HOWARD DOWNING ATTORNEY AT LAW

109 South First Street Nicholasville, Kentucky 40356 (859)885-4619 fax (859)885-1127

March 24, 2009

Mr. Jeff Derouen Executive Director Public Service Commission 211 Sower Boulevard Frankfort, KY 40602

RECEIVED

MAR 24 2009

PUBLIC SERVICE COMMISSION

HAND DELIVERED

Re: PSC Case No. 2008-00411

Dear Mr. Derouen:

Please find enclosed for filing with the Commission in the above-referenced case an original and five copies of the responses of Blue Grass Energy Cooperative Corporation to the Second Data Request of Commission Staff, dated March 18, 2009.

Yours truly,

Howard Downing

109 South First Street Nicholasville, KY 40356

Phone: 859-885-4619

Attorney for Blue Grass Energy

Cooperative Corporation

COMMONWEALTH OF KENTUCKY

BEFORE THE PUBLIC SERVICE COMMISSION

IN THE MATTER	C OH	•
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IN THE MATTER OF:		
APPLICATION OF BLUE GRASS ENERGY)	
COOPERATIVE CORPORATION TO)	CASE NO.
PASS-THROUGH AN INCREASE OF ITS)	2008-00411
WHOLESALE POWER SUPPLIER PURSUANT)	
TO KRS 278.455(2))	
CERTIFICATE		
STATE OF KENTUCKY)		
)		
COUNTY OF CLARK)		

Ann F. Wood, being duly sworn, states that she has supervised the preparation of the responses of Blue Grass Energy Cooperative Corporation to the Public Service Commission Staff Second Data Request in the above-referenced case dated March 18, 2009, and that the matters and things set forth therein are true and accurate to the best of her knowledge, information and belief, formed after reasonable inquiry.

Subscribed and sworn before me on this 3^{nol} day of March, 2009.

My Commission expires:

December 8, 2009

ann F Wood

COMMONWEALTH OF KENTUCKY

BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

APPLICATION OF BLUE GRASS ENERGY)	
COOPERATIVE CORPORATION TO)	CASE NO.
PASS-THROUGH AN INCREASE OF ITS)	2008-00411
WHOLESALE POWER SUPPLIER PURSUANT)	
TO KRS 278.455(2))	

RESPONSES TO COMMISSION STAFF'S SECOND DATA REQUEST TO BLUE GRASS ENERGY COOPERATIVE CORPORATION DATED MARCH 18, 2009



BLUE GRASS ENERGY COOPERATIVE CORPORATION PSC CASE NO. 2008-00411 SECOND DATA REQUEST RESPONSE

COMMISSION STAFF'S SECOND DATA REQUEST DATED 03/18/09

REQUEST 1

RESPONSIBLE PERSON:

Ann F. Wood

COMPANY:

Blue Grass Energy Cooperative

Corporation

Request 1. Provide the workpapers, spreadsheets, etc. that show the calculation of the increase, by individual wholesale rate schedule, in Blue Grass's cost of power from East Kentucky Power Electric, Inc. ("EKPC") that Blue Grass proposes to flow through to its customers based on the rates contained in the March 13, 2009 Settlement Agreement filed by EKPC in Case No. 2008-00409 ("Settlement Agreement").

Response 1. Please see pages 2 through 4 for the calculation of the increase by individual wholesale rate schedule.

Blase	EKPC Revenue Increase	by Member Sys	stem - Based o	n Settlement A	ı	D			E	в Т	С	
Big Sanity FAC, E8 Existing Flate park Selferment Incarease FAC, E8 Rounting \$9.9 M Selferment BA or Dr. Col. C							1					
Bite Grass 61,50.07 1,461,50.9 12,0.07 1,461,50.9 1,40.07 1,461,50.9 1,0.0.07 1,461,50.9 1,0.0.07 1,461,50.9 1,0.0.07 1,461,50.9 1,0.0.07 1,461,50.9 1,0.0.07 1,461,50.9 1,0.0.07 1,0.			EAC ES				EAC ES				B-A or D+E	CIA
Bine Grass E	Rig Sandy F				•			-				
Blue Grass For	big Salidy E	13,479,473	4,032,557	20,112,012	10,542,004	1,402,023	4,002,007	21,014,001	(000)	21,070,711	1,401,000	1.2170
Clark E	Blue Grass E	61,130,076	18,234,897	79,364,973	66,905,788	5,775,712	18,234,897					
Clarik E 25,964,706 7,821,067 33,815,773 28,461,167 2,456,460 7,821,007 36,272,233 (1,490) 39,270,737 2,454,894 7,295 2,295,895 2,295,795 3,815,795 33,615,818 32,054,276 2,476,771 8,676,911 40,931,109 (1,899) 40,929,501 2,765,803 7,254 7,254 7,275 7,254 7,275												7.11%
Cumberland Valley E 29,286,707 8,876,911 38,163,618 32,054,278 2,767,577 8,876,911 40,0531,189 40,029,501 2,765,863 7,259, Farmer E 2,200,538 9,560,913 30,675,318 30,675,318 30,675,318 30,675,318 30,675,318 30,675,318 30,675,318 30,675,318 2,864,768 30,675,318 2,864,768 30,675,318	Blue Grass Total	72,242,917	21,922,117	94,165,033	79,071,103	6,828,186	21,922,117	100,993,219	(4,166)	100,989,053	6,824,020	
Farmers E 2,0765,866 7,891,794 33,657,381 28,200,647 2,435,067 7,891,794 30,000,935 1,433,657 2739 Farmers Claid 28,666,217 68,976,855 3,555,151,33 3,157,619 2,0794 6347,985 10,226,015 (1658) 40,226,471 2,706,374 Flerring Manon C 7,676,330 2,543,180 10,222,510 4,600,473,731 2,394,733 7,669,304 35,040,862 (14,81) 3,450,221 2,392,933 7,2794 Flerring Manon C 7,676,330 2,543,180 10,222,510 4,600,473,731 2,394,733 7,669,304 35,040,862 (14,81) 3,540,022,11 2,392,933 7,2794 Flerring Manon C 7,676,330 2,543,180 10,222,510 4,600,473,731 2,394,733 7,669,304 35,040,862 (14,81) 3,430,200 672,820 7,209, 10,100,177 872,868 3,186,676 13,232,748 (348) 13,432,300 672,320 7,024 Flerring Manon C 9,233,003 3,186,776 12,420,800 10,100,777 872,868 3,186,676 13,323,748 (348) 13,323,200 872,320 7,024 Flerring Manon C 9,233,903 3,186,776 12,420,800 10,100,777 872,868 3,186,676 13,323,748 (348) 14,305,400 672,320 7,024 Flerring Manon C 9,233,903 3,186,776 12,420,800 10,100,777 872,868 3,186,676 13,323,748 (348) 14,305,400 873,320 0 873,320 7,024 Flerring Manon C 9,233,903 3,186,776 12,420,800 10,100,777 872,868 3,186,676 13,323,748 (348) 14,305,400 873,320 0	Clark E	25,994,706	7,821,067	33,815,773	28,451,167	2,456,460	7,821,067	36,272,233	(1,496)	36,270,737	2,454,964	7.26%
Farmers CI 2,602,631 966,091 3,386,722 3,177.64 274,913 956,001 4,138,635 (17) 4,133,640 274,742 7,125 Farmers Total 266,682,71 8,447,836 375,161,03 3,178,101 2,769,74 8,478,685 40,222,070 1,659 40,224,417 2,705,417	Cumberland Valley E	29,286,707	8,876,911	38,163,618	32,054,278	2,767,571	8,876,911	40,931,189	(1,689)	40,929,501	2,765,883	7.25%
Farmers CI 2,602,631 966,091 3,386,722 3,177.64 274,913 956,001 4,138,635 (17) 4,133,640 274,742 7,125 Farmers Total 266,682,71 8,447,836 375,161,03 3,178,101 2,769,74 8,478,685 40,222,070 1,659 40,224,417 2,705,417	Farmers E	25.765.586	7.891.794	33.657.381	28.200.647	2.435.061	7.891.794	36,092,441	(1.489)	36,090,953	2,433,572	7.23%
Felming-Mason E 25,341,824 7,688,304 33,009,928 27,780,377 2,394,783 7,688,304 35,404,882 (1,461) 35,403,221 2,393,223 7,254 Felming-Mason G 9,233,003 3,188,787 1,240,880 10,222,510 8,406,442 727,312 2,543,180 10,949,822 (452) 10,949,370 726,880 7,182,730 72,545 7,270,300 72,545 7,270,300 7,23												
Fleming-Masson C 7,879,830 2,548,186 10,222.510 10,046,072 12,203.80 10,103,772 2,545,186 10,949,072 12,402.80 10,103,772 12,628 13,186,76 13,289,106 13,289,200 12,220,20 10,103,772 14,385,077 14,385,0	Farmers Total		8,847,885	37,516,103	31,378,191	2,709,974	8,847,885	40,226,076	(1,659)	40,224,417	2,708,314	
Fleming-Masson C 7,879,830 2,548,186 10,222.510 10,046,072 12,203.80 10,103,772 2,545,186 10,949,072 12,402.80 10,103,772 12,628 13,186,76 13,289,106 13,289,200 12,220,20 10,103,772 14,385,077 14,385,0								05 404 000	44.4645	0.00.004	0.000.000	= ====
Ferning-Massion G 9,233,003 3,186,076 12,402,080 10,103,772 872,686 3,166,676 13,293,746 (348) 13,293,200 872,300 702% Ferning-Massion Stamp 8,674,748 3,593,578 13,493,673 13,493,673 13,495,603 3,493,603 3,494,674 3,593,573 13,393,673												
Feming-Mason Steam Page												
FM Pumping Islation 54,986,068 17,377,375 3291,066 2948,748 387,318 3,231,066 3,231,066 4,228,401 54,2												
Fractional 64,986,083 17,379,387 72,345,420 58,985,588 4,922,895 17,379,387 77,275,315 3,055 77,272,280 4,922,840						-			(,		-	
Grayson Clast					59,895,958	4,929,895	17,379,357	77,275,315	(3,055)	77,272,260	4,926,840	
Grayson Clast	Gravson E	14.788.949	4,439,166	19.228.115	16,186,450	1,397,501	4,439,166	20,625,617	(851)	20,624,766	1,396,650	7.26%
Inter-County E									(42)		68,247	7.16%
Refecounty Tell	Grayson Total	15,509,931	4,670,994	20,180,925	16,975,722	1,465,791	4,670,994	21,646,716	(893)	21,645,823	1,464,898	
Refecounty Tell			7040050	04 470 004	00 540 004		7.040.050	00 704 004	(4.000)	00 700 004	0.007.007	7.070/
Aller County Total												
Jackson E												1.1370
Jackson C	inter-county rotal	20,013,941	0,040,020	34,717,407	20,104,001	2,020,000	0,040,020	07,200,021	(1,000)	01,200,104	2,010,011	
Jackson C 1,625,925 515,935 2,141,860 1,779,934 154,009 515,935 2,285,868 (95) 2,295,774 153,914 719% Jackson Total 54,898,611 16,586,748 71,485,358 60,086,784 51,881,773 16,586,748 76,673,531 (3,163) 76,670,368 5,185,010 Licking Valley E 15,991,088 4,733,378 20,424,446 17,173,787 1,482,719 4,733,378 21,907,164 (904) 21,906,261 1,481,815 7.26% Nolin E 34,599,310 10,441,601 45,040,912 3,888,776 3,269,466 10,441,601 48,310,377 (1,993) 48,308,384 3,267,473 7.25% Nolin G 2,411,185 792,757 3,203,942 2,639,549 228,394 792,757 3,432,306 (142) 3,432,164 228,223 712% Nolin G 5,418,903 1,894,393 7,313,266 5,991,177 512,273 1,894,393 7,825,559 (33) 7,825,236 511,951 7,00% Nolin Total 42,429,398 13,128,741 55,556,139 46,495,502 4,070,103 31,874,141 55,586,242 (2,457) 59,565,786 4,007,646 7,21% Owen E 55,769,700 16,991,184 72,760,884 61,061,271 5,291,571 16,991,184 78,052,455 (3,220) 78,049,235 5,288,351 7,27% Owen Lig Special Control 101,325,254 33,303,425 134,655,680 108,160,290 6,835,036 33,304,25 141,490,716 (5,837) 141,484,879 6,829,199 5,07% Salt River E 54,109,148 16,414,505 70,523,653 50,222,470 5,113,322 18,414,505 75,638,975 (3,120) 75,833,855 5,110,202 72,5% Shelby E 17,273,731 5,199,157 22,472,888 18,996,094 7,683,293 7,799,180,249 7,996,205 2,448,407 3,402 2,402,408 2,415,476 7,198,203 2,415,676 7,996,204 3,409,304 2,4104,216 1,631,329 7,26% Shelby E 17,273,731 5,199,157 22,472,888 18,996,094 7,683,293 7,799,180,205 2,448,407 3,409 4,241,409 3,409,404 3,409 4,409,404	Jackson E	51,640,808	15,533,305	67,174,113	56,520,418	4,879,610	15,533,305	72,053,723	(2,972)	72,050,751	4,876,638	7.26%
Licking Valley E 15,691,068 4,733,378 20,424,446 17,173,787 1,482,719 4,733,378 21,907,164 (904) 21,906,261 1,481,815 7.26% Nolin E 34,599,310 10,441,601 45,040,912 37,888,776 3,269,466 10,441,601 48,310,377 (1,993) 48,308,384 3,267,473 7.25% Nolin B 2,411,185 792,757 3,203,942 2,639,549 228,394 792,757 3,432,306 (142) 3,432,164 228,223 7.12% Nolin G 5,418,903 13,894,383 7,313,286 5,991,177 51,273 1,382,559 (23) 7,282,536 511,551 7,00% Nolin Total 42,429,399 13,128,741 55,555,139 46,439,502 4,070,03 13,128,741 59,568,242 (2,457) 59,565,785 4,007,646 7,21% Owen E 55,769,700 16,991,184 72,760,884 61,061,271 5,291,571 16,991,184 78,052,455 (3,220) 78,049,235 5,288,351 7,27% Owen Lg Special Control 36,324,802 13,238,369 49,563,171 39,94,071 669,269 13,238,369 50,232,440 (2,072) 50,230,368 667,197 13,5% Owen Total 101,325,254 33,330,425 134,655,680 106,160,290 6,835,090 33,330,425 141,490,716 (5,837) 141,484,679 6,829,918 Salt River E 54,109,148 16,414,505 70,523,653 59,222,470 5,113,322 16,414,505 75,638,675 (3,120) 76,638,655 5,110,202 7,25% Salt River B 4,604,674 1,571,700 6,376,374 5,259,733 455,056 1,632,323 4,1450,016 1,631,329 7,26% Shelby E 17,273,731 5,199,167 22,472,888 18,960,654 1,632,323 2,498,407 3,402 82,465,005 5,564,978 Shelby E 17,273,731 5,199,167 22,472,888 18,960,654 1,632,323 5,199,167 24,105,211 (994) 24,104,216 1,631,329 7,26% Shelby G 2,991,172 964,910 3,956,061 3,274,460 283,309 964,910 4,299,300 (175) 4,239,215 283,134 7,16% So Ky E 60,726,833 18,217,505 78,944,337 66,464,823 5,737,991 18,217,505 84,682,328 3,493,389 3,467,835 5,734,497 7,26% So Ky E 60,726,833 13,217,505 78,944,337 66,464,823 5,737,991 18,217,505 84,682,328 3	Jackson B	1,631,878		2,169,385								
Licking Valley E 15,691,068 4,733,378 20,424,446 17,173,787 1,482,719 4,733,378 21,907,164 (904) 21,906,261 1,481,815 7.26%	Jackson C											7.19%
Nolin E 34,599,310 10,441,601 45,040,912 37,868,776 3,269,466 10,441,601 48,310,377 (1,933) 48,308,384 3,267,473 7,25% Nolin B 2,411,185 792,757 3,203,942 2,639,549 228,364 792,757 3,432,306 (142) 3,432,164 228,223 7,12% Nolin C 42,429,398 15,128,741 55,5581,393 46,439,502 4,007,640 7,21% 15,128,741 15,128,741 15,55581,393 46,439,502 4,007,640 7,21% 15,128,741 16,128,741	Jackson Total	54,898,611	16,586,748	71,485,358	60,086,784	5,188,173	16,586,748	76,673,531	(3,163)	76,670,368	5,185,010	
Nolin B 2,411,185 792,757 3,03,942 2,639,649 228,364 792,757 3,432,306 (142) 3,432,164 228,223 7,12% Nolin Total 42,429,395 13,128,741 55,551,951 36,949,505 40,07,645 7,27% 18,949,387 7,255,555 3,223	Licking Valley E	15,691,068	4,733,378	20,424,446	17,173,787	1,482,719	4,733,378	21,907,164	(904)	21,906,261	1,481,815	7.26%
Nolin B 2,411,185 792,757 3,03,942 2,639,649 228,364 792,757 3,432,306 (142) 3,432,164 228,223 7,12% Nolin Total 42,429,395 13,128,741 55,551,951 36,949,505 40,07,645 7,27% 18,949,387 7,255,555 3,223	Nolin F	34 599 310	10 441 601	45 040 912	37 868 776	3 269 466	10 441 601	48 310 377	(1.993)	48 308 384	3 267 473	7 25%
Nolin Total Satt River Satt River Date Satt River Total Satt River Date S												
Owen E Owen B 55,769,700 16,991,184 72,760,884 61,061,271 5,291,571 18,991,184 78,052,455 (3,220) 78,049,235 5,288,351 7 27% (70%) Owen B Owen Lg Special Contrown Lg Special Contrown Total 36,324,802 13,238,369 49,563,171 36,994,071 669,269 13,238,369 50,232,440 (2,072) 50,230,368 667,197 1,35% ** Owen Total 101,325,254 33,330,425 134,655,680 108,160,290 6,835,036 33,330,425 141,490,716 (5,837) 141,484,879 6,829,199 5,07% Salt River E Salt River B 4,804,674 1,517,700 6,376,374 5,259,733 455,058 15,717,700 6,831,432 (282) 6,831,150 445,776 7,13% Salt River Total 56,913,822 17,986,205 76,900,027 64,482,203 5,588,380 17,986,205 82,468,407 (3,120) 75,633,855 5,110,202 7,25% Shelby E 17,273,731 5,199,157 22,472,888 18,906,054 1,632,233 5,199,157 24,105,211 (994) 24,104,216												
Owen B Owen Lg Special Contr Owen Lg Special Contr Owen Lg Special Contr Owen Total 9,230,752 3,100,872 12,331,625 10,104,948 874,196 3,100,872 13,205,824 (2,072) 50,230,368 667,197 1.35% * Owen Total 667,919 1,35% * Owen Total 668,924,90 10,1328,330 20,232,440 (2,072) 50,230,368 667,919 50,070 669,919 50,070 669,919 50,070 669,919 50,070 669,919 50,070 669,919 50,070 669,919 50,070 669,919 50,070 669,919 50,070 669,919 50,070 669,919 50,070 669,919 50,070 669,919 50,070 669,919 50,070 669,919 50,070 669,919 50,070 669,919 6,070 669,919 50,070 669,919 669,919 669,919 669,919 669,919 669,919 669,919 669,919 669,070 669,719 669,919 669,719 669,919 669,919 669,919 669,919 669,919 669,919 669,919 669,919 669,919 669,919 669,919 669,919 669,919 669,919 669,919 669,919 669,919 669,919 669,91	Nolin Total	42,429,398	13,128,741	55,558,139	46,439,502	4,010,103	13,128,741	59,568,242	(2,457)	59,565,785	4,007,646	7.21%
Owen B Owen Lg Special Contr Owen Lg Special Contr Owen Lg Special Contr Owen Total 9,230,752 3,100,872 12,331,625 10,104,948 874,196 3,100,872 13,205,824 (2,072) 50,230,368 667,197 1.35% * Owen Total 667,919 1,35% * Owen Total 668,924,90 10,1328,330 20,232,440 (2,072) 50,230,368 667,919 50,070 669,919 50,070 669,919 50,070 669,919 50,070 669,919 50,070 669,919 50,070 669,919 50,070 669,919 50,070 669,919 50,070 669,919 50,070 669,919 50,070 669,919 50,070 669,919 50,070 669,919 50,070 669,919 50,070 669,919 50,070 669,919 6,070 669,919 50,070 669,919 669,919 669,919 669,919 669,919 669,919 669,919 669,919 669,070 669,719 669,919 669,719 669,919 669,919 669,919 669,919 669,919 669,919 669,919 669,919 669,919 669,919 669,919 669,919 669,919 669,919 669,919 669,919 669,919 669,919 669,91			-	-	01 001 071	5 004 574	10 001 101	70.050.455	(0.000)	70.040.005	E 000 0E4	7.070/
Owen Lg Special Controll 36,324,802 13,238,369 49,583,171 36,994,071 669,269 13,238,369 50,232,440 (2,072) 50,230,388 667,197 1,35% *Owen Total Salt River E 54,109,148 16,414,505 70,523,653 59,222,470 5,113,322 16,414,505 75,636,975 (3,120) 75,633,855 5,110,202 7,25% Salt River B 4,804,674 1,571,700 6,376,374 5,259,733 455,058 1,571,700 6,831,432 (282) 6,831,150 454,776 7,13% Salt River Total 56,913,822 17,986,205 76,900,027 64,482,203 5,569,390 17,986,205 82,465,005 5,564,787 7,13% Shelby E 17,273,731 5,199,157 22,472,888 18,906,054 1,632,323 5,199,157 24,105,211 (994) 24,104,216 1,631,329 7,26% Shelby B 6,271,289 2,747,767 11,019,056 9,054,642 783,353 2,747,767 11,802,409 (487) 11,601,922 782,866 7,10% So Ky												
Owen Total 101,325,254 33,330,425 134,655,680 108,160,290 6,835,036 33,330,425 141,490,716 (5,837) 141,484,879 6,829,199 5.07% Salt River E 54,109,148 16,414,505 70,523,653 59,222,470 5,113,322 16,414,505 75,636,975 (3,120) 75,633,855 5,110,202 7.25% Salt River B 4,804,674 1,571,700 6,376,374 5,259,733 455,058 1,571,700 6,831,432 (282) 6,831,150 454,776 7.13% Shelby E 17,273,731 5,199,157 22,472,888 18,906,054 1,632,323 5,199,157 24,105,211 (994) 24,104,216 1,631,329 72,6% Shelby B 8,271,289 2,747,767 11,019,056 9,054,642 783,353 2,747,767 11,802,409 (487) 11,801,922 782,866 7.10% Shelby Total 25,545,020 7,946,924 33,491,944 27,960,696 2,415,676 7,946,924 35,907,620 (1,481) 35,966,833 2,414,195 <t< td=""><td></td><td></td><td></td><td></td><td></td><td></td><td></td><td></td><td></td><td></td><td></td><td></td></t<>												
Salt River E 54,109,148 16,414,505 70,523,653 59,222,470 5,113,322 16,414,505 75,636,975 (3,120) 75,633,855 5,110,202 7.25% Salt River B 4,804,674 1,571,700 6,376,374 5,259,733 455,058 1,571,700 6,831,432 (282) 6,831,150 454,776 7.13% Salt River Total 58,913,822 17,986,205 76,900,027 64,482,203 5,568,390 17,986,205 82,468,407 (3,402) 82,465,005 5,564,978 Shelby E 17,273,731 5,199,157 22,472,888 18,906,054 1,632,323 5,199,157 24,105,211 (994) 24,104,216 1,631,329 7.26% Shelby B 8,271,289 2,747,767 11,019,056 9,054,642 783,353 2,747,767 11,802,409 (487) 11,801,922 782,866 7.10% Shelby Total 25,545,020 7,946,924 33,491,944 27,960,696 2,415,676 7,946,924 35,907,620 (1,481) 35,906,138 2,414,195 So Ky E												
Salt River B Salt River B Salt River B Salt River Total S	01101110101	,522,22		-								
Salt River Total 56,913,822 17,986,205 76,900,027 64,482,203 5,568,380 17,986,205 82,468,407 (3,402) 82,465,005 5,564,978 Shelby E 17,273,731 5,199,157 22,472,888 18,906,054 1,632,323 5,199,157 24,105,211 (994) 24,104,216 1,631,329 7.26% Shelby B 8,271,289 2,747,767 11,019,056 9,054,642 783,353 2,747,767 11,802,409 (487) 11,801,922 782,866 7.10% Shelby Total 25,545,020 7,946,924 33,491,944 27,960,696 2,415,676 7,946,924 35,907,620 (1,481) 35,906,138 2,414,195 So Ky E 60,726,833 18,217,505 78,944,337 66,464,823 5,737,991 18,217,505 84,682,328 (3,493) 84,678,835 5,734,497 7.26% So Ky B 2,991,172 964,910 3,956,081 3,274,480 283,309 964,910 4,239,215 283,134 7.16% So Ky B 2,991,172 964,910 3,956,0	Salt River E	54,109,148		70,523,653								
Shelby E 17,273,731 5,199,157 22,472,888 18,906,054 1,632,323 5,199,157 24,105,211 (994) 24,104,216 1,631,329 7.26% Shelby B 8,271,289 2,747,767 11,019,056 9,054,642 783,353 2,747,767 11,802,409 (487) 11,801,922 782,866 7.10% Shelby Total 25,545,020 7,946,924 33,491,944 27,960,696 2,415,676 7,946,924 35,907,620 (1,481) 35,906,138 2,414,195 So Ky E 60,726,833 18,217,505 78,944,337 66,464,823 5,737,991 18,217,505 84,682,328 (3,493) 84,678,835 5,734,497 7.26% So Ky B 2,991,172 964,910 3,956,081 3,274,480 283,309 964,910 4,239,390 (175) 4,393,2915 283,134 7.16% So Ky C 3,781,377 1,211,664 4,993,041 4,139,542 358,166 1,211,664 5,351,206 (221) 5,350,986 357,945 7.17% South Kentucky Total												7.13%
Shelby B Shelby Total 8,271,289 2,747,767 11,019,056 9,054,642 783,353 2,747,767 11,802,409 (487) 11,801,922 782,866 7.10% Shelby Total 25,545,020 7,946,924 33,491,944 27,960,696 2,415,676 7,946,924 35,907,620 (1,481) 35,906,138 2,414,195 So Ky E So Ky B 2,991,172 964,910 3,956,081 3,274,480 283,309 964,910 4,239,390 (175) 4,239,215 283,134 7.16% So Ky C 3,781,377 1,211,664 4,993,041 4,139,542 358,166 1,211,664 5,351,206 (221) 5,350,986 357,945 7.17% South Kentucky Total 67,499,381 20,394,078 87,893,459 73,878,846 6,379,465 20,394,078 94,272,924 (3,889) 94,269,035 6,375,576 Taylor E Taylor B 391,703 125,608 517,311 428,804 37,101 125,608 554,411 (23) 554,388 37,078 7.17% Taylor C Bytor Dumping Station Taylor Total 1,689,753 23	Salt River Total	58,913,822	17,986,205	76,900,027	64,482,203	5,568,380	17,986,205	82,468,407	(3,402)	82,465,005	5,564,978	
Shelby B Shelby Total 8,271,289 2,747,767 11,019,056 9,054,642 783,353 2,747,767 11,802,409 (487) 11,801,922 782,866 7.10% Shelby Total 25,545,020 7,946,924 33,491,944 27,960,696 2,415,676 7,946,924 35,907,620 (1,481) 35,906,138 2,414,195 So Ky E So Ky B 2,991,172 964,910 3,956,081 3,274,480 283,309 964,910 4,239,390 (175) 4,239,215 283,134 7.16% So Ky C 3,781,377 1,211,664 4,993,041 4,139,542 358,166 1,211,664 5,351,206 (221) 5,350,986 357,945 7.17% South Kentucky Total 67,499,381 20,394,078 87,893,459 73,878,846 6,379,465 20,394,078 94,272,924 (3,889) 94,269,035 6,375,576 Taylor E Taylor B 391,703 125,608 517,311 428,804 37,101 125,608 554,411 (23) 554,388 37,078 7.17% Taylor C Bytor Dumping Station Taylor Total 1,689,753 23	Shalby E	17 273 731	5 100 157	22 472 888	18 906 054	1 632 323	5 199 157	24 105 211	(994)	24 104 216	1 631 329	7 26%
Shelby Total 25,545,020 7,946,924 33,491,944 27,960,696 2,415,676 7,946,924 35,907,620 (1,481) 35,906,138 2,414,195 So Ky E 60,726,833 18,217,505 78,944,337 66,464,823 5,737,991 18,217,505 84,682,328 (3,493) 84,678,835 5,734,497 7.26% So Ky B 2,991,172 964,910 3,956,081 3,274,480 283,309 964,910 4,239,390 (175) 4,239,215 283,134 7.16% So Ky C 3,781,377 1,211,664 4,993,041 4,139,542 358,166 1,211,664 5,351,206 (221) 5,350,986 357,945 7.17% So ky C 3,781,377 1,211,664 4,993,041 4,139,542 358,166 1,211,664 5,351,206 (221) 5,350,986 357,945 7.17% So ky C 3,781,377 7,674,596 33,020,479 27,762,800 2,396,917 7,654,596 35,417,397 (1,461) 35,415,936 2,395,456 7.25% Taylor B 391,703 <td></td>												
So Ky E 60,726,833 18,217,505 78,944,337 66,464,823 5,737,991 18,217,505 84,682,328 (3,493) 84,678,835 5,734,497 7.26% So Ky B 2,991,172 964,910 3,956,081 3,274,480 283,309 964,910 4,239,390 (175) 4,239,215 283,134 7.16% So Ky C 3,781,377 1,211,664 4,993,041 4,139,542 358,166 1,211,664 5,351,206 (221) 5,350,986 357,945 7.17% South Kentucky Total 67,499,381 20,394,078 87,893,459 73,878,846 6,379,465 20,394,078 94,272,924 (3,889) 94,269,035 6,375,576 Taylor E 25,365,883 7,654,596 33,020,479 27,762,800 2,396,917 7,654,596 35,417,397 (1,461) 35,415,936 2,395,456 7.25% Taylor B 391,703 125,608 517,311 428,804 37,101 125,608 554,411 (23) 554,388 37,078 7.17% Taylor C 878,739												
So Ky B So Ky C 2,991,172 3,781,377 964,910 1,211,664 3,956,081 4,993,041 3,274,480 4,139,542 283,309 358,166 964,910 1,211,664 4,239,390 558,1206 (175) (221) 4,239,215 5,350,986 283,134 357,945 7,16% 7,17% South Kentucky Total 67,499,381 20,394,078 87,893,459 73,878,846 6,379,465 20,394,078 94,272,924 (3,889) 94,269,035 6,375,576 Taylor E Taylor B Taylor C Taylor Pumping Station Taylor Total 391,703 87,873 125,608 293,616 517,311 1,72355 428,804 961,962 37,101 83,224 125,608 293,616 554,411 1,255,579 (23) 554,388 37,078 37,17% 7,17% 7,17% Taylor Total 1,689,753 28,326,078 230,144 8,303,964 1,919,897 36,630,042 1,689,753 30,843,319 - 230,144 2,517,242 1,919,897 8,303,964 1,919,897 39,147,284 1,536) 39,145,748 2,515,706	•											
So Ky C South Kentucky Total 3,781,377 (67,499,381) 1,211,664 20,394,078 4,993,041 87,893,459 4,139,542 73,878,846 358,166 6,379,465 1,211,664 20,394,078 5,351,206 94,272,924 (221) (3,889) 5,350,986 94,269,035 357,945 6,375,576 7,17% Taylor E Taylor B Taylor C Taylor Pumping Station Taylor Total 25,365,883 391,703 7,654,596 12,598 33,020,479 27,762,800 517,311 27,762,800 428,804 2,396,917 37,101 7,654,596 12,5608 35,417,397 554,411 (1,461) (23) 554,388 35,415,936 37,078 2,395,456 7.17% 7.17% Taylor C Taylor Total 878,739 293,616 1,172,355 230,144 961,962 1,919,897 83,224 293,616 293,616 1,255,579 230,144 1,255,527 1,919,897 83,172 1,919,897 7,09% 1,919,897 Taylor Total 28,326,078 8,303,964 36,630,042 30,843,319 2,517,242 8,303,964 39,147,284 (1,536) 39,145,748 2,515,706												
South Kentucky Total 67,499,381 20,394,078 87,893,459 73,878,846 6,379,465 20,394,078 94,272,924 (3,889) 94,269,035 6,375,576 Taylor E 25,365,883 7,654,596 33,020,479 27,762,800 2,396,917 7,654,596 35,417,397 (1,461) 35,415,936 2,395,456 7.25% Taylor B 391,703 125,608 517,311 428,804 37,101 125,608 554,411 (23) 554,388 37,078 7.17% Taylor C 878,739 293,616 1,172,355 961,962 83,224 293,616 1,255,579 (52) 1,255,527 83,172 7.09% Taylor Pumping Station Taylor Total 1,689,753 230,144 1,919,897 1,689,753 - 230,144 1,919,897 - 0.00% Taylor Total 28,326,078 8,303,964 36,630,042 30,843,319 2,517,242 8,303,964 39,147,284 (1,536) 39,145,748 2,515,706												
Taylor E 25,365,883 7,654,596 33,020,479 27,762,800 2,396,917 7,654,596 35,417,397 (1,461) 35,415,936 2,395,456 7.25% Taylor B 391,703 125,608 517,311 428,804 37,101 125,608 554,411 (23) 554,388 37,078 7.17% Taylor C 878,739 293,616 1,172,355 961,962 83,224 293,616 1,255,579 (52) 1,255,527 83,172 7.09% Taylor Pumping Station 1,689,753 230,144 1,919,897 1,919,897 1,919,897 - 0.00% Taylor Total 28,326,078 8,303,964 36,630,042 30,843,319 2,517,242 8,303,964 39,147,284 (1,536) 39,145,748 2,515,706												7.17%
Taylor B 391,703 125,608 517,311 428,804 37,101 125,608 554,411 (23) 554,388 37,078 7.17% Taylor C 878,739 293,616 1,172,355 961,962 83,224 293,616 1,255,579 (52) 1,255,527 83,172 7.09% Taylor Pumping Station 1,689,753 230,144 1,919,897 1,689,753 - 230,144 1,919,897 1,919,897 - 0.00% Taylor Total 28,326,078 8,303,964 36,630,042 30,843,319 2,517,242 8,303,964 39,147,284 (1,536) 39,145,748 2,515,706	South Kentucky Fotal	07,499,381	20,394,078	61,093,459	13,010,040	0,3/9,403	20,394,078	34,212,924	(3,009)	94,209,035	0,373,376	
Taylor B 391,703 125,608 517,311 428,804 37,101 125,608 554,411 (23) 554,388 37,078 7.17% Taylor C 878,739 293,616 1,172,355 961,962 83,224 293,616 1,255,579 (52) 1,255,527 83,172 7.09% Taylor Pumping Station 1,689,753 230,144 1,919,897 1,689,753 - 230,144 1,919,897 1,919,897 - 0.00% Taylor Total 28,326,078 8,303,964 36,630,042 30,843,319 2,517,242 8,303,964 39,147,284 (1,536) 39,145,748 2,515,706	Taylor E	25,365,883	7,654,596	33,020,479	27,762,800	2,396,917	7,654,596	35,417,397	(1,461)	35,415,936	2,395,456	7.25%
Taylor Pumping Station 1,689,753 230,144 1,919,897 1,689,753 - 230,144 1,919,897 1,919,897 - 0.00% Taylor Total 28,326,078 8,303,964 36,630,042 30,843,319 2,517,242 8,303,964 39,147,284 (1,536) 39,145,748 2,515,706	Taylor B	391,703		517,311								
Taylor Total 28,326,078 8,303,964 36,630,042 30,843,319 2,517,242 8,303,964 39,147,284 (1,536) 39,145,748 2,515,706						83,22 4			(52)		83,172	
						0.547.040			/4 500		0 545 700	0.00%
Total All Classes 663,450,596 204,604,910 868,055,506 722,988,649 59,538,053 204,604,910 927,593,559 (38,053) 927,555,506 59,500,000 6.85%	raylor rotal	28,326,078	8,303,964	36,630,042	30,843,319	2,517,242	8,303,964	39,147,284	(1,536)	39,145,748	∠,515,706	
Total All Classes 663,450,596 204,604,910 868,055,506 722,988,649 59,538,053 204,604,910 927,593,559 (38,053) 927,555,506 59,500,000 6.85%												
	Total All Classes	663,450,596	204,604,910	868,055,506	722,988,649	59,538,053	204,604,910	927,593,559	(38,053)	927,555,506	59,500,000	6.85%

[•] Owen's large special contract has a large interruptible load - the interruptible Credit increased significantly.

EKPC Annual Billing Based on Settlement Blue Grass Rate E

Nate E								 			
Option 2			Cu	rrent	Rate			Prop	osed	Rate	
Description	Billing Units		Rate	С	alculated Billings	Description	Billing Units	Rate		Calculated Billings	
Metering Point Charge						Metering Point Charge					
All Customers	396	\$	125 00	\$	49,500 00	All Customers	396	\$ 137 00	\$	54,252.00	9 60%
Substation charges						Substation charges					
Substation 1,000 - 2,999 kVa		\$	944.00	\$	-	Substation 1,000 - 2,999 kVa		\$ 1,033.00	\$	-	
Substation 3,000 - 7,499 kVa	24	\$	2,373.00	\$	56,952.00	Substation 3,000 - 7,499 kVa	24	\$ 2,598 00	\$	62,352.00	
Substation 7,500 - 14,999 kVa	276	\$	2,855.00	\$	787,980 00	Substation 7,500 - 14,999 kVa	276	\$ 3,125 00	\$	862,500.00	
Substation > 15,000 kVa	96	\$	4,605.00	\$	442,080.00	Substation > 15,000 kVa	96	\$ 5,041.00	\$	483,936 00	
	396			\$	1,287,012 00						
								 		1,408,788.00	0.460/
Demand Charge									φ	1,406,766.00	9 4070
All Kw	2,883,152	\$	5 22	\$	15,050,053 44						
						Demand Charge					
Energy Charge						All Kw	2,883,152	\$ 5.71	\$	16,462,797.92	9 39%
On-Peak kWh	600,169,310	\$	0.042470	\$	25,489,190.60						
Off-Peak kWh	551,636,484	\$	0 034904	\$	19,254,319.84	Energy Charge					
						On-Peak kWh	600,169,310	0 046491		27,902,471.39	
	·····					Off-Peak kWh	551,636,484	\$ 0.038209		21,077,478.42	
	1,151,805,794			\$	44,743,510 43				\$.	48,979,949 81	9 47%
Total Base Rates				\$	61,130,075.87	Total Base Rates			\$	66,905,787.73	9.45%
FAC		s	0 007604	\$	8.736.779 77	FAC			\$	8,736,779.77	
ES			13 62%	\$	9,498,117.01	ES			\$	9,498,117 01	
				\$	79,364,972 65	Total Billings			\$	85,140,684.51	:
						Increase/(Decrease)			\$	5,775,711 86	
						Percent Change				7.28%	

EKPC Annual Billing Based on Settlement Blue Grass Rate B

Rate B												
		L	Cur	rent	Rate			L	Prop	osec	I Rate Calculated	
Description	Billing Units		Rate	C	alculated Billings	Description	Billing Units		Rate		Billings	
Demand Charge						Demand Charge						
Base kW Excess kW	401,465 5,324	\$	6.22 8.65	\$	2,497,112.30 46,052.60	Base kW Excess kW	401,465 5,324	\$	6.81 9.47	\$	2,733,976.65 50,418.28	9.49% 9.48%
Energy Charge All kWh	kWh 256,155,313	\$	0.033455	\$	8,569,676 00	Energy Charge All kWh	kWh 256,155,313	\$ 0	.036622	\$	9,380,919.87	9.47%
	256,155,313			\$	11,112,840.90	<u> </u>				\$	12,165,314.80	9.47%
FAC ES		\$	0.007604 13.62%	\$ \$	1,925,160.67 1,762,059.10	FAC ES				\$ \$	1,925,160.67 1,762,059.10	
Total Billings				\$	14,800,060.67	Total Billings				\$	15,852,534.57	
						Increase/(Decrea	ase)			\$	1,052,473.91	
						Percent Change					7.11%	

BLUE GRASS ENERGY COOPERATIVE CORPORATION PSC CASE NO. 2008-00411 SECOND DATA REQUEST RESPONSE

COMMISSION STAFF'S SECOND DATA REQUEST DATED 03/18/09

REQUEST 2

RESPONSIBLE PERSON: Ann F. Wood

COMPANY: Blue Grass Energy Cooperative

Corporation

Request 2. Provide the proof of revenues for the increase in rates that Blue Grass proposes to implement to recover the increased wholesale power costs it will incur as a result of the Settlement Agreement.

Response 2. Please see response 3 for the increase in rates allocated on a proportional basis.

BLUE GRASS ENERGY COOPERATIVE CORPORATION PSC CASE NO. 2008-00411 SECOND DATA REQUEST RESPONSE

COMMISSION STAFF'S SECOND DATA REQUEST DATED 03/18/09

REQUEST 3

RESPONSIBLE PERSON:

Ann F. Wood

COMPANY:

Blue Grass Energy Cooperative

Corporation

Request 3. Provide analyses which demonstrate the increase has been allocated on a proportional basis to each class and within each tariff, in a manner that does not change Blue Grass's rate design. The analyses are to be provided in both paper copy and electronic Excel format with all formulas intact.

Response 3. Please see the proportional analysis on pages 2 through 5 of this response and also provided in electronic format on the attached CD.

Blue Grass Energy

Billing Analysis

for the 12 months ending June 30, 2008

	Dragant	%	Total	%		
	Present Base	of	Proposed	of		
Data & Cahadula	1	Total	Revenues	Total	Cinaraga	% Increase
Rate & Schedule	Revenues	Iotai	Revenues	Total	\$ Increase	% increase
Schedule GS-1: Residential , Farm & Non-Farm	\$69,735,111	70.94%	\$74,572,572	70.94%	\$4,837,460	6.94%
1 '	\$139,049	0.14%	\$148,702	0.14%	\$9,653	6.94%
Schedule GS-2: Off-Peak Marketing ETS Schedule GS-3: Residential Time of Day	\$139,049	0.00%	\$146,702	0.00%	\$9,055	0.9476
Schedule SC-1: Small Commercial	\$6,420,969	6.53%	\$6,867,232	6.53%	\$446.263	6.95%
Schedule LP-1 - Large Power	\$3,036,458	3.09%	\$3,247,252	3.09%	\$210,795	6.94%
Schedule LP2: Large Power	\$4,978,649	5.06%	\$5,323,729	5.06%	\$345,080	6.93%
Schedule B-1: Large Industrial	\$1,289,868	1.31%	\$1,379,356	1.31%	\$89,488	6.94%
Schedule B-1: Large Industrial	\$10,822,965	11.01%	\$11,573,425	11.01%	\$750,460	6.93%
Total - Excluding Lights	\$96,423,069	71.0170	\$103,112,268	11.0170	\$6,689,199	6.94%
Total Exoluting Lights	ψου, 120,000		<u> </u>	L	40,000,100	0.0170
Lights:						
175 WATT MERCURY VAPOR	\$549,488		\$587,623		\$38,135	6.94%
400 WATT MERCURY VAPOR	\$22,639		\$24,213		\$1,574	6.95%
400 WATT METAL HALIDE DIRECTIONAL FLOOD	\$64,177		\$68,647		\$4,470	6.97%
400 WATT HIGH PRESSURE SODIUM DIRECTIONAL FLOOD	\$8,586		\$9,183		\$597	6.95%
100 WATT HIGH PRESSURE SODIUM - SHOEBOX FIXTURE	\$2,219	1	\$2,373		\$154	6.96%
100 WATT HIGH PRESSURE SODIUM - ACORN FIXTURE	\$2,100		\$2,246		\$146	6.94%
100 WATT HIGH PRESSURE SODIUM - COLONIAL FIXTURE	\$23,513		\$25,137		\$1,625	6.91%
400 WATT HIGH PRESSURE SODIUM - COBRA HEAD	\$1,204	ļ	\$1,287		\$84	6.96%
70 WATT HIGH PRESSURE SODIUM - ORNAMENTAL	\$75,384		\$80,577		\$5,193	6.89%
100 WATT HIGH PRESSURE SODIUM	\$68,500		\$73,227		\$4,727	6.90%
1250 WATT HIGH PRESSURE SODIUM - ORNAMENTAL	\$32,396		\$34,646		\$2,249	6.94%
70 WATT HIGH PRESSURE SODIUM - COLONIAL	\$47,887	1	\$51,214	1	\$3,326	6.95%
200 WATT HIGH PRESSURE SODIUM - COBRA HEAD	\$20,831		\$22,281		\$1,450	6.96%
100 WATT HIGH PRESSURE SODIUM - COBRA HEAD	\$29,060		\$31,065		\$2,005	6.90%
100 WATT HIGH PRESSURE SODIUM - OPEN BOTTOM	\$897,716		\$959,888		\$62,171	6.93%
250 WATT HIGH PRESSURE SODIUM - OPEN BOTTOM	\$28,389		\$30,357		\$1,968	6.93%
Total - Lights	\$1,874,087	1.91%	\$2,003,962	1.91%	\$129,875	6.93%
Grand Total	\$98,297,157	100.00%	\$105,116,230	100.00%	\$6,819,073	6.94%
Total FAC Component	\$6,589,438		\$6,589,438			
Total Environmental Surcharge Component	\$5,655,268		\$5,655,268			
Total including FAC and Environmental Surcharge	\$110,541,863		\$117,360,936		\$6,819,073	6.17%

Blue Grass Energy Schedule GS-1: Reside	ential , Farm &	& Non-Farm									
1	Billing		Billing Units	Д	ctual	Actual	Pr	oposed	Dollar	Percent	Proposed
	Determinants	Escalation %	Escalated	Rate	Revenues	Component %	Rate	Revenues	Increase	Increase	Component %
	(1)	(2)	(3)=(1)*(1+(2))	(4)	(5)=(4)*(3)	of Base Rates	(6)	(7)≈(3)*(6)	(8)	(9)	of Base Rates
Customer Charge	623,227	1.70%	633,822	\$8.75	\$ 5,545,941	7.95%	\$9.36	\$5,932,573	\$386,631		7.96%
Energy Charge per kWl	818,552,314	2.40%	838,197,570	\$ 0.07658	\$ 64,189,170	92.05%	\$0.08189	\$68,639,999	\$4,450,829		92.04%
Billing Adjustments								\$ -	\$0		
Total from Base Rates					\$ 69,735,111	100.00%		\$ 74,572,572	\$ 4,837,460	6.94%	100.00%
Plus Fuel Adjustment					\$ 4,323,147			\$ 4,323,147	\$ -		
Plus Environmental Sur	charge				\$ 4,065,713			\$ 4,065,713	\$ -		
Green Power					\$ -			\$ -	\$ -		
Total Revenues					\$ 78,123,972			\$ 82,961,432	\$ 4,837,460		
Average Customer			1,322		\$ 123.26			130.89	\$ 7.63		
Percent									_	6.19%	

Blue Grass Energy														
Schedule GS-2: Off-Pe	ak warketing	EIS												
	Billing		Billing Units	A	ctua	l	Actual	Pr	opose	d		Dollar	Percent	Proposed
	Determinants	Escalation %	Escalated	Rate	F	Revenues	Component %	Rate	Reve	enues	l Ir	ncrease	Increase	Component %
	(1)	(2)	(3)=(1)*(1+(2))	(4)	(5)=(4)*(3)	of Base Rates	(6)	(7	')≈(3)*(6)		(8)	(9)	of Base Rates
Customer Charge	4,300	1.70%	4,373	\$0.00	\$	-		\$0.00		\$0		\$0		
Energy Charge per kWI	2,955,166	2.40%	3,026,090	\$ 0.04595	\$	139,049	100.00%	\$0.04914		\$148,702		\$9,653		100.00%
Billing Adjustments									\$			\$0		
Total from Base Rates					\$	139,049	100.00%		\$	148,702	\$	9,653	6 94%	100.00%
Plus Fuel Adjustment					\$	15,608			\$	15,608	\$	-		
Plus Environmental Sur	charge				\$	8,490			\$	8,490	\$	-		
Green Power					\$	_			\$	_	\$	~		
Total Revenues					\$	163,147			\$	172,800	\$	9,653		
Average Customer					\$	37.31				39.51	\$	2.21		
ercent													5.92%	

Blue Grass Energy														
Schedule SC-1: Small	Commercial													
	Billing		Billing Units	A	ctua	al	Actual	Pr	opos	ed		Dollar	Percent	Proposed
	Determinants	Escalation %		Rate		Revenues	Component %	Rate		/enues	lı	ncrease	Increase	
	(1)	(2)	(3)=(1)*(1+(2))	(4)	(5)=(4)*(3)	of Base Rates	(6)		(7)=(3)*(6)		(8)	(9)	of Base Rates
Customer Charge	25,946	2.37%	26,561	\$25.00	\$	664,023	10.34%	\$26.74		\$710,239		\$46,216		10.34%
Energy Charge per kWl	65,844,398	2.40%	67,424,664	\$0.07148	\$	4,819,515	75.06%	\$0.07644		\$5,153,941		\$334,426		75.05%
Demand Charge	130,398	2.70%	133,919	\$7.00	\$	937,431	14.60%	\$7.49		\$1,003,051		\$65,620		14.61%
Billing Adjustments									\$	_		\$0		0.00%
Total from Base Rates					\$	6,420,969	100.00%		\$	6,867,232	\$	446,263	6.95%	100.00%
Plus Fuel Adjustment					\$	347,754			\$	347,754	\$	-		
Plus Environmental Sur	charge				\$	371,595			\$	371,595	\$	-		
Total Revenues					\$	7,140,319			\$	7,586,581	\$	446,263		
Average					\$	268.83			\$	285.63	\$	16.80		
Percent			,										6.25%	

Blue Grass Energy Schedule LP-1 - Large	Power													
	Billing		Billing Units	A	ctu	al	Actual	Pr	opos	sed		Dollar	Percent	Proposed
	Determinants	Escalation %	Escalated	Rate	Ī	Revenues	Component %	Rate	Re	venues	ı	ncrease	Increase	Component %
	(1)	(2)	(3)=(1)*(1+(2))	(4)	((5)=(4)*(3)	of Base Rates	(6)		(7)=(3)*(6)		(8)	(9)	of Base Rates
Customer Charge	649	0.00%	649	\$50.00	\$	32,450	1.07%	\$53.47		\$34,702		\$2,252		1.07%
Energy Charge per kWI	43,092,853	2.40%	44,127,081	\$0.04650	\$	2,051,909	67.58%	\$0.04973		\$2,194,440		\$142,530		67.58%
Demand Charge	123,609	2.70%	126,946	\$7.50	\$	952,098	31.36%	\$8.02		\$1,018,110		\$66,012		31.35%
Billing Adjustments									\$			\$0		
Total from Base Rates					\$	3,036,458	100.00%		\$	3,247,252	\$	210,795	6.94%	100.00%
Plus Fuel Adjustment					\$	227,593			\$	227,593	\$	•		
Plus Environmental Sur	charge				\$	179,193			\$	179,193	\$	-		
Total Revenues					\$	3,443,243			\$	3,654,038	\$	210,795		
/erage					\$	5,305			\$	5,630	\$	325		
Percent											_		6.12%	

		`								***************************************				
iue Grass Energy Schedule LP2: Large I	Power													
	Billing		Billing Units	Actual			Actual	Proposed			D	ollar	Percent	Proposed
	Determinants	Escalation %		Rate		Revenues	Component %		Rev	/enues	-	rease	Increase	Component %
	(1)	(2)	(3)=(1)*(1+(2))	(4)	((5)=(4)*(3)	of Base Rates	(6)	((7)≈(3)*(6)		(8)	(9)	of Base Rate
Customer Charge	232	0.00%	232	\$100.00	\$	23,200	0.47%	\$106.94		\$24,810		\$1,610		0.47
Energy Charge per kWI	82,628,995	2.40%	84,612,091	\$0.04098	\$	3,467,403	69.65%	\$0.04382		\$3,707,702	\$	240,298		69.64
Demand Charge	193,190	2.70%	198,406	\$7.50	\$	1,488,046	29.89%	\$8.02		\$1,591,217	\$	103,171		29.89
Billing Adjustments									\$	-				
Total from Base Rates					\$	4,978,649	100.00%		\$	5,323,729	\$ 3	45,080	6.93%	100.00
Plus Fuel Adjustment					\$	436,401			\$	436,401	\$	-		
Plus Environmental Sur	rcharge				\$	297,280			\$	297,280	\$	-		,
Total Revenues					\$	5,712,331			\$	6,057,410	\$ 3	45,080	!	
Average					\$	24,622			\$	26,110	\$	1,487		
Percent													6.04%	

					_					**				
Blue Grass Energy														
Schedule B-1: Large II	ndustrial													
	Billing		Billing Units	Actual			Actual	Proposed				Dollar	Percent	Proposed
	Determinants	Escalation %	Escalated	Rate	-	Revenues	Component %	Rate	Rev	enues	lr	ncrease	Increase	Component %
	(1)	(2)	(3)=(1)*(1+(2))	(4)	(5)=(4)*(3)	of Base Rates	(6)	(7)=(3)*(6)		(8)	(9)	of Base Rates
Customer Charge	12	0.00%	12	\$1,000	\$	12,000	0.93%	\$1,069.40		\$12,833		\$833		0.93%
Energy Charge	24,296,400	2.40%	24,879,514	\$0.04148	\$	1,032,002	80.01%	\$0.04436		\$1,103,655		\$71,653		80.01%
Demand Charge - Cont	35,100	2.70%	36,048	\$6.22	\$	224,217	17.38%	\$6.65		\$239,717		\$15,501		17.38%
Demand Charge - Exce	2,437	2.70%	2,503	8.65	\$	21,649		\$9.25		\$23,151		\$1,502		
Billing Adjustments				_					\$	-		\$0		
Total from Base Rates					\$	1,289,868	98.32%		\$	1,379,356	\$	89,488	6.94%	98.32%
Plus Fuel Adjustment					\$	128,320			\$	128,320	\$	-		
Plus Environmental Sur	rcharge				\$	77,857			\$	77,857	\$	-		
Total Revenues				•	\$	1,496,045			\$	1,585,533	\$	89,488		
							1							
verage					\$	124,670			\$	132,128	\$	7,457		
Percent													5,98%	

Blue Grass Energy Schedule B-2: Large Industrial													
	Billing		Billing Units	Actual			Actual	Proposed			Dollar	Percent	Proposed
	Determinants	Escalation %	Escalated	Rate	ī	Revenues	Component %	Rate	Revenues	Ir	ncrease	Increase	Component %
	(1)	(2)	(3)=(1)*(1+(2))	(4)	((5)=(4)*(3)	of Base Rates	(6)	(7)=(3)*(6)		(8)	(9)	of Base Rates
Customer Charge	72	0.00%	72	\$2,000	\$	144,000	1.33%	\$2,138.80	\$153,994		\$9,994		1.33%
Energy Charge	210,285,600	2.40%	215,332,454	\$0.03703	\$	7,973,761	73.67%	\$0.03960	\$8,527,165		\$553,404		73.68%
Demand Charge - Cont	392,100	2.70%	402,687	\$6.22	\$	2,504,711	23.14%	\$6.65	\$2,677,867		\$173,155		23.14%
Demand Charge - Exce	22,569	2.70%	23,178	8.65	\$	200,493	1.85%	\$9.25	\$214,400		\$13,907		1.85%
Billing Adjustments									\$ -		\$0		
Total from Base Rates					\$	10,822,965	100.00%		\$11,573,425		\$750,460	6.93%	100.00%
Plus Fuel Adjustment					\$	1,110,614			\$ 1,110,614	\$	-		
Plus Environmental Sur	charge				\$	655,140			\$ 655,140	\$	-		
Total Revenues					\$	12,588,719			\$ 13,339,179	\$	750,460		
Average Percent					\$	174,843			\$ 185,266	\$	10,423	5.96%	

Blue Grass Energy: Test Year Ending June 30, 2008

	Annual	Rate	Normalized	Percent of	kWh	Total kWh	Proposed	Proposed			Percent of
	Billing (per	Annual	Actual	per	assigned	Rate per	Light	Dollar	%	Proposed
	Units	Lamp	Revenue	Base	Light	to Lights	Light	Revenues	Change	Change	Base
	<u> </u>			Revenues							Revenues
				1							
					ĺ						
175 WATT MERCURY VAPOR	57,780	\$9.51	\$549,488	29.32%	73	4,217,940	\$10.17	\$587,623	\$38,135	6.94%	29.32%
400 WATT MERCURY VAPOR	1,471	\$15.39	\$22,639	1.21%	159	233,889	\$16.46	\$24,213	\$1,574	6.95%	1.21%
400 WATT METAL HALIDE DIRECTIONAL FLOOD	4,426	\$14.50	\$64,177	3.42%	159	703,734	\$15.51	\$68,647	\$4,470	6.97%	3.43%
400 WATT HIGH PRESSURE SODIUM DIRECTIONAL FLOOD	563	\$15.25	\$8,586	0.46%	159	89,517	\$16.31	\$9,183	\$597	6.95%	0.46%
100 WATT HIGH PRESSURE SODIUM - SHOEBOX FIXTURE	132	\$16.81	\$2,219	0.12%	37	4,884	\$17.98	\$2,373	\$154	6.96%	0.12%
100 WATT HIGH PRESSURE SODIUM - ACORN FIXTURE	129	\$16.28	\$2,100	0.11%	37	4,773	\$17.41	\$2,246	\$146	6.94%	0.11%
100 WATT HIGH PRESSURE SODIUM - COLONIAL FIXTURE	1,710	\$13.75	\$23,513	1.25%	37	63,270	\$14.70	\$25,137	\$1,625	6.91%	1.25%
400 WATT HIGH PRESSURE SODIUM - COBRA HEAD	59	\$20.40	\$1,204	0.06%	159	9,381	\$21.82	\$1,287	\$84	6.96%	0.06%
70 WATT HIGH PRESSURE SODIUM - ORNAMENTAL	8,376	\$9.00	\$75,384	4.02%	23	192,648	\$9.62	\$80,577	\$5,193	6.89%	4.02%
100 WATT HIGH PRESSURE SODIUM	6,850	\$10.00	\$68,500	3.66%	37	253,450	\$10.69	\$73,227	\$4,727	6.90%	3.65%
250 WATT HIGH PRESSURE SODIUM - ORNAMENTAL	2,445	\$13.25	\$32,396	1.73%	102	249,390	\$14.17	\$34,646	\$2,249	6.94%	1.73%
70 WATT HIGH PRESSURE SODIUM - COLONIAL	5,735	\$8.35	\$47,887	2.56%	23	131,905	\$8.93	\$51,214	\$3,326	6.95%	2.56%
200 WATT HIGH PRESSURE SODIUM - COBRA HEAD	1,543	\$13.50	\$20,831	1.11%	84	129,612	\$14.44	\$22,281	\$1,450	6.96%	1.11%
100 WATT HIGH PRESSURE SODIUM - COBRA HEAD	2,906	\$10.00	\$29,060	1.55%	37	107,522	\$10.69	\$31,065	\$2,005	6.90%	1.55%
100 WATT HIGH PRESSURE SODIUM - OPEN BOTTOM	94,199	\$9.53	\$897,716	47.90%	37	3,485,363	\$10.19	\$959,888	\$62,171	6.93%	47.90%
250 WATT HIGH PRESSURE SODIUM - OPEN BOTTOM	1,988	\$14.28	\$28,389	1.51%	102	202,776	\$15.27	\$30,357	\$1,968	6.93%	1.51%
]						
Totals	190,312		\$1,874,087	100.00%]	10,080,054		\$2,003,962	\$129,875		100.00%

Average \$9.85 \$10.53 \$0.68 6.93%

Page 1 of 11

BLUE GRASS ENERGY COOPERATIVE CORPORATION PSC CASE NO. 2008-00411 SECOND DATA REQUEST RESPONSE

COMMISSION STAFF'S SECOND DATA REQUEST DATED 03/18/09

REQUEST 4

RESPONSIBLE PERSON:

Ann F. Wood

COMPANY:

Blue Grass Energy Cooperative

Corporation

Request 4. Provide a statement showing, by cross-outs and italicized inserts, all proposed changes in rates. A copy of the current tariff may be used.

Response 4. Please see pages 2 through 11 for revised tariff sheets indicating the proposed change in rates.

P.S.C. KY NO. 2
ORIGINAL SHEET NO. 5
CANCELLING P.S.C. KY NO. 1
ORIGINAL SHEET NO. 5, 39, & 53

CLASSIFICATION OF SERVICE

GS-2 Off-Peak Retail Marketing Rate (ETS)

AVAILABILITY

Available to consumers eligible for Tariff GS-1, Residential and Farm Schedule. The electric power and energy furnished under Tariff GS-2, Off Peak Retail Marketing Rate shall be separately metered for each point of delivery. Other power and energy furnished will be billed under GS-1, Residential and Farm Schedule.

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All kWh/Month:

\$0.04595

\$0.04914 kWh

SCHEDULE OF HOURS

This rate is only applicable for the below listed off-peak hours:

Months	Hours Applicable for Demand Billing - EST
October through April	12:00 noon to 5:00 p.m.
• ,	10:00 p.m. to 7:00 a.m.
May through September	10:00 p.m. to 10:00 a.m.

FUEL ADJUSTMENT CLAUSE

All rates are applicable to the Fuel Adjustment Clause and may be increased or decreased by and 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 loss will not exceed 10% and is based on twelve-moth moving average of such losses. This Fuel Clause is subject to all applicable provisions as set out in 807 KAR 5.056.

DELAYED PAYMENT CHARGE

The above rates are net, the gross rates being 7.5% 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.

TERMS AND CONDITIONS

This Tariff is subject to the same terms and conditions as described in Tariff GS-1, Residential and Farm. This rate applies to only programs which are expressly approved by the Public Service Commission to be offered under the Marketing Rate of East Kentucky Power Cooperative's wholesale power rate. Effective January 1, 2009 all consumers under this rate will be switched to the GS-3 Residential and Farm Time-of Day Rate or the GS-1 Residential and Farm Rate. This tariff is no longer available for new installations.

DATE OF ISSUE: March 24, 2009	DATE EFFECTIVE: April 1, 2009
ISSUED BY:(Name of Officer)	TITLE: Vice President & CFO

FOR ENTIRE TERRITORY SERVED
P.S.C. KY NO. 2
ORIGINAL SHEET NO. 6
CANCELLING P.S.C. KY NO. 1
ORIGINAL SHEET NO. 6, 35, & 52

CLASSIFICATION OF SERVICE

GS-1 (Residential and Farm)

APPLICABLE

Entire Territory Served

AVAILABILITY

Available to all residential and farm consumers. The capacity on individual motors served under this schedule may not exceed ten (10) horsepower.

TYPE OF SERVICE

Single-phase, 60 cycles, at available secondary voltage.

RATES

Customer Charge \$8.75 \$9.36 per meter, per month Energy Charge per kWh \$0.07658 \$0.08189

FUEL ADJUSTMENT CLAUSE

All rates are applicable to the Fuel Adjustment Clause and may be increased or decreased by and 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 loss will not exceed 10% and is based on twelve-moth moving average of such losses. This Fuel Clause is subject to all applicable provisions as set out in 807 KAR 5.056.

MINIMUM MONTHLY CHARGE

The minimum monthly charge under this tariff shall be the customer charge.

DELAY PAYMENT CHARGE

The above rates are net, the gross rates being 7.5% 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: March 24, 2009	DATE EFFECTIVE: April 1, 2009
ISSUED BY:(Name of Officer)	TITLE: <u>Vice President & CFO</u>

FOR ENTIRE TERRITORY SERVED
P.S.C. KY NO. 2
ORIGINAL SHEET NO. 8
CANCELLING P.S.C. KY NO. 1
ORIGINAL SHEET NO. 8

CLASSIFICATION OF SERVICE

GS-3 (Residential and Farm Time-of-Day Rate)

APPLICABLE

Entire Territory Served

AVAILABILITY

Available to all consumers eligible for the Tariff GS-1, Residential and Farm. The capacity on individual motors served under this schedule may not exceed ten (10) horsepower.

TYPE OF SERVICE

Single-phase, 60 cycles, at available secondary voltage.

RATES:

Customer Charge	\$8.75 \$9.36 per meter, per month
Energy Charge per kWh	
On-peak energy	<u>\$0.09377</u>
Off-peak energy	\$0.05741 \$0.06139

On-Peak Hours and Off-Peak Hours

<u>Months</u>	<u>On-Peak Hours</u>	Off-Peak Hours
May through September	10:00 a.m. to 10:00 p.m.	10:00 p.m. to 10:00 a.m.
October through April	7:00 a.m. to 12:00 noon	10:00 p.m. to 7:00 a.m.
	5:00 p.m. to 10:00 p.m.	12:00 noon to 5:00 p.m.

FUEL ADJUSTMENT CLAUSE

All rates are applicable to the Fuel Adjustment Clause and may be increased or decreased by and 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 loss will not exceed 10% and is based on twelve-moth moving average of such losses. This Fuel Clause is subject to all applicable provisions as set out in 807 KAR 5.056.

MINIMUM MONTHLY CHARGES

The minimum monthly charge under this tariff shall be the customer charge.

DELAY PAYMENT CHARGE

The above rates are net, the gross rates being 7.5% 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: March 24, 2009	DATE EFFECTIVE: April 1, 2009
ISSUED BY:(Name of Officer)	TITLE: Vice President & CFO

FOR ENTIRE TERRITORY SERVED
P.S.C. KY NO. 2
ORIGINAL SHEET NO. 9
CANCELLING P.S.C. KY NO. 1
ORIGINAL SHEET NO. 9, 36, 54, & 55

CLASSIFICATION OF SERVICE

SC-1 Commercial and Industrial (0-100 KW)

APPLICABLE

Entire territory served

AVAILABILITY

Available for single phase or three-phase commercial and industrial; and three-phase farm service up to 100 kW.

TYPE OF SERVICE

Single-phase and three-phase, 60 cycles, at available secondary voltages. Motors having a rated capacity in excess of 10 horsepower must be three-phase unless specially approved by the Cooperative. Consumer's equipment shall operate in such a way that it does not cause electrical disturbances to other consumers.

RATE

<u>Demand Charge</u> First 10 KW of Billing Demand Over 10 KW of Billing Demand	No charge \$7.00	\$7.49
Energy Charge All KWH	<u>\$0.07148</u>	\$0.07644
Customer Charge	\$25.00	\$26.74

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 loss will not exceed 10% and is based on a twelvementh moving average of such losses. This Fuel Clause is subject to all applicable provisions as set out in 807 KAR 5.056.

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.

DATE OF ISSUE: March 24, 2009	DATE EFFECTIVE: April 1, 2009
ISSUED BY:(Name of Officer)	TITLE: Vice President & CFO

FOR ENTIRE TERRITORY SERVED
P.S.C. KY NO. 2
ORIGINAL SHEET NO. 11
CANCELLING P.S.C. KY NO. 1
ORIGINAL SHEET NO. 11, 37, 46, & 56

CLASSIFICATION OF SERVICE

LP-1 Large Power (101 KW to 500 KW)

APPLICABLE

Entire territory served

AVAILABILITY

Available to all consumers whose contracted kilowatt demand shall exceed 100 kW for all usage subject to the established rules and regulations.

CONDITIONS

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

TYPE OF SERVICE

Single-phase and three-phase, 60 cycles, at available primary or secondary voltages. Motors having a rated capacity in excess of 10 horsepower must be three-phase unless specifically approved by the Cooperative. Consumer's equipment shall operate in such a way that it does not cause electrical disturbances to other consumers.

RATE

Maximum Demand Charge

\$7.50 \$8.02 per month per KW of billing demand

Energy Charge (101 KW to 500 kW)

Customer Charge	\$50.00	\$53.47
ALL KWH	\$0.04650	\$0.04973

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 practicable. Power factor may be measured at any time. Should such measurements indicate that the power factor at the time of this maximum demand is less than the wholesale power factor, the demand for billing purposes shall be demand as indicated or recorded by the demand meter multiplied by the wholesale power factor and divided by the measured power factor.

DATE OF ISSUE: MA	arch 24, 2009	DATEE	FFECTIVE: April 1	, 200
ISSUED BY:	(Name of Officer)	TITLE:	Vice President &	CFO
	(Mame of Officer)			

P.S.C. KY NO. 2 ORIGINAL SHEET NO. 13 CANCELLING P.S.C. KY NO. 1 ORIGINAL SHEET NO. 13, 48, & 58

CLASSIFICATION OF SERVICE	
 LP-2 Large Power (over 500)	

APPLICABLE

Entire territory served

AVAILABLITY

Available to all commercial and industrial consumers whose contracted kilowatt demand shall exceed 500 kW for all usage subject to the established rules and regulations.

CONDITIONS

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

TYPE OF SERVICE

Three-phase, 60 cycles, at available primary or secondary voltages. Consumer's equipment shall operate in such a way that it does not cause electrical disturbances to other consumers.

RATE

Maximum Demand Charge

\$7.50 \$8.02 per month per kW of billing demand

Energy Charge (over 500 kW)

Customer Charge	\$100.00	\$106.94
ALL KWH	\$0.04098	\$0.04382

Special facilities charge as specified in the contract

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 practical. Power Factor may be measured at any time. Should such measurements indicate that the power factor at the time of the maximum demand is less than the wholesale power factor, the demand for billing purposes shall be demand as indicated or recorded by the demand meter multiplied by the wholesale power factor and divided by the measured power factor.

DATE OF ISSUE: March 24, 2009	DATE EFFECTIVE: April 1, 2009
ISSUED BY:(Name of Officer)	TITLE: Vice President & CFO

P.S.C. KY NO. 2 ORIGINAL SHEET NO. 15 CANCELLING P.S.C. KY NO. 1 ORIGINAL SHEET NO. 15, 16, & 64

CLASSIFICATION OF SERVICE

OUTDOOR LIGHTS

APPLICABLE

Entire territory served

AVAILABILITY

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

RATE PER LIGHT PER MONTH

175 Watt Mercury Vapor*	\$ -9.51	\$10.17
400 Watt Mercury Vapor*	\$15.39	\$16.46
400 Watt Metal Halide Directional Flood	\$14.50	\$15.51
400 Watt High Pressure Sodium Directional Flood*	\$15.25	\$16.31
100 Watt High Pressure Sodium – Shoebox Fixture (Metal Pole)	\$16.81	\$17.98
100 Watt High Pressure Sodium – Acorn Fixture (Fiberglas Pole)	\$16.28	\$17.41
100 Watt High Pressure Sodium - Colonial Fixture	\$13.75	\$14.70
400 Watt High Pressure Sodium Cobra Head (Aluminum Pole)	\$20.40	\$21.82
70 Watt High Pressure Sodium (Ornamental)*	\$-9.00	\$ 9.62
100 Watt High Pressure Sodium (Ornamental)*	\$10.00	\$10.69
250 Watt High Pressure Sodium (Ornamental)*	\$13.25	\$14.17
70 Watt High Pressure (Colonial) (15-foot mounting height)*	\$ 8.35	\$ 8.93
200 Watt High Pressure Sodium Cobra Head (Aluminum Pole)	\$13.50	\$14.44
100 Watt High Pressure Sodium Cobra Head (Aluminum Pole)	\$10.00	\$10.69
100 Watt High Pressure Sodium Open Bottom	\$ 9.53	\$10.19
250 Watt High Pressure Sodium Open Bottom	\$14.28	\$15.27

^{*}Not available for new installation

ADDITIONAL ORNAMENTAL SERVICE

The Cooperative may, upon request, furnish ornamental poles/fixtures not listed in our current rates of the Cooperative's choosing, together with overhead wiring and all other equipment as needed. The Member will pay this additional cost prior to installation.

DATE OF ISSUE: March 24, 2009	DATE EFFECTIVE: April 1, 2009

TITLE: Vice President & CFO

ISSUED BY: (Name of Officer)

P.S.C. KY NO. 2 ORIGINAL SHEET NO. 23 CANCELLING P.S.C. KY NO. 1 ORIGINAL SHEET NO. 23 & 50

CLASSIFICATION OF SERVICE

Large Industrial Rate - Schedule B-1

AVAILABILITY

Applicable to contracts with demands of 1,000 KW to 3,999 KW with a monthly energy usage equal to or greater than 425 hours per kW of billing demand.

MONTHLY RATE

Consumer Charge	\$ 1000.00	\$1069.40
Demand Charge per kW of Contract Demand	\$ 6.22	\$ 6.65
Demand Charge per kW for Billing Demand		
in Excess of Contract Demand	\$-8.65	\$ 9.25
Energy Charge per kWh	\$0 .04148	\$0.04436

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 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>	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.

MINIMUM MONTHLY CHARGE

The minimum monthly charge shall not be less than the sum of (a) through (d) below:

- a. Customer Charge
- b. The product of the contract demand multiplied by the contract demand charge, plus the product of the demand in excess of the contract demand, multiplied by the in excess of contract demand charge.
- c. The product of the contract demand multiplied by 425 hours and the energy charge per KWH.
- d. Contract provisions that reflect special facilities requirements.

POWER FACTOR ADJUSTMENT

The consumer agrees to maintain unity power factor as nearly as practicable. Power factor may be measured at any time. Should such measurements indicate that the power factor at the time of the maximum demand is less than the minimum required wholesale power factor, the demand for billing purposes shall be demand as indicated or recorded, multiplied by the minimum required wholesale power factor and divided by the measured power factor.

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ISSUED BY:(Name of Officer)	TITLE: Vice President & CFO

P.S.C. KY NO. 2 ORIGINAL SHEET NO. 25 CANCELLING P.S.C. KY NO. 1 ORIGINAL SHEET NO. 25 & 62

CLASSIFICATION OF SERVICE

Large Industrial Rate - Schedule B-2

AVAILABILITY

Applicable to contracts with demands of 4,000 KW and greater with a monthly energy usage equal to or greater than 425 hours per KW of contract demand.

TYPE OF SEREVICE

Three-phase, 60 cycles, at available primary voltages. Consumer's equipment shall operate in such a way that it does not cause electrical disturbances to other consumers.

MONTHLY RATE

Customer Charge	\$ 2,000.00	\$2,138.80
Demand Charge per kW of Contract Demand	\$ 6.22	\$6.65
Demand Charge per kW for Billing Demand		
in Excess of Contract Demand	\$8.65	\$9.25
Energy Charge per kWh	\$0.03703	\$0.03960

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 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>	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.

MINIMUM MONTHLY CHARGE

The minimum monthly charge shall not be less than the sum of (a) through (d) below:

- a. Customer Charge
- b. The product of the contract demand multiplied by the contract demand charge, plus the product of the demand in excess of the contract demand, multiplied by the in excess of contract demand charge.
- c. The product of the contract demand multiplied by 425 hours and the energy charge per kWh.
- d. Contract provisions that reflect special facilities requirements.

DATE OF ISSUE: March 24, 2009	DATE EFFECTIVE: April 1, 2009
ISSUED BY:(Name of Officer)	TITLE: Vice President & CFO

FOR ENTIRE TERRITORY SERVED
P.S.C. KY NO. 2
ORIGINAL SHEET NO. 33
CANCELLING P.S.C. KY NO. 1
ORIGINAL SHEET NO. 33

CLASSIFICATION OF SERVICE

Interruptible Service

STANDARD RIDER

This Interruptible Rate is a rider to the Schedule LP-1 Large Power Rate, LP-2 Large Power Rate, B-1 Large Industrial Rate and B-2 Large Industrial Rate.

APPLICABLE

In all territory served by the Cooperative.

AVAILABILITY OF SERVICE

This schedule shall be made available at any load center, to any member who will contract 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 to be based on the following matrix:

Annual Hours of Interruption

Notice Minutes	200	300	400
10	\$2.70 <i>\$4.20</i>	\$3.15 <i>\$4.90</i>	\$3.60 <i>\$5.60</i>
60	\$2.25 <i>\$3.50</i>	\$2.70 <i>\$4.20</i>	\$3.15 \$4.90

DETERMINATION OF MEASURED LOAD - BILLING DEMAND

The monthly billing demand shall be the highest average rate at which energy is used during any fifteen consecutive minute periods during the below listed hours:

<u>Months</u>	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.

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: March 24, 2009 DATE EFFECTIVE: April 1, 2009

ISSUED BY: TITLE: Vice President & CFO