary meter charge per kwh	0	0	\$0.04776	0	\$0.05123	0	\$0.05100	0
Primary meter charge per kwh	30,573,620	1,439,406	\$0.04708	1,439,406	\$0.05050	1,543,968	\$0.04917	1,503,305
	<u>30,573,620</u>	<u>0</u>		<u>0</u>		<u>0</u>		<u>0</u>
Total from base rates		1,997,333		<u>\$1,997,333</u>		<u>\$2,142,435</u>		<u>\$2,142,496</u>
Fuel adjustment		183,339						
Environmental surcharge		114,555						
Total revenues		<u>\$2,295,227</u>						
Amount				(\$0)		\$145,101		\$62
Percent				0.0%		7.3%		0.0%
Average monthly bill		\$11,888.89		\$11,888.89		\$12,752.59		\$12,752.95
Amount				(\$0.00)		\$863.70		\$0.37
Percent				0.0%		7.3%		0.0%

Schedule YL-1, Security Lights

Description	Billing Determinants	Test Year Revenues	Normalized Case No. 2006-00511		Normalized Case No. 2008-00410		Proposed	
			Rates	Revenues	Rates	Revenues	Rates	Revenues
175 Watt	74,455	536,076	\$7.20	536,076	\$7.72	574,793	\$ 8.30	618,140
400 Watt	12,965	137,948	\$10.64	137,948	\$11.41	147,931	\$ 12.27	159,087
500 Watt	144	1,790	\$12.43	1,790	\$13.33	1,920	\$ 14.34	2,064
1,500 Watt	24	681	\$28.39	681	\$30.45	731	\$ 32.75	786
400 Watt Flood	2,567	37,427	\$14.58	37,427	\$15.64	40,148	\$ 16.82	43,176
kWh	<u>7,504,455</u>							
Billing adjustments				<u>0</u>		<u>0</u>		<u>0</u>
Total from base rates		<u>713,922</u>		<u>\$713,922</u>		<u>\$765,521</u>		<u>\$823,252</u>
Fuel adjustment		1,162						
Environmental surcharge		887						
Total revenues		<u>\$715,971</u>						
Amount				\$0		\$51,600		\$57,730
Percent				0.00%		7.23%		7.54%

Envirowatts

Description	Billing Determinants	Test Year Revenues	Normalized Case No. 2006-00511		Normalized Case No. 2008-00410		Proposed	
			Rates	Revenues	Rates	Revenues	Rates	Revenues
Envirowatts		1,661	\$0.02825	1,661	\$0.02825	1,661	\$0.02825	1,661
kWh	<u>58,800</u>							
Billing adjustments				0		0		0
Total from base rates		1,661		<u>\$1,661</u>		<u>\$1,661</u>		<u>\$1,661</u>
Fuel adjustment								
Environmental surcharge								
Total revenues		<u>\$1,661</u>						
Amount				\$0		\$0		\$0
Percent				0.0%		0.0%		0.0%

BIG SANDY RECC  
CASE NO. 2008-00401

COMPARATIVE RATE SCHEDULES

<u>Rate Class</u>	<u>Rates</u>		
	<u>Present</u>	<u>Application Proposed</u>	<u>Settlement Proposed</u>
<b>Schedule A-1, Farm &amp; Home</b>			
Customer charge	\$7.70	\$ 15.00	\$10.00
Energy charge	\$0.07481	\$ 0.08	\$0.08129
Energy charge per ETS	\$0.04489	\$ 0.05	\$0.04877
<b>Schedule A-2, Commercial and Small Power</b>			
Customer charge	\$16.51	\$ 20.00	\$20.00
Demand charge	\$4.40	\$ 5.00	\$5.00
Energy charge	\$0.06762	\$ 0.07	\$0.07048
<b>Schedule LP - Large Power Service</b>			
Customer charge	\$55.02	\$ 62.00	\$62.00
Demand charge	\$5.61	\$ 6.00	\$6.00
Secondary meter energy charge	\$0.05374	\$ 0.06	\$0.05450
Primary meter energy charge	\$0.05298	\$ 0.05	\$0.05249
<b>Schedule LPR - Large Power Service</b>			
Customer charge	\$82.54	\$ 83.04	\$83.04
Demand charge	\$5.61	\$ 6.00	\$6.00
Secondary meter energy charge	\$0.05123	\$ 0.05	\$0.05100
Primary meter energy charge	\$0.05050	\$ 0.05	\$0.04917
<b>Schedule YL-1, Outdoor Lighting Service</b>			
175 Watt	\$7.72	\$ 8.43	\$ 8.30
400 Watt	\$11.41	\$ 12.46	\$ 12.27
500 Watt	\$13.33	\$ 13.42	\$ 14.34
1,500 Watt	\$30.45	\$ 30.64	\$ 32.75
400 Watt Flood	\$15.64	\$ 17.08	\$ 16.82
<b>Cable Television Attachments, annual charge</b>			
Two-party pole attachment	\$4.92	\$ 6.64	\$6.64
Three-party pole attachment	\$4.01	\$ 4.87	\$4.87
Two-party anchor attachment	\$2.13	\$ -	-
Three-party anchor attachment	\$1.41	\$ -	-
Two-party ground attachment	\$0.27	\$ -	-
Three-party ground attachment	\$0.17	\$ -	-

**BIG SANDY RECC  
CASE NO. 2008-00401**

AMOUNT OF INCREASE

	Enviro- Watts	A-1 Farm & Home	A-1 - ETS	A-2 Comm & Sml Power	LP Large Power Rate	LPR Large Power Service	YL-1 Security Lights	Total
<b>Revenue</b>								
Rates	1,661	14,607,097	2,675	1,350,270	2,377,906	2,142,435	765,521	21,247,565
Other Revenue		535,694	98	49,504	87,183	78,551	28,081	779,111
Total Revenue	1,661	15,142,790	2,773	1,399,774	2,465,089	2,220,985	793,602	22,026,675
Total Revenue Requirements	684	16,741,388	5,258	1,513,618	2,532,154	2,121,742	851,333	23,766,176
Revenue Over (Under) Requirements	977	(1,598,598)	(2,484)	(113,844)	(67,065)	99,244	(57,730)	(1,739,501)
Amount Increase		1,500,862		113,844	67,065		57,730	1,739,501
Revenue from Rates	1,661	16,107,958	2,675	1,464,114	2,444,971	2,142,435	823,252	22,987,065
Increase Percent		10.3%		8.4%	2.8%		7.5%	8.19%



**BIG SANDY RECC  
CASE NO. 2008-00401**

**RATE DESIGN**

	A-1 Farm & Home	A-1 - ETS	A-2 Comm & Sml Power	LP Large Power Rate	LPR Large Power Service	YL-1 Security Lights
<u>Customer Charge</u>						
Customer Costs						
Lines			51,438	7,750		Increase 57,730
Transformers	95,307		12,556	1,443		Rate Revenue 765,521
Services	547,539		39,918	7,822		% Increase 7.54%
Meters	988,397		79,265	92,770		
Total	1,631,243		183,177	109,786	168	
Customer Charge Billing Units	144,805		11,633	1,731	168	Current Rates
Customer Charge	10.00		20.00	62.00	83.04	175 Watt \$7.72
Revenue from Customer Charge	1,448,050		232,660	107,322	13,951	400 Watt \$11.41
						500 Watt \$13.33
						1,500 Watt \$30.45
						400 Watt Flood \$15.64
Demand Charge						
Rate			5.00	6.00	6.00	Proposed Rates
Billing Units			58,675	110,441	104,207	175 Watt \$ 8.30
Revenue			293,374	662,644	625,241	400 Watt \$ 12.27
						500 Watt \$ 14.34
Energy Rate						1,500 Watt \$ 32.75
Revenue from Rates	16,107,958		1,464,114	2,444,971	2,142,435	400 Watt Flood \$ 16.82
Less Customer Charge	1,448,050		232,660	107,322	13,951	
Less Demand Charge	-		293,374	662,644	625,241	
Revenue from Energy	14,659,908		938,080	1,675,005	1,503,243	
Energy kWh	180,351,531		13,310,272	21,683,888	0	
Primary Metered				9,396,036	30,573,620	
Energy Rate	0.08128	0.04877	0.07048			
Primary Metered Rate				0.05249	0.04917	
Secondary Metered Rate				0.05450	0.05100	

APPENDIX B

APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE  
COMMISSION IN CASE NO. 2008-00401 DATED JUN - 3 2009

The following rates and charges are prescribed for the customers in the area served by Big Sandy Rural Electric Cooperative Corporation. All other rates and charges not specifically mentioned herein shall remain the same as those in effect under authority of the Commission prior to the effective date of this Order.

SCHEDULE A-1  
FARM AND HOME

Customer Charge per Month	\$	10.00
Energy Charge per kWh	\$	.08129
Off-Peak Energy Charge per kWh	\$	.04877

SCHEDULE A-2  
COMMERCIAL AND SMALL POWER

Customer Charge per Month	\$	20.00
Demand Charge per kW	\$	5.00
Energy Charge per kWh	\$	.07048

SCHEDULE LP  
LARGE POWER SERVICE

Customer Charge per Month	\$	62.00
Demand Charge per kW	\$	6.00
Energy Charge per kWh		
Primary Meter	\$	.05249
Secondary Meter	\$	.05450

SCHEDULE LPR  
LARGE POWER RATE

Customer Charge per Month	\$	83.04
Demand Charge per kW	\$	6.00
Energy Charge per kWh		
Primary Meter	\$	.04917
Secondary Meter	\$	.05100

SCHEDULE YL-1  
YARD SECURITY LIGHT SERVICE

Flat rate per light per month as follows:

175 Watt	\$ 8.30
400 Watt	\$ 12.27
500 Watt	\$ 14.34
1,500 Watt	\$ 32.75
400 Watt Flood	\$ 16.82

CABLE TELEVISION ATTACHMENTS

Annual charge as follows:

Two-party Pole Attachment	\$ 6.64
Three-party Pole Attachment	\$ 4.87

Lawrence W Cook  
Assistant Attorney General  
Office of the Attorney General Utility & Rate  
1024 Capital Center Drive  
Suite 200  
Frankfort, KY 40601-8204

Bobby D Sexton  
President/General Manager  
Big Sandy R.E.C.C.  
504 11th Street  
Paintsville, KY 41240-1422