

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

APPLICATION OF SHELBY ENERGY)	
COOPERATIVE, INC. TO PASS-THROUGH AN)	CASE NO.
INCREASE OF ITS WHOLESALE POWER)	2008-00423
SUPPLIER PURSUANT TO KRS 278.455(2))	

ORDER

On October 31, 2008, Shelby Energy Cooperative, Inc. ("Shelby Energy") submitted an application to pass-through any wholesale rate adjustment granted to East Kentucky Power Cooperative, Inc. ("EKPC") in Case No. 2008-00409.¹ Shelby Energy submitted its application pursuant to the authority of KRS 278.455(2) and 807 KAR 5:007, Section 2.

In its application, Shelby Energy described how its proposed pass-through rates were developed:

In accordance with the provisions of KRS 278.455(2), Shelby Energy Cooperative, 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.²

KRS 278.455(2) provides that a distribution cooperative may change its rates to reflect a change in the rate of its wholesale supplier if the effects of an increase or decrease are allocated to each class and within each tariff on a proportional basis that

¹ Case No. 2008-00409, General Adjustment of Electric Rates of East Kentucky Power Cooperative, Inc. (Ky. PSC March 31, 2009)

² Application, Page 1.

will result in no change in the rate design currently in effect. Further, 807 KAR 5:007, Section 2(2), provides that the distribution cooperative shall file an analysis demonstrating that the rate change does not alter the rate design currently in effect and that the revenue change has been allocated to each class and within each tariff on a proportional basis.

The Commission has reviewed the approach proposed by Shelby Energy to pass-through any increases in the wholesale rates of EKPC and to allocate such increases to its retail rates. Based upon this review, the Commission finds that Shelby Energy's approach complies with the provisions of KRS 278.455(2) and 807 KAR 5:007, Section 2(2), and, therefore, should be accepted.

The Commission issued an Order in Case No. 2008-00409 on March 31, 2009 authorizing a \$59.5 million annualized increase in EKPC's wholesale rates effective for service rendered on and after April 1, 2009. According to Shelby Energy, this will increase its wholesale power cost by \$2,414,195 annually.³

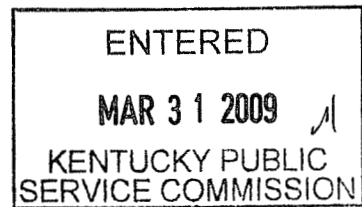
IT IS THEREFORE ORDERED that:

1. The proposed rates submitted with Shelby Energy's application are rejected.
2. The approach proposed by Shelby Energy to allocate its portion of the increase in the wholesale rates authorized in Case No. 2008-00409 is accepted.
3. The rates set forth in the tariff sheets in the Appendix hereto are approved for service rendered on and after April 1, 2009.

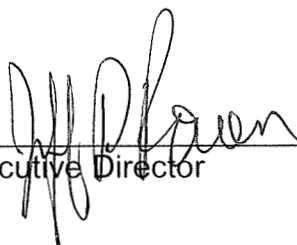
³ Response to Commission Staff's Supplemental Data Request issued on March 18, 2009.

4. Within 20 days from the date of this Order, Shelby Energy shall file with the Commission its revised tariffs, setting out the rates approved herein and stating that they were approved pursuant to this Order.

By the Commission



ATTEST:



Executive Director

APPENDIX

APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE
COMMISSION IN CASE NO. 2008-00423 DATED **MAR 3 1 2009**

Form for filing Rate Schedule

FOR All Territory Served
Community, Town or City

P.S.C. NO. 5
2nd Revised Sheet No. 1

Shelby Energy Cooperative, Inc.
Shelbyville, Kentucky
Name of Issuing Corporation

Canceling P.S.C. NO. 5
1st Revised Sheet No. 1

CLASSIFICATION OF SERVICE		
GENERAL SERVICE - RATE 1	Rate Per Unit	
<p><u>AVAILABILITY:</u></p> <p>Available for commercial, small power, single-phase service, and residential and farm consumers and for three-phase loads below 50 KW, subject to the established Rules and Regulations of the Seller. Consumer having a peak demand exceeding 20 KW may at the direction of Seller be billed a demand charge as shown below.</p> <p><u>TYPE OF SERVICE:</u></p> <p>Single-phase and three-phase, 60 Hertz, at available secondary voltage.</p> <p><u>MONTHLY RATE:</u></p> <p><u>Demand Charge:</u></p> <p>First 20 KW of billing demand per month, no demand charge. Excess above 20 KW of billing demand per month @ \$4.97 per KW.</p>		

DATE OF ISSUE March 26, 2009

DATE EFFECTIVE: April 1, 2009

ISSUED BY _____
Name of Officer

TITLE President & CEO

Form for filing Rate Schedule

FOR All Territory Served
Community, Town or City

P.S.C. NO. 5
4th Revised Sheet No. 2

Shelby Energy Cooperative, Inc.
Shelbyville, Kentucky
Name of Issuing Corporation

Cancelling P.S.C. NO. 5
3rd Revised Sheet No. 2

CLASSIFICATION OF SERVICE		Rate Per Unit
GENERAL SERVICE - RATE 1		
<u>Rate</u>		
<u>Energy Charge</u>		
Consumer Facility Charge	\$ 7.92 (minimum)	
First 600 kWh per month	\$ 0.08141 per kWh	
Next 1,400 kWh per month	\$ 0.07947 per kWh	
All Over 2,000 kWh per month	\$ 0.07802 per kWh	
<u>DETERMINATION OF BILLING DEMAND:</u>		
<p>The billing demand shall be the maximum kilowatt demand established by the consumer for any period of fifteen (15) 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 hereafter.</p>		
<u>POWER FACTOR ADJUSTMENT:</u>		
<p>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 his maximum demand is less than 0.90 (90%), the demand for billing purposes shall be the demand as indicated or recorded by the demand meter multiplied by 0.90 (90%) and divided by the power factor.</p>		

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TITLE President & CEO

Form for filing Rate Schedule

FOR All Territory Served
Community, Town or City

P.S.C. NO. 5
1st Revised Sheet No. 3

Shelby Energy Cooperative, Inc.
Shelbyville, Kentucky
Name of Issuing Corporation

Canceling P.S.C. NO. 5
Original Sheet No. 3

CLASSIFICATION OF SERVICE		
GENERAL SERVICE - RATE 1	Rate Per Unit	
<p><u>MINIMUM MONTHLY CHARGE:</u></p> <p>The minimum monthly charge under the above rate shall be \$7.92. Where it is necessary to extend or reinforce existing distribution facilities, the minimum monthly charge may be increased to assure adequate compensation for added facilities. Where the minimum charge is increased in accordance with the terms of this section, additional energy and demand shall be included in accordance with the foregoing rate schedule.</p> <p>The minimum monthly charge for three-phase service shall be \$1.00 per KVA of installed transformer capacity or the minimum monthly charge stated in the contract for service.</p> <p><u>SPECIAL PROVISIONS:</u></p> <p><u>Contract</u></p> <p>An "Agreement for Purchase of Power" shall be executed by the consumer for service under this rate schedule if the service is to be three-phase, or if required by the Seller.</p> <p><u>TERMS OF PAYMENT:</u></p> <p>The above rates are net; the gross rates are 10% higher. In the event the current monthly bill is not paid by the due date as shown on the bill, the gross rate shall apply.</p>		

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Name of Officer

TITLE President & CEO

Form for filing Rate Schedule

FOR All Territory Served
Community, Town or City

P.S.C. NO. 5

4th Revised Sheet No. 5

Shelby Energy Cooperative, Inc.
Shelbyville, Kentucky
Name of Issuing Corporation

Cancelling P.S.C. NO. 5

3rd Revised Sheet No. 5

CLASSIFICATION OF SERVICE													
LARGE POWER SERVICE - RATE 2	Rate Per Unit												
<p><u>AVAILABILITY:</u></p> <p>Available to all consumers whose KW demand shall be greater than 50 KW, including residential and farm consumers who do not qualify under availability of service under Rate 1, located on or near Seller's line for all types of usage, subject to the established Rules and Regulations of Seller.</p>													
<p><u>TYPES OF SERVICE:</u></p> <p>Three -phase, 60 Hertz, available at Sellers's standard voltage</p>													
<p><u>RATE:</u></p> <p><u>Demand Charge</u></p> <p>\$4.97 per month per KW of billing demand</p> <p><u>Energy Charge</u></p> <table border="0"> <tr> <td>First</td> <td>100 kWh per KW demand</td> <td>\$ 0.06624</td> <td>per kWh</td> </tr> <tr> <td>Next</td> <td>100 kWh per KW demand</td> <td>\$ 0.06009</td> <td>per kWh</td> </tr> <tr> <td>All Over</td> <td>200 kWh per KW demand</td> <td>\$ 0.05396</td> <td>per kWh</td> </tr> </table>		First	100 kWh per KW demand	\$ 0.06624	per kWh	Next	100 kWh per KW demand	\$ 0.06009	per kWh	All Over	200 kWh per KW demand	\$ 0.05396	per kWh
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TITLE President & CEO

Form for filing Rate Schedule

FOR All Territory Served
Community, Town or City

P.S.C. NO. 5
5th Revised Sheet No. 9

Shelby Energy Cooperative, Inc.
Shelbyville, Kentucky
Name of Issuing Corporation

Cancelling P.S.C. NO. 5
4th Revised Sheet No. 9

CLASSIFICATION OF SERVICE		Rate Per Unit																								
OUTDOOR AND STREET LIGHTING SERVICE - RATE 3																										
<p><u>AVAILABILITY:</u></p> <p>Available to all consumers of the Cooperative, subject to the established Rules and Regulations of the Cooperative.</p> <p><u>TYPE OF SERVICE:</u></p> <p>Cooperative will furnish, install, and maintain at no extra expense to the consumer, a lighting unit, in accordance with the rate schedule and conditions of service below. Cooperative will make all necessary electrical connections and furnish electricity for same which shall be controlled by a photocell to energize the unit from dusk to dawn.</p> <p><u>RATES:</u></p> <table border="0"> <thead> <tr> <th style="text-align: left;">Type of Fixture</th> <th></th> <th></th> <th></th> </tr> </thead> <tbody> <tr> <td>A. HPS (High Pressure Sodium)</td> <td>100 Watt Security Light</td> <td>\$ 7.45</td> <td></td> </tr> <tr> <td>B. HPS (High Pressure Sodium)</td> <td>100 Watt Decorative Colonial Light</td> <td>\$10.09</td> <td></td> </tr> <tr> <td>C. HPS (High Pressure Sodium)</td> <td>400 Watt Directional Flood and Security and Street Light</td> <td>\$14.76</td> <td></td> </tr> <tr> <td>D. HPS (High Pressure Sodium)</td> <td>250 Watt Directional Flood and Security and Street Light</td> <td>\$10.81</td> <td></td> </tr> <tr> <td>E. HPS (High Pressure Sodium)</td> <td>150 Watt Decorative Acorn Light</td> <td>\$12.00</td> <td></td> </tr> </tbody> </table>		Type of Fixture				A. HPS (High Pressure Sodium)	100 Watt Security Light	\$ 7.45		B. HPS (High Pressure Sodium)	100 Watt Decorative Colonial Light	\$10.09		C. HPS (High Pressure Sodium)	400 Watt Directional Flood and Security and Street Light	\$14.76		D. HPS (High Pressure Sodium)	250 Watt Directional Flood and Security and Street Light	\$10.81		E. HPS (High Pressure Sodium)	150 Watt Decorative Acorn Light	\$12.00		
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TITLE President & CEO

Form for filing Rate Schedule

FOR All Territory Served
Community, Town or City

P.S.C. NO. 5
6th Revised Sheet No. 15

Shelby Energy Cooperative, Inc.
Shelbyville, Kentucky
Name of Issuing Corporation

Cancelling P.S.C. NO. 5
5th Revised Sheet NO 15

CLASSIFICATION OF SERVICE									
OFF-PEAK RETAIL MARKETING RATE (ETS)	Rate Per Unit								
<p><u>AVAILABILITY OF SERVICE:</u></p> <p>This special marketing rate is made as an attachment to Rate GS-1 & Rate 10 and all other terms of that rate apply except those covered here. It is available for specific marketing programs as approved by Shelby Energy's Board of Directors.</p> <p>The electric power furnished under this marketing program shall be separately metered for each point of delivery and is applicable during the below listed off-peak hours. This rate is available to customers already receiving service under Rate GS-1 & Rate 10. This marketing rate applies only to 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 Schedule E.</p> <table border="0" style="width: 100%;"> <tr> <td style="text-align: center;"><u>Months</u></td> <td style="text-align: center;"><u>Hours Applicable - EST</u></td> </tr> <tr> <td>May through September</td> <td>10:00 P.M. to 10:00 A.M.</td> </tr> <tr> <td>October through April</td> <td>12:00 Noon to 5:00 P.M. 10:00 P.M. to 7:00 A.M.</td> </tr> </table> <p style="text-align: center;"><u>Rates</u></p> <p>The energy rate for this program is as listed below:</p> <table border="0" style="width: 100%;"> <tr> <td style="text-align: center;">All kWh</td> <td style="text-align: center;">\$0.04681 per kWh</td> </tr> </table>		<u>Months</u>	<u>Hours Applicable - EST</u>	May through September	10:00 P.M. to 10:00 A.M.	October through April	12:00 Noon to 5:00 P.M. 10:00 P.M. to 7:00 A.M.	All kWh	\$0.04681 per kWh
<u>Months</u>	<u>Hours Applicable - EST</u>								
May through September	10:00 P.M. to 10:00 A.M.								
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All kWh	\$0.04681 per kWh								

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Form for filing Rate Schedule

FOR All Territory Served
Community, Town or City

P.S.C. NO. 5
4th Revised Sheet No. 17

Shelby Energy Cooperative, Inc.
Shelbyville, Kentucky
Name of Issuing Corporation

Cancelling P.S.C. NO. 5
3rd Revised Sheet No. 17

CLASSIFICATION OF SERVICE	
LARGE INDUSTRIAL RATE - SCHEDULE B1	Rate Per Unit
<u>AVAILABILITY:</u>	
Applicable to contracts with demands of 500 to 4,999 KW with a monthly energy usage equal to or greater than 400 hours per KW of contract demand.	
<u>MONTHLY RATE:</u>	
Consumer Charge	\$ 590.43
Demand Charge per KW of Contract Demand	\$ 5.94
Demand Charge per KW for Billing Demand in Excess of Contract Demand	\$ 8.63
Energy Charge per kWh	\$ 0.04619
<u>BILLING DEMAND:</u>	
The billing demand (kilowatt demand) shall be the contract demand plus any excess demand. Excess demand occurs when the consumer's peak demand during the current month exceeds the contract demand. The load center's peak demand is the highest average rate at which energy is used during any fifteen-minute interval in the below listed hours for each month and adjusted for power factor as provided herein:	
<u>Months</u>	<u>Hours Applicable for Demand Billing - EST</u>
October through April	7:00 A.M. to 12:00 Noon 5:00 P.M. to 10:00 P. M.
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Name of Officer

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Form for filing Rate Schedule

FOR All Territory Served
Community, Town or City

P.S.C. NO. 5
4th Revised Sheet No. 20

Shelby Energy Cooperative, Inc.
Shelbyville, Kentucky
Name of Issuing Corporation

Cancelling P.S.C. No. 5
3rd Revised Sheet No. 20

CLASSIFICATION OF SERVICE	
LARGE INDUSTRIAL RATE - SCHEDULE B2	Rate Per Unit
<u>AVAILABILITY:</u>	
Applicable to contracts with demands of 5,000 to 9,999 KW with a monthly energy usage equal to or greater than 400 hours per KW of contract demand.	
<u>MONTHLY RATE:</u>	
Consumer Charge	\$ 1,179.75
Demand Charge per KW of Contract Demand	\$ 5.94
Demand Charge per KW for Billing Demand in Excess of Contract Demand	\$ 8.63
Energy Charge per kWh	\$ 0.04067
<u>BILLING DEMAND:</u>	
The billing demand (kilowatt demand) shall be the contract demand plus any excess demand. Excess demand occurs when the consumer's peak demand during the current month exceeds the contract demand. The load center's peak demand is the highest average rate at which energy is used during any fifteen-minute interval in the below listed hours for each month and adjusted for power factor as provided herein:	
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DATE OF ISSUE March 26, 2009 DATE EFFECTIVE: April 1, 2009

ISSUED BY _____ TITLE President & CEO
Name of Officer

Form for filing Rate Schedule

FOR All Territory Served
Community, Town or City

P.S.C. NO. 5
4th Revised Sheet No. 23

Shelby Energy Cooperative, Inc.
Shelbyville, Kentucky
Name of Issuing Corporation

Cancelling P.S.C. No. 5
3rd Revised Sheet No. 23

CLASSIFICATION OF SERVICE

LARGE INDUSTRIAL RATE - SCHEDULE B3

Rate
Per Unit

AVAILABILITY:

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

MONTHLY RATE:

Consumer Charge

Transformer Size of 10,000 - 14,999 kVa	\$ 3,288.73
Transformer Size of 15,000 kVa and greater	\$ 5,220.04
Demand Charges per kW	
Contract Demand	\$ 5.94
Billing Demand in Excess of Contract Demand	\$ 8.63
Energy Charge per kWh	\$ 0.03956

BILLING DEMAND:

The 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 consumer's peak demand is the highest average rate at which energy is used during any fifteen-minute interval in the below listed hours for each month and adjusted for power factor as provided herein:

<u>Months</u>	<u>Hours Applicable for Demand Billing - EST</u>
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Name of Officer

TITLE President & CEO

Form for filing Rate Schedule

FOR All Territory Served
Community, Town or City

P.S.C. NO. 5
4th Revised Sheet No. 26

Shelby Energy Cooperative, Inc.
Shelbyville, Kentucky
Name of Issuing Corporation

Cancelling P.S.C. No. 5
3rd Revised Sheet No. 26

CLASSIFICATION OF SERVICE										
LARGE INDUSTRIAL RATE - SCHEDULE C1	Rate Per Unit									
<p><u>AVAILABILITY:</u></p> <p>Applicable to contracts with demands of 500 to 4,999 KW with a monthly energy usage equal to or greater than 400 hours per KW of contract billing demand. These contracts will be two "two-party" contracts with the first one being between the Seller and the Cooperative association and the second one being between the Seller and the ultimate consumer.</p>										
<p><u>MONTHLY RATE:</u></p> <table style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 60%;">Consumer Charge</td> <td style="width: 10%; text-align: right;">\$</td> <td style="width: 30%; text-align: right;">590.43</td> </tr> <tr> <td>Demand Charge per KW of billing demand</td> <td style="text-align: right;">\$</td> <td style="text-align: right;">5.94</td> </tr> <tr> <td>Energy Charge per kWh</td> <td style="text-align: right;">\$</td> <td style="text-align: right;">0.04619</td> </tr> </table>		Consumer Charge	\$	590.43	Demand Charge per KW of billing demand	\$	5.94	Energy Charge per kWh	\$	0.04619
Consumer Charge	\$	590.43								
Demand Charge per KW of billing demand	\$	5.94								
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<p><u>BILLING DEMAND:</u></p> <p>The monthly billing demand shall be the greater of (a) or (b) listed below:</p> <p>(a) The contract demand</p> <p>(b) The ultimate consumer's peak demand during the current month or preceding eleven months. The peak demand shall be the highest average rate at which energy is used during any fifteen-minute interval in the below listed hours for each month and adjusted for power factor as provided herein:</p> <table style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="text-align: center;"><u>Months</u></th> <th style="text-align: center;"><u>Hours Applicable for Demand Billing - EST</u></th> </tr> </thead> <tbody> <tr> <td>October through April</td> <td>7:00 A.M. to 12:00 Noon 5:00 P.M. to 10:00 P. M.</td> </tr> <tr> <td>May through September</td> <td>10:00 A.M. to 10:00 P.M.</td> </tr> </tbody> </table>		<u>Months</u>	<u>Hours Applicable for Demand Billing - EST</u>	October through April	7:00 A.M. to 12:00 Noon 5:00 P.M. to 10:00 P. M.	May through September	10:00 A.M. to 10:00 P.M.			
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DATE EFFECTIVE: April 1, 2009

ISSUED BY _____
Name of Officer

TITLE President & CEO

Form for filing Rate Schedule

FOR All Territory Served
Community, Town or City

P.S.C. NO. 5
4th Revised Sheet No. 29

Shelby Energy Cooperative, Inc.
Shelbyville, Kentucky
Name of Issuing Corporation

Cancelling P.S.C. No. 5
3rd Revised Sheet No. 29

CLASSIFICATION OF SERVICE		Rate Per Unit
LARGE INDUSTRIAL RATE - SCHEDULE C2		
<u>AVAILABILITY:</u>		
Applicable to contracts with demands of 5,000 to 9,999 KW with a monthly energy usage equal to or greater than 400 hours per KW of contract billing demand. These contracts will be two "two-party" contracts with the first one being between the Seller and the Cooperative association and the second one being between the Seller and the ultimate consumer.		
<u>MONTHLY RATE:</u>		
Consumer Charge	\$ 1,179.75	
Demand Charge per KW of Billing Demand	\$ 5.94	
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<u>BILLING DEMAND:</u>		
The monthly billing demand shall be the greater of (a) or (b) listed below:		
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Name of Officer

TITLE President & CEO

Form for filing Rate Schedule

FOR All Territory Served
Community, Town or City

P.S.C. NO. 5
4th Revised Sheet No. 32

Shelby Energy Cooperative, Inc.
Shelbyville, Kentucky
Name of Issuing Corporation

Cancelling P.S.C. No. 5
3rd Revised Sheet No. 32

CLASSIFICATION OF SERVICE		Rate Per Unit																					
LARGE INDUSTRIAL RATE - SCHEDULE C3																							
<p><u>AVAILABILITY:</u></p> <p>Applicable to contracts with demands of 10,000 kW and over with a monthly energy usage equal to or greater than 400 hours per kW of contract demand.</p> <p><u>MONTHLY RATE:</u></p> <table style="width: 100%; border-collapse: collapse;"> <tr> <td style="padding-left: 20px;">Consumer Charge</td> <td></td> <td></td> </tr> <tr> <td style="padding-left: 40px;">Transformer Size of 10,000 - 14,999 kVa</td> <td style="text-align: right;">\$</td> <td style="text-align: right;">3,288.73</td> </tr> <tr> <td style="padding-left: 40px;">Transformer Size of 15,000 kVa and greater</td> <td style="text-align: right;">\$</td> <td style="text-align: right;">5,220.04</td> </tr> <tr> <td style="padding-left: 20px;">Demand Charge per kW</td> <td style="text-align: right;">\$</td> <td style="text-align: right;">5.94</td> </tr> <tr> <td style="padding-left: 20px;">Energy Charge per kWh</td> <td style="text-align: right;">\$</td> <td style="text-align: right;">0.03956</td> </tr> </table> <p><u>BILLING DEMAND:</u></p> <p>The monthly billing demand shall be the greater of (a) or (b) listed below:</p> <p>(a) The contract demand</p> <p>(b) The consumer's peak demand during the current month or preceding eleven months. The peak demand shall be the highest average rate at which energy is used any fifteen-minute interval in the below listed hours for each month and adjusted for power factor as provided herein:</p> <table style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="text-align: center;"><u>Months</u></th> <th style="text-align: center;"><u>Hours Applicable for Demand Billing - EST</u></th> </tr> </thead> <tbody> <tr> <td style="padding-left: 20px;">October through April</td> <td style="padding-left: 20px;">7:00 A.M. to 12:00 Noon 5:00 P.M. to 10:00 P.M.</td> </tr> <tr> <td style="padding-left: 20px;">May through September</td> <td style="padding-left: 20px;">10:00 A.M. to 10:00 P.M.</td> </tr> </tbody> </table>		Consumer Charge			Transformer Size of 10,000 - 14,999 kVa	\$	3,288.73	Transformer Size of 15,000 kVa and greater	\$	5,220.04	Demand Charge per kW	\$	5.94	Energy Charge per kWh	\$	0.03956	<u>Months</u>	<u>Hours Applicable for Demand Billing - EST</u>	October through April	7:00 A.M. to 12:00 Noon 5:00 P.M. to 10:00 P.M.	May through September	10:00 A.M. to 10:00 P.M.	
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DATE OF ISSUE March 26, 2009

DATE EFFECTIVE: April 1, 2009

ISSUED BY _____
Name of Officer

TITLE President & CEO

Form for filing Rate Schedule

FOR All Territory Served
Community, Town or City

P.S.C. NO. 5
2nd Revised Sheet No. 35

Canceling P.S.C. NO. 5
1st Revised Sheet No. 35

Shelby Energy Cooperative, Inc.
Shelbyville, Kentucky
Name of Issuing Corporation

CLASSIFICATION OF SERVICE																	
INTERRUPTIBLE SERVICE	Rate Per Unit																
<p><u>Standard Rider</u></p> <p>This Interruptible Rate is a rider to Rate Schedule(s) 2, 4, 22, B1, B2, B3, C1, C2, and C3.</p> <p><u>Applicable</u></p> <p>In all territory served by the Cooperative.</p> <p><u>Availability of Service</u></p> <p>This schedule shall be made available to any member where that member 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.</p> <p><u>Monthly Rate</u></p> <p>A monthly demand credit per kW is to be based on the following matrix:</p> <table border="1" style="margin-left: auto; margin-right: auto;"> <thead> <tr> <th></th> <th colspan="3"><u>ANNUAL HOURS OF INTERRUPTION</u></th> </tr> <tr> <th><u>NOTICE MINUTES</u></th> <th><u>200</u></th> <th><u>300</u></th> <th><u>400</u></th> </tr> </thead> <tbody> <tr> <td>10</td> <td>\$4.20</td> <td>\$4.90</td> <td>\$5.60</td> </tr> <tr> <td>60</td> <td>\$3.50</td> <td>\$4.20</td> <td>\$4.90</td> </tr> </tbody> </table>			<u>ANNUAL HOURS OF INTERRUPTION</u>			<u>NOTICE MINUTES</u>	<u>200</u>	<u>300</u>	<u>400</u>	10	\$4.20	\$4.90	\$5.60	60	\$3.50	\$4.20	\$4.90
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Name of Officer

DATE EFFECTIVE: April 1, 2009

TITLE President & CEO

Form for filing Rate Schedule

FOR All Territory Served
Community, Town or City

P.S.C. NO. 5
7th Revised Sheet No. 39

Shelby Energy Cooperative, Inc.
Shelbyville, Kentucky
Name of Issuing Corporation

Cancelling P.S.C. NO. 5
6th Revised 39

CLASSIFICATION OF SERVICE													
OPTIONAL T-O-D DEMAND - RATE 22	Rate Per Unit												
<p><u>AVAILABILITY:</u></p> <p>Available to all consumers whose KW demand shall be greater than 200 KW, including consumers who do not qualify under availability of service under Rate 1 or Rate 10, located on or near Seller's line for all types of usage, subject to the established Rules and Regulations of Seller.</p>													
<p><u>TYPES OF SERVICE:</u></p> <p>Three -phase, 60 Hertz, available at Sellers's standard voltage</p>													
<p><u>RATE:</u></p> <p><u>Consumer Charge</u></p> <p style="padding-left: 40px;">\$44.14</p> <p><u>Demand Charge</u></p> <p>\$4.97 per month per KW of billing demand</p> <p><u>Energy Charge</u></p> <table style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 10%;">First</td> <td style="width: 40%;">100 kWh per KW demand</td> <td style="width: 10%;">\$ 0.06624</td> <td style="width: 30%;">per kWh</td> </tr> <tr> <td>Next</td> <td>100 kWh per KW demand</td> <td>\$ 0.06009</td> <td>per kWh</td> </tr> <tr> <td>All Over</td> <td>200 kWh per KW demand</td> <td>\$ 0.05396</td> <td>per kWh</td> </tr> </table>		First	100 kWh per KW demand	\$ 0.06624	per kWh	Next	100 kWh per KW demand	\$ 0.06009	per kWh	All Over	200 kWh per KW demand	\$ 0.05396	per kWh
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Name of Officer

TITLE President & CEO

Form for filing Rate Schedule

FOR All Territory Served
Community, Town or City

P.S.C. NO. 5
4th Revised Sheet No. 43

Shelby Energy Cooperative, Inc.
Shelbyville, Kentucky
Name of Issuing Corporation

Cancelling P.S.C. NO. 5
3rd Revised Sheet No. 43

CLASSIFICATION OF SERVICE									
OPTIONAL RESIDENTIAL, CHURCH & SCHOOL SERVICE - RATE 10	Rate Per Unit								
<p><u>AVAILABILITY:</u></p> <p>Available for residences, churches, schools, volunteer fire departments, municipal fire departments and municipal buildings willing to accept the Seller's Special provisions as conditions of service.</p>									
<p><u>TYPE OF SERVICE:</u></p> <p>Single phase and three-phase, 60 hertz, at available secondary voltages.</p>									
<p><u>MONTHLY RATE:</u></p> <table style="width: 100%; border-collapse: collapse;"> <tr> <td style="padding-left: 20px;">Customer Charge</td> <td></td> </tr> <tr> <td style="padding-left: 40px;">1. Single Phase Service</td> <td style="text-align: right;">\$ 12.52</td> </tr> <tr> <td style="padding-left: 40px;">2. Three Phase Service</td> <td style="text-align: right;">32.56</td> </tr> <tr> <td style="padding-left: 20px;">Energy Charge per kWh</td> <td style="text-align: right;">\$ 0.06882</td> </tr> </table>		Customer Charge		1. Single Phase Service	\$ 12.52	2. Three Phase Service	32.56	Energy Charge per kWh	\$ 0.06882
Customer Charge									
1. Single Phase Service	\$ 12.52								
2. Three Phase Service	32.56								
Energy Charge per kWh	\$ 0.06882								
<p><u>MINIMUM MONTHLY CHARGE:</u></p> <p>The minimum monthly charge for this rate schedule shall be \$12.52 for single phase service and \$32.56 for three phase service. Where it is necessary to extend or upgrade existing facilities, the minimum monthly charge may be increased to provide adequate compensation for the added facilities.</p>									
<p><u>SPECIAL PROVISIONS:</u></p> <p>1 During peak system hours, the Cooperative may control electric water heaters, central air conditioners and other major electrical loads. Such control would be for limited time periods and control strategies would be based on industry standard practices to reduce consumer inconvenience.</p>									

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DATE EFFECTIVE: April 1, 2009

ISSUED BY _____
Name of Officer

TITLE President & CEO

Form for filing Rate Schedule

FOR All Territory Served
Community, Town or City

P.S.C. NO. 5
1st Revised Sheet No. 60

Shelby Energy Cooperative, Inc.
Shelbyville, Kentucky
Name of Issuing Corporation

P.S.C. NO. 5
Original Sheet No. 60

CLASSIFICATION OF SERVICE	
SPECIAL OUTDOOR LIGHTING SERVICE - RATE 33	Rate Per Unit
<p><u>AVAILABILITY:</u></p> <p>This schedule is available to any consumer requesting luminaries for dusk to dawn outdoor or street lighting service of a type not provided for under other rate schedules, and is subject to the established Rules & Regulations of the Cooperative.</p> <p><u>TYPE OF SERVICE:</u></p> <p>The Cooperative will install and maintain automatic outdoor or street lighting of the desired type by the consumer, single phase, 60 Hertz at available secondary voltage.</p> <p><u>RATES:</u></p> <p>The monthly charge will be the sum of items (1) and (2) below.</p> <p>1. The Energy Rate for each type of lamp shall be \$0.05388 per kWh as determined by the following formula:</p> <p style="padding-left: 40px;">Monthly Rated kWh = (4100 hours per year X Manufacturer's total input rating in watts) divided by (12X1000).</p> <p>2. Facilities Charge - The books of the Cooperative shall accurately reflect the Cooperative's total investment in facilities for each individual, agency or organization receiving service under this tariff. The monthly facilities charge shall be 1.4027 percent of the total investment in these special facilities</p> <p><u>FUEL ADJUSTMENT CLAUSE:</u></p> <p>This rate may be increased or decreased by an amount per kWh equal to the fuel adjustment amount per kWh as billed by the wholesale power supplier plus an allowance for line losses. The allowance for line losses will not exceed 10% and is based on a twelve-month moving average of such losses. The Fuel Clause is subject to all other applicable provisions as set out in KAR 5:056.</p>	

DATE OF ISSUE: March 26, 2009

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ISSUED BY: _____
Name of Officer

TITLE President & CEO

Debbie Martin
President and CEO
Shelby Energy Cooperative, Inc.
620 Old Finchville Road
Shelbyville, KY 40065

Honorable Donald T Prather
Attorney At Law
Mathis, Riggs & Prather, P.S.C. Attorneys at Law
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500 Main Street, Suite 5
Shelbyville, KY 40066-1059