

RECEIVED

LAW OFFICES

W. PATRICK HAUSER, P.S.C.

200 KNOX STREET

OCT 31 2008

PUBLIC SERVICE

COMMISSION

Telephone: (606) 546-3811

Telefax: (606) 546-3050

E-MAIL phouser@barbourville.com

P.O. Box 1900
BARBOURVILLE, KENTUCKY 40906

October 6, 2008

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

Re: Cumberland Valley Electric Pass-Through of East Kentucky Power Cooperative,
Inc. Wholesale Rate Adjustment – PSC Case No. 2008-00413

Dear Ms. Stumbo:

Cumberland Valley Electric, Inc. hereby submits to the Public Service Commission (the "Commission"), its Proposed Tariffs and other information required by 807 KAR 5:007 in regard to the pass-through of any wholesale rate adjustment granted to East Kentucky Power Cooperative, Inc., ("EKPC") in PSC Case No. 2008-00409. This filing includes the following:

1. Cumberland Valley Electric, Inc. Proposed Tariffs are attached as Exhibit 1.
2. The name and filing address of the filing cooperative is:

Cumberland Valley Electric, Inc.
P.O. Box 440
Gray, KY 40734

3. In accordance with the provisions of KRS 278.455(2), Cumberland Valley Electric, Inc. hereby states that the effects of the increase in rates from its wholesale supplier, EKPC, are being passed through to its retail tariffs on a proportional basis and that the rate design structure proposed for each retail rate schedule does not change the rate design currently in effect.
4. A comparison of the current and proposed rates of Cumberland Valley Electric, Inc. is attached as Exhibit 2.
5. Attached as Exhibit 3 is a billing analysis which shows the existing and proposed rates for each rate class.

Ms. Stephanie Stumbo
Page 2
October 6, 2008

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

Cumberland Valley Electric, Inc. hereby requests that the Commission accept this filing and allow the pass-through to its retail rates of the wholesale rate adjustment granted to EKPC as of the effective date of such adjustment.

Respectfully submitted,

Cumberland Valley Electric, Inc.



W. PATRICK HAUSER
ATTORNEY FOR
CUMBERLAND VALLEY ELECTRIC, INC.

EXHIBIT 1

Page 1 of 8

Form for filing Rate Schedules

For Entire Territory Served
Community, Town, or City
P.S.C. NO.4

CUMBERLAND VALLEY ELECTRIC, INC.
Gray, Ky. 40734

Third Revised SHEET NO. 2
Canceling Second Revised SHEET No.2

CLASSIFICATION OF SERVICE

Rates For Residential, Schools and Churches Schedule 1

APPLICABLE

In all territory served by the Seller.

AVAILABILITY

Available to all Residential, Schools and Churches.

TYPE OF SERVICE

Single phase at available voltages.

Customer Charge	\$5.53 Per month per customer	I
ALL KWH	.07833	I

MARKETING RATE:

Available to Consumers eligible for Tariff Schedule 1

The electric power and energy furnished under this section shall be separately metered for each point of delivery. This retail marketing rate applies only to programs which are expressly approved by the Commission to be offered under the Marketing Rate of East Ky. Power Cooperatives Wholesale Power Rate Schedule A.

Marketing rate for all kwh per month			
PER	KWH	.04700	I

This rate is only applicable during the below listed OFF-PEAK hours:

<u>MONTHS</u>	<u>OFF-PEAK HOURS-EST</u>
OCTOBER thru APRIL	12:00 NOON TO 5:00 P.M.
	10:00 P.M. TO 7:00 A.M.
MAY thru SEPTEMBER	10:00 p.m. TO 10:00 A.M.

DATE OF ISSUE: October 31, 2008

DATE EFFECTIVE: December 1, 2008

ISSUED BY: _____

TITLE: Manager

EXHIBIT 1

Page 2 of 8

Form for filing Rate Schedules

For Entire Territory Served
Community, Town or City

CUMBERLAND VALLEY ELECTRIC, INC
Gray, Ky. 40734

P.S.C. NO. 4
Second Revised SHEET NO. 5
Canceling First Revised SHEET NO. 5

CLASSIFICATION OF SERVICE

Small Commercial and Small Power Schedule II

APPLICABLE

Entire Territory served.

AVAILABILITY OF SERVICE

Available to all commercial and small power service under
50 KW.

TYPE OF SERVICE

SINGLE PHASE

ENERGY CHARGE: Customer charge \$5.53 per month per customer	I
First 3,000 KWH \$.08756	I
Over 3,000 KWH \$.08138	I

THREE PHASE WHERE AVAILABLE

DEMAND CHARGE: Per KW of billing demand \$4.08	I
ENERGY CHARGE: Customer charge \$5.53 per month per customer	I
First 3,000 KWH \$.08756	I
Over 3,000 KWH \$.08138	I

DETERMINATION OF BILLING DEMAND

The billing demand shall be the maximum kilowatt demand established by the Consumer for any period of 15 consecutive minutes during the month for which the bill is rendered, as indicated or recorded by a demand meter.

MINIMUM CHARGE

The minimum monthly charge under the above rate shall be \$5.00 where 5 KVA or less transformer capacity is required. Each customer who requires more than 5 KVA of transformer capacity shall pay in addition to the above minimum, .75 on each additional KVA or fraction thereof required.

DATE OF ISSUE: October 31, 2008

DATE EFFECTIVE: December 1, 2008

ISSUED BY: _____

TITLE: Manager

EXHIBIT 1

Page 3 of 8

Form for filing Rate Schedules

For Entire Territory Served
Community, Town or City

CUMBERLAND VALLEY ELECTRIC, INC.
Gray, Ky. 40734

P.S.C. NO. 4
Second Revised SHEET NO. 7
Canceling First Revised SHEET NO. 7

CLASSIFICATION OF SERVICE

All Three Phase Schools and Churches Schedule III

APPLICABLE

In all territory served by the Seller.

AVAILABILITY

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

CHARACTER OF SERVICE

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

RATE

All KWH \$.07209 I

MINIMUM CHARGE

The minimum annual charge will be not less than \$.75 per KVA of required transformer capacity as determined by the Cooperative.

TERM OF CONTRACT

Service under this rate schedule will be furnished under an "Agreement for Purchase of Power".

DATE OF ISSUE: October 31, 2008

DATE EFFECTIVE: December 1, 2008

ISSUED BY: _____

TITLE: Manager

EXHIBIT 1

Page 4 of 8

Form for filing Rate Schedules

For Entire Territory Served
Community, Town or City

CUMBERLAND VALLEY ELECTRIC, INC.
Gray, Ky. 40734

P.S.C. NO. 4
Second Revised SHEET NO. 9
Canceling First Revised SHEET NO. 9

CLASSIFICATION OF SERVICE

Large Power- Industrial

Schedule IV

APPLICABLE

In all Territory served by the Seller.

AVAILABILITY

Available to all commercial and industrial consumers whose kilowatt demand shall exceed 2500 KW for lighting and/or heating and/or power.

CONDITIONS

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

CHARACTER OF SERVICE

The electric service furnished under this Schedule will be 60 cycle alternating current and at available nominal voltage.

RATE

<u>DEMAND CHARGE:</u> Per KW of billing demand \$6.32	I
<u>ENERGY CHARGE:</u> ALL KWH \$.04452	I

DETERMINATION OF BILLING DEMAND

The billing demand shall be the maximum kilowatt demand established by the consumer for a 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.

DATE OF ISSUE: October 31, 2008

DATE EFFECTIVE: December 1, 2008

ISSUED BY: _____

TITLE: Manager

EXHIBIT 1

Page 5 of 8

Form for filing Rate Schedules

For Entire Territory Served
Community, Town or City

P.S.C. NO. 4

CUMBERLAND VALLEY ELECTRIC, INC.
Gray, Ky. 40734

Second Revised SHEET NO. 12
Canceling First Revised SHEET NO. 12

CLASSIFICATION OF SERVICE

Large Power Rate - 50 KW TO 2,500 KW. Schedule IV-A

APPLICABLE

In all territory served by the Seller.

AVAILABILITY

Available to all commercial and industrial consumers whose kilowatt demand shall exceed 50 KW for lighting and/or heating and/or power up to 2,500 KW.

CONDITIONS

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

CHARACTER OF SERVICE

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

	<u>RATE</u>	
<u>DEMAND CHARGE:</u> Per KW of billing demand	\$4.08	I
<u>ENERGY CHARGE:</u> All KWH	\$.05436	I

DETERMINATION OF BILLING DEMAND

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

DATE OF ISSUE: October 31, 2008
ISSUED BY: _____

DATE EFFECTIVE: December 1, 2008
TITLE: Manager

EXHIBIT 1

Page 6 of 8

Form for filing Rate Schedules

For Entire Territory Served
Community, Town, or City

P.S.C. No. 4

CUMBERLAND VALLEY ELECTRIC, INC.
Gray, Ky. 40734

Second Revised SHEET NO. 15
Canceling First Revised SHEET No. 15

CLASSIFICATION OF SERVICE

Large Power Rate - 1000 kw to 2,500 kw

Schedule V

APPLICABLE

In all territory served by the Seller.

AVAILABILITY

Available to all commercial and industrial consumers willing to contract for a kilowatt demand of 1,000 kw to 2,500 KW with a monthly energy usage equal to or greater than 425 hours per KW of contract demand.

CONDITIONS

The consumer shall execute an "Industrial Power Agreement" with the Seller under this schedule. This agreement is subject to the approval of East Kentucky Power Cooperative.

CHARACTER OF SERVICE

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

MONTHLY RATE

<u>Consumer Charge:</u>	\$ 592.62	I
<u>Demand Charge:</u>	\$ 5.97 per kw of contract demand	I
	\$ 8.66 per kw for all billing	I
	demand in excess of contract	
	demand	
<u>Energy Charge:</u>	\$ 0.05013 per KWH	I

DATE OF ISSUE: October 31, 2008

DATE EFFECTIVE: December 1, 2008

ISSUED BY: _____

TITLE: Manager

EXHIBIT 1
Page 7 of 8

Form for filing Rate Schedules

For Entire Territory Served
Community, Town, or City
P.S.C. No. 4

CUMBERLAND VALLEY ELECTRIC, INC.
Gray, Ky. 40734

Second Revised SHEET NO. 19
Canceling First Revised SHEET NO. 19

CLASSIFICATION OF SERVICE

Large Power - Industrial

Schedule V-A

APPLICABLE

In all Territory served by the Seller.

AVAILABILITY

Available to all commercial and industrial consumers willing to contract for a kilowatt demand in excess of 2500 kw with a monthly energy usage equal to or greater than 425 hours per KW of contract demand.

CONDITIONS

The consumer shall execute an "Industrial Power Agreement" with the Seller of a service under this schedule. This agreement is subject to the approval of East Kentucky Power Cooperative.

CHARACTER OF SERVICE

The electric service furnished under this Schedule will be 60 cycle alternating current and at available nominal voltage.

RATES PER MONTH

<u>Consumer Charge:</u>	\$	1,184.12	I
<u>DEMAND CHARGE;</u>	\$	5.97 per kw of contract demand	I
	\$	8.66 per kw for all billing demand in excess of contract demand	I
<u>Energy Charge:</u>	\$.04309 PER KWH	I

DATE OF ISSUE: October 31, 2008

DATE EFFECTIVE: December 1, 2008

ISSUED BY; _____

TITLE: Manager

EXHIBIT 1

Form for filing Rate Schedules

For Entire Territory Served
Community, Town or City
P.S.C. NO. 4

CUMBERLAND VALLEY ELECTRIC, INC.
Gray, Ky. 40734

Third Revised SHEET NO. 23
Canceling Second Revised SHEET NO. 23

CLASSIFICATION OF SERVICE

Outdoor Lighting-Security Lights Schedule VI

AVAILABILITY

Available to all consumers of the Cooperative for dusk to dawn outdoor lighting in close proximity to existing overhead secondary circuits.

RATE PER LIGHT PER MONTH

Mercury Vapor Lamps

1) 175 Watt	\$ 7.67 Per Lamp Per Month	I
2) 400 Watt	\$ 10.80 Per Lamp Per Month	I

Other Lamps

1) 100 Watt OPEN BOTTOM	\$ 7.68 Per Lamp Per Month	I
2) 100 Watt COLONIAL POST	\$ 8.71 Per Lamp Per Month	I
3) 100 Watt DIRECTIONAL FLOOD	\$ 9.39 Per Lamp Per Month	I
4) 400 Watt DIRECTIONAL FLOOD	\$ 14.78 Per Lamp Per Month	I
5) 400 Watt COBRA HEAD	\$ 14.78 Per Lamp Per Month	I

CONDITIONS OF SERVICE

1. The Cooperative shall furnish, install, operate, and maintain the outdoor lighting equipment including lamp, luminaire, bracket attachment and control device on an existing secondary pole.
2. The lighting equipment shall remain the property of the Cooperative. The Consumer shall protect the lighting equipment from deliberate damage.
3. The Consumer shall allow authorized representatives of the Cooperative to enter upon the Consumer's premises and to trim trees and shrubs as necessary for maintenance of the lighting equipment and for removal of lighting equipment upon termination of service under this schedule.

Date of Issue: October 31, 2008

Date Effective: December 1, 2008

Issued By: _____

Title: Manager

EXHIBIT 2
Page 1 of 1

The present and proposed rates structures of Cumberland Valley Electric, Inc are listed below:

<u>Rate Class</u>	<u>Present</u>	<u>Proposed</u>
Sch I: Residential, Schools & Churches		
Customer charge per month	\$5.13	\$5.53
All kWh	\$0.07261	\$0.07833
Off-peak marketing rate	\$0.04357	\$0.04700
Sch II: Small Commercial & Small Power		
Single phase customer charge per month	\$5.13	\$5.53
Single phase energy charge – First 3,000 kWh	\$0.08116	\$0.08756
Single phase energy charge – Over 3,000 kWh	\$0.07544	\$0.08138
Three phase customer charge per month	\$5.13	\$5.53
Three phase demand charge per kW	\$3.78	\$4.08
Three phase energy charge – First 3,000 kWh	\$0.08116	\$0.08756
Three phase energy charge – Over 3,000 kWh	\$0.07544	\$0.08138
Sch III: All Three Phase Schools & Churches		
All kWh	\$0.06682	\$0.07209
Sch IV: Large Power – Industrial		
Demand charge per kW	\$5.86	\$6.32
All energy per kWh	\$0.04127	\$0.04452
Sch IV-A: Lrg Pwr Rate 50 kW to 2,500 kW		
Demand charge per kW	\$3.78	\$4.08
Energy charge per kWh	\$0.05039	\$0.05436
Sch V: 1,000 to 2,500 kW		
Consumer charge	\$549.33	\$592.62
Demand charge per kW - Contract	\$5.53	\$5.98
Demand charge per kW – Excess	\$8.03	\$8.66
Energy charge per kWh	\$0.04647	\$0.05013
Sch V-A: Large Power – Industrial		
Consumer charge	\$1,097.63	\$1,184.12
Demand charge per kW - Contract	\$5.53	\$5.97
Demand charge per kW – Excess	\$8.03	\$8.66
Energy charge per kWh	\$0.03994	\$0.04309
Sch VI: Outdoor Lighting – Security Lights (rate per month)		
Mercury Vapor Lamps		
175 watt	\$7.11	\$7.67
400 watt	\$10.01	\$10.80
Other Lamps (rate per month)		
100 watt Open Bottom	\$7.12	\$7.68
100 watt Colonial Flood	\$8.07	\$8.71
100 watt Directional Flood	\$8.70	\$9.39
400 watt Directional Flood	\$13.70	\$14.78
400 watt Cobra Head	\$13.70	\$14.78

Cumberland Valley
Billing Analysis
for the 12 months ended June 30, 2008

	<u>Existing</u>	<u>% of Total</u>	<u>Proposed</u>	<u>% of Total</u>	<u>\$ Increase</u>	<u>% Increase</u>
Residential	24,847,793	64.99%	26,804,122	64.99%	1,956,329	7.87%
H-1	51,713	0.14%	55,784	0.14%	4,071	7.87%
C-1	1,142,379	2.99%	1,232,338	2.99%	89,959	7.87%
C-2	896,318	2.34%	966,991	2.34%	70,673	7.88%
E-1	1,112,459	2.91%	1,200,197	2.91%	87,738	7.89%
P-1	2,630,006	6.88%	2,836,941	6.88%	206,935	7.87%
L-1	6,483,363	16.96%	6,994,832	16.96%	511,469	7.89%
Street Lighting and Security Lights	1,068,221	2.79%	1,152,375	2.79%	84,154	7.88%
	38,232,252	100.00%	41,243,579	100.00%	3,011,327	7.88%
FAC & ES	5,165,192		5,165,192			
Total	43,397,444		46,408,771		3,011,327	6.94%
					(1,513)	

Cumberland Valley
Billing Analysis
for the 12 months ended June 30, 2008

Schedule I
Residential, Schools, Churches
R-1

	Actual Billing Data	Escalation %	Existing			Proposed			\$ Increase	% Increase		
			Billing Determinants	Current Rate	Annualized Revenues	% of Total	Billing Determinants	Proposed Rate			Annualized Revenues	% of Total
Customer Charge	265,913	0.86%	268,200	\$5.13	\$1,375,865	5.54%	268,200	\$5.53	\$1,483,145	5.53%	\$107,280	7.80%
Energy charge per kWh	313,236,694	3.20%	323,260,268	\$0.07261	23,471,928	94.46%	323,260,268	\$0.07833	25,320,977	94.47%	\$1,849,049	7.88%
Total from base rates					<u>24,847,793</u>	100.00%			<u>26,804,122</u>	100.00%	<u>\$1,956,329</u>	7.87%
Fuel adjustment					1,638,067				1,638,067			
Environmental surcharge					<u>1,608,949</u>				<u>1,608,949</u>			
Total revenues					<u>\$28,094,809</u>		1,205		<u>\$30,051,138</u>		<u>\$1,956,329</u>	6.96%
Average Bill					\$104.75				\$112.05		\$7.29	6.96%

Schedule I
Marketing Rate
H-1

	Actual Billing Data	Escalation %	Existing			Proposed			\$ Increase	% Increase		
			Billing Determinants	Current Rate	Annualized Revenues	% of Total	Billing Determinants	Proposed Rate			Annualized Revenues	% of Total
Customer Charge	1,027		1,027	\$0.00	\$0		1,027		\$0			
Energy charge per kWh	1,150,082	3.20%	1,186,885	\$0.04357	51,713	100.00%	1,186,885	\$0.04700	55,784	100.00%	\$4,071	7.87%
Total from base rates					<u>51,713</u>				<u>55,784</u>		<u>\$4,071</u>	7.87%
Fuel adjustment					5,017				5,017			
Environmental surcharge					<u>3,446</u>				<u>3,446</u>			
Total revenues					<u>\$60,176</u>				<u>\$64,247</u>		<u>\$4,071</u>	6.77%
Average Bill					\$68.59				\$68.56		\$3.96	6.77%

Cumberland Valley
Billing Analysis
for the 12 months ended June 30, 2008

Schedule II
Small Commercial and Small Power
C-1

	Actual Billing Data	Escalation %	Existing			Proposed			\$ Increase	% Increase		
			Billing Determinants	Current Rate	Annualized Revenues	% of Total	Billing Determinants	Proposed Rate			Annualized Revenues	% of Total
Customer Charge	14,315	1.43%	14,520	\$5.13	\$ 74,486	6.52%	14,520	\$5.53	\$ 80,294	6.52%	\$5,808	7.80%
Demand Charge			0.00	\$ -	-		0	-	-		-	-
Energy charge per kWh	6,743,505	3.20%	6,959,297	\$0.08116	564,817	49.44%	6,959,297	\$0.08756	609,356	49.45%	\$44,540	7.89%
0-3000	6,461,791	3.20%	6,668,568	\$0.07544	503,077	44.04%	6,668,568	\$0.08138	542,688	44.04%	\$39,611	7.87%
Total from base rates					1,142,379	100.00%			1,232,338	100.00%	\$89,959	7.87%
Fuel adjustment					73,053				73,053			
Environmental surcharge					73,834				73,834			
Total revenues					1,289,267				1,379,225		\$89,959	6.98%
Average Bill					\$ 88.79				\$ 94.99		\$ 6.20	6.98%

Schedule II
Small Commercial and Small Power
C-2

	Actual Billing Data	Escalation %	Existing			Proposed			\$ Increase	% Increase		
			Billing Determinants	Current Rate	Annualized Revenues	% of Total	Billing Determinants	Proposed Rate			Annualized Revenues	% of Total
Customer Charge	1,673	1.43%	1,697	\$5.13	\$ 8,705	0.97%	1,697	\$5.53	\$ 9,384	0.97%	\$679	7.80%
Demand Charge	40,443	1.40%	41,009.20	\$3.78	\$ 155,015	17.29%	41,009	\$4.08	167,318	17.30%	\$12,303	7.94%
Energy charge per kWh	813,499	3.20%	839,531	\$0.08116	68,136	7.60%	839,531	\$0.08756	73,509	7.60%	\$5,373	7.89%
0-3000	8,534,704	3.20%	8,807,815	\$0.07544	664,462	74.13%	8,807,815	\$0.08138	716,780	74.12%	\$52,318	7.87%
Total from base rates					896,318	100.00%			966,991	100.00%	\$70,673	7.88%
Fuel adjustment					51,451				51,451		\$0	0.00%
Environmental surcharge					57,575				57,575		\$0	0.00%
Total revenues					1,005,344				1,076,017		\$70,673	7.03%
Average Bill					\$ 592.45				\$ 634.10		\$ 41.65	7.03%

Cumberland Valley
Billing Analysis
for the 12 months ended June 30, 2008
Schedule III
Three Phase Schools and Churches
E-1

	Actual Billing Data	Escalation %	Existing			Proposed			\$ Increase	% Increase
			Billing Determinants	Current Rate	Annualized Revenues	% of Total	Billing Determinants	Proposed Rate		
Customer Charge	437		437	\$0.00	\$0		437	\$0		
Energy charge per kWh	16,132,354	3.20%	16,648,589	\$0.06682	1,112,459	100.00%	16,648,589	\$0.07209	1,200,197	100.00%
Total from base rates					<u>1,112,459</u>				<u>1,200,197</u>	
Fuel adjustment					90,608				\$0	0.00%
Environmental surcharge					73,083				\$0	0.00%
Total revenues					<u>\$1,276,149</u>				<u>\$87,738</u>	6.88%
Average Bill					\$2,920.25				\$3,121.02	6.88%

Schedule IV
Large Power-Industrial
P-1

	Actual Billing Data	Escalation %	Existing			Proposed			\$ Increase	% Increase
			Billing Determinants	Current Rate	Annualized Revenues	% of Total	Billing Determinants	Proposed Rate		
Customer Charge	24		24	\$0.00	\$0		24	\$0		
Demand Charge	118,800	1.40%	120,463.20	\$5.86	\$705,914	26.84%	120,463	\$6.32	\$761,327.42	26.84%
Energy Charge All kWh	45,176,400	3.20%	46,622,045	\$0.04127	1,924,092	73.16%	46,622,045	\$0.04452	2,075,613	73.16%
Total Baseload Charges					<u>\$2,630,006</u>	100.00%			<u>\$2,636,941</u>	100.00%
Fuel adjustment					249,557				249,557	
Environmental surcharge					174,926				174,926	
Total Revenues					<u>\$3,054,489</u>				<u>\$3,261,424</u>	6.77%
Average Bill					\$ 127,270.37				\$ 135,892.65	6.77%

Cumberland Valley
Billing Analysis
for the 12 months ended June 30, 2008

Schedule IV-A
Large Power 50 KW to 2500 KW
L-1

	Actual Billing Data	Escalation %	Existing			Proposed			\$ Increase	% Increase		
			Billing Determinants	Current Rate	Annualized Revenues	% of Total	Billing Determinants	Proposed Rate			Annualized Revenues	% of Total
Customer Charge	979		979	\$0.00	\$0		979	\$0				
Demand Charge	303,337	1.40%	307,583.72	\$3.78	\$1,162,666	17.93%	307,584	\$4.08	\$1,254,941.57	17.94%	\$92,275	7.94%
Energy Charge All kWh	102,316,207	3.20%	105,590,326	\$0.05039	5,320,697	82.07%	105,590,326	\$0.05436	5,739,890	82.06%	\$419,194	7.88%
Total Baseload Charges					<u>\$6,483,363</u>	100.00%			<u>\$6,994,832</u>	100.00%	<u>\$511,469</u>	7.89%
Fuel adjustment					572,131				572,131			
Environmental surcharge					<u>428,603</u>				<u>428,603</u>			
Total Revenues					<u>\$7,484,097</u>				<u>\$7,995,566</u>		<u>\$511,469</u>	6.83%
Average Bill					\$ 7,644.63				\$ 8,167.07		\$ 522.44	6.83%

Cumberland Valley
Billing Analysis
for the 12 months ended June 30, 2008

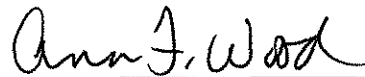
Street Lighting and Security Lights
Outdoor Lighting

	Existing				Proposed				\$ Increase	% Increase
	Billing Determinants	Total kWh	Current Rate	Annualized Revenues	Billing Determinants	Rate	Annualized Revenues	% Total Revenue		
			% Total Revenue	% Total Revenue						
175 WATT MERCURY VAPOR	105,072	7,355,040	\$7.11	\$747,062	105,072	\$7.67	\$ 805,902	69.93%	58,840	7.88%
400 WATT MERCURY VAPOR	264	36,960	\$10.01	\$2,643	264	\$10.80	\$ 2,851	0.25%	209	7.89%
100 WATT HIGH PRESSURE SODIL	3,012	210,840	\$7.12	\$21,445	3,012	\$7.68	\$ 23,132	2.01%	1,687	7.87%
100 WATT HIGH PRESSURE SODIL	0	0	\$8.07	\$0	0	\$8.71	\$ -	0.00%		
100 WATT HIGH PRESSURE SODIL	0	0	\$8.70	\$0	0	\$9.39	\$ -	0.00%		
400 WATT HIGH PRESSURE SODIL	10,128	1,417,920	\$13.70	\$138,754	10,128	\$14.78	\$ 149,692	12.99%	10,938	7.88%
400 WATT HIGH PRESSURE SODIL	11,556	1,617,840	\$13.70	\$158,317	11,556	\$14.78	\$ 170,798	14.82%	12,480	7.88%
	130,032	10,638,600		\$1,068,221	130,032		\$ 1,152,375	100.00%	84,154	7.88%
Surcharge				\$64,892			\$ 64,892			
				<u>\$1,133,112.51</u>			<u>1,217,266.83</u>		84,154.32	7.43%
				\$8.71			9.36		0.65	7.43%

CUMBERLAND VALLEY ELECTRIC, INC.

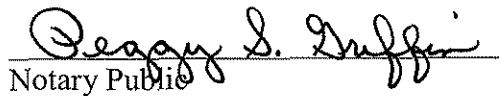
CASE NO. 2008-00413

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




Ann F. Wood
East Kentucky Power Cooperative, Inc.

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


Notary Public

My Commission expires:



NOTICE OF PROPOSED RATE CHANGE

In accordance with the requirements of the Public Service Commission of the Commonwealth of Kentucky as set forth in 807 KAR 5:007, Section 3, of the Rules and Regulations of the Public Service Commission, notice is hereby given to the member consumers of Cumberland Valley Electric, Inc. of a proposed rate adjustment. An Application for Approval of Adjustment to Rates will be filed with the Public Service Commission on October 31, 2008, Case No. 2008-00413. The rates are being revised to reflect a change in wholesale rates pursuant to KRS 278.455(2). This adjustment will result in a general rate increase to the member-consumers of Cumberland Valley Electric, Inc. The amount and percent of increase by rate class are listed below.

<u>Rate Class</u>	<u>Increase</u>	<u>Percent</u>
Sch I: Residential, Schools & Churches	\$1,956,329	6.96%
Sch I: H-1 Marketing Rate	\$4,071	6.77%
Sch II: C-1 Small Commercial	\$89,959	6.98%
Sch II: C-2 Small Commercial	\$70,673	7.03%
Sch III: All Three Phase Schools & Churches	\$87,738	6.88%
Sch IV: Large Power – Industrial	\$206,935	6.77%
Sch IV-A: Lrg Pwr Rate 50 kW to 2,500 kW	\$511,469	6.83%
Sch VI: Outdoor Lighting – Security Lights	\$84,154	7.43%

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

<u>Rate Class</u>	<u>\$ Increase</u>	<u>Percent</u>
Sch I: Residential, Schools & Churches	\$7.29	6.96%
Sch I: H-1 Marketing Rate	\$6.96	6.77%
Sch II: C-1 Small Commercial	\$6.20	6.98%
Sch II: C-2 Small Commercial	\$41.65	7.03%
Sch III: All Three Phase Schools & Churches	\$200.77	6.88%
Sch IV: Large Power – Industrial	\$8,622.28	6.77%
Sch IV-A: Lrg Pwr Rate 50 kW to 2,500 kW	\$522.44	6.83%
Sch VI: Outdoor Lighting – Security Lights	\$0.65	7.43%

The present and proposed rates structures of Cumberland Valley Electric, Inc are listed below:

Rate Class	Present	Proposed
Sch I: Residential, Schools & Churches		
Customer charge per month	\$5.13	\$5.53
All kWh	\$0.07261	\$0.07833
Off-peak marketing rate	\$0.04357	\$0.04700
Sch II: Small Commercial & Small Power		
Single phase customer charge per month	\$5.13	\$5.53
Single phase energy charge – First 3,000 kWh	\$0.08116	\$0.08756
Single phase energy charge – Over 3,000 kWh	\$0.07544	\$0.08138
Three phase customer charge per month	\$5.13	\$5.53
Three phase demand charge per kW	\$3.78	\$4.08
Three phase energy charge – First 3,000 kWh	\$0.08116	\$0.08756
Three phase energy charge – Over 3,000 kWh	\$0.07544	\$0.08138

EXHIBIT 5
Page 2 of 2

Rate Class	Present	Proposed
Sch III: All Three Phase Schools & Churches		
All kWh	\$0.06682	\$0.07209
Sch IV: Large Power – Industrial		
Demand charge per kW	\$5.86	\$6.32
All energy per kWh	\$0.04127	\$0.04452
Sch IV-A: Large Power – Industrial		
Demand charge per kW	\$3.78	\$4.08
All energy per kWh	\$0.05039	\$0.05436
Sch V: 1,000 to 2,500 kW		
Consumer charge	\$549.33	\$592.62
Demand charge per kW - Contract	\$5.53	\$5.98
Demand charge per kW – Excess	\$8.03	\$8.66
Energy charge per kWh	\$0.04647	\$0.05013
Sch V-A: Large Power – Industrial		
Consumer charge	\$1,097.63	\$1,184.12
Demand charge per kW - Contract	\$5.53	\$5.97
Demand charge per kW – Excess	\$8.03	\$8.66
Energy charge per kWh	\$0.03994	\$0.04309
Sch VI: Outdoor, Security Lights – rate per month		
Mercury Vapor Lamps		
175 watt	\$7.11	\$7.67
400 watt	\$10.01	\$10.80
Other Lamps (rate per month)		
100 watt Open Bottom	\$7.12	\$7.68
100 watt Colonial Flood	\$8.07	\$8.71
100 watt Directional Flood	\$8.70	\$9.39
400 watt Directional Flood	\$13.70	\$14.78
400 watt Cobra Head	\$13.70	\$14.78

The rates contained in this notice are the rates proposed by Cumberland Valley Electric, Inc. However, the Public Service Commission may order rates to be charged that differ from the proposed rates contained in this notice. Such actions may result in rates for consumers other than the rates in this notice.

Any person may examine the rate application at the main office of Cumberland Valley Electric, Inc. at the following address:

Cumberland Valley Electric, Inc
Highway 25E
Gray, KY 40734
(606) 589-4421

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