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December 16, 2010

RECEIVED

DEC 21 2010

PUBLIC SERVICE
COMMISSION

Jeff Derouen, Executive Director
Kentucky Public Service Commission
211 Sower Boulevard
P.O. Box 615
Frankfort, Kentucky 40602

RE: Application of Meade County Rural Electric for an Adjustment of Rates
Case No. 2010-00222

Dear Mr. Derouen:

Please find enclosed the original and ten (10) copies of the responses that Meade County agreed to furnish to the Commission at the hearing on December 10, 2010.

Please contact me at (270) 756-2184 or Burns E. Mercer at (270) 422-2162 with any questions regarding this filing.

Respectfully submitted,



Thomas C. Brite
Attorney for Meade County Rural Electric
Cooperative Corporation

Enclosures

Meade County Rural Electric
Cooperative Corporation

Response to Public Hearing
Case#2010-00222

**Meade County RECC
Response to
Public Hearing
In
Case No. 2010-00222**

1.. File updated tariff – Schedule 3 & 3A

Response: See attached exhibits.

FOR Entire Territory served

Community, Town or City

P.S.C. No. 38

(Original) Sheet No. 10

(Revised)

**MEADE COUNTY RURAL ELECTRIC
COOPERATIVE CORPORATION**

Canceling P.S.C. No. 1

(Original) Sheet No. 10

(Revised)

Schedule 3 - continued	CLASSIFICATION OF SERVICE	RATE PER UNIT											
<p>Three Phase Power Service, 0 KVA and greater - 3 Phase Service</p> <p>power factor. When the power factor is found to be lower than ninety percent (90%), the consumer will be required to correct its power factor to ninety percent (90%) at the consumer's expense. The demand shall be defined as ninety percent (90%) of the highest average kilovolt-amperes measured during any fifteen consecutive-minute period of the month.</p> <p><u>Adjustment Clauses:</u> The bill amount computed at the charges specified above shall be increased or decreased in accordance with the following:</p> <table border="0"> <tr> <td>Fuel Adjustment</td> <td>Schedule 18</td> </tr> <tr> <td>Environment Surcharge</td> <td>Schedule 19</td> </tr> <tr> <td>Unwind Surcredit Adjustment</td> <td>Schedule 20</td> </tr> <tr> <td>Rebate Adjustment</td> <td>Schedule 21</td> </tr> <tr> <td>Member Rate Stability Mechanism</td> <td>Schedule 22</td> </tr> <tr> <td>Rural Economic Reserve Clause</td> <td>Schedule 23</td> </tr> </table> <p><u>Minimum Charges:</u> The minimum charge shall be the highest one of the following charges as determined for the consumer in question:</p> <ol style="list-style-type: none"> The daily rate multiplied by the number days in the month. The daily rate is based on the size of the transformer capacity installed to serve the member and is broken down into the following components: Transformer – 0 – 100 KVA capacity; 101-1000 KVA capacity; 1000 plus KVA capacity. The minimum monthly charge specified in the contract for service. <p><u>Minimum Annual Charge for Seasonal Services:</u> Consumers requiring service only during certain seasons not exceeding nine months per year may guarantee a minimum annual payment of twelve times the minimum monthly charge determined in accordance with the foregoing section in which case there shall be no minimum monthly charge.</p> <p><u>Due Date of Bill:</u> Payment of consumers monthly bill will be due within ten (10) days from due date of bill.</p> <p><u>Delayed Payment Charge:</u> The above rates are net, the gross rates being five percent (5%) higher on the first \$25.00 and two percent (2%) on the remainder of the bill. In the event the current monthly bill is not paid within ten (10) days from the due date of the bill, the gross rate shall apply.</p>	Fuel Adjustment	Schedule 18	Environment Surcharge	Schedule 19	Unwind Surcredit Adjustment	Schedule 20	Rebate Adjustment	Schedule 21	Member Rate Stability Mechanism	Schedule 22	Rural Economic Reserve Clause	Schedule 23	<p>T</p> <p>T T T T T T T T D T</p> <p>T/N T/N T/N T/N T/N</p>
Fuel Adjustment	Schedule 18												
Environment Surcharge	Schedule 19												
Unwind Surcredit Adjustment	Schedule 20												
Rebate Adjustment	Schedule 21												
Member Rate Stability Mechanism	Schedule 22												
Rural Economic Reserve Clause	Schedule 23												

DATE OF ISSUE August 16, 2010
Month Day Year

DATE EFFECTIVE September 18, 2010
Month Day Year

ISSUED BY _____ President/CEO P. O. Box 489, Brandenburg, KY 40108
Name of Officer Title Address

ISSUED BY AUTHORITY OF P.S.C.

Order No. 2010-000222

**MEADE COUNTY RURAL ELECTRIC
COOPERATIVE CORPORATION**

FOR	Entire Territory served	
	Community, Town or City	_____
	P.S.C. No.	38
_____	(Original)	Sheet No. 13
	(Revised)	
	Canceling	P.S.C. No. 35
_____	(Original)	Sheet No. 13
	(Revised)	

Schedule 3A continued	CLASSIFICATION OF SERVICE	RATE PER UNIT
Three Phase Power Service, 0 KVA - 999 KVA - Optional Time-of-Day (TOD) Rate power factor. When the power factor is found to be lower than ninety percent (90%), the consumer will be required to correct its power factor to ninety percent (90%) at the consumer's expense. The demand shall be defined as ninety percent (90%) of the highest average kilovolt-amperes measured during any fifteen consecutive-minute period of the month.		
<u>Fuel Cost Adjustment:</u> See Schedule 18 for applicable charge.		T
<u>Environmental Surcharge:</u> See Schedule 9 for applicable charge.		T
		T/D
<u>Minimum Charges:</u> The minimum charge shall be the highest one of the following charges as determined for the consumer in question:		T
1. The daily rate multiplied by the number days in the month. 2. The minimum monthly charge specified in the contract for service.		T
<u>Minimum Annual Charge for Seasonal Services:</u> Consumers requiring service only during certain seasons not exceeding nine months per year may guarantee a minimum annual payment of twelve times the minimum monthly charge determined in accordance with the foregoing section in which case there shall be no minimum monthly charge.		
<u>Due Date of Bill:</u> Payment of consumers monthly bill will be due within ten (10) days from due date of bill.		
<u>Delayed Payment Charge:</u> The above rates are net, the gross rates being five percent (5%) higher on the first \$25.00 and two percent (2%) on the remainder of the bill. In the event the current monthly bill is not paid within ten (10) days from the due date of the bill, the gross rate shall apply.		

DATE OF ISSUE	August 9, 2010
	Month Day Year
DATE EFFECTIVE	September 12, 2010
	Month Day Year
ISSUED BY	President/CEO P. O. Box 489, Brandenburg, KY 40108
	Name of Officer Title Address

ISSUED BY AUTHORITY OF P.S.C.

Order No. _____

**Meade County RECC
Response to
Public Hearing
In
Case No. 2010-00222**

2. File updated tariff – customer deposit criteria “third Party Report Rating”

Response: See attached exhibit.

**MEADE COUNTY RURAL ELECTRIC
COOPERATIVE CORPORATION**

FOR Entire Territory Served
P.S.C. 38
Sheet No. 2
Canceling P.S.C. No. 8
Sheet No. 2

CLASSIFICATION OF SERVICE

**RATE
PER UNIT**

(c) In determining whether a deposit will be required or waived, the following criteria will be considered:

1. Previous payment history with the Cooperative.
2. Third party report rating.

(d) If a deposit is held longer than eighteen (18) months, the deposit will be recalculated at the member's request based on the member's actual usage. If the deposit on account differs from the recalculated amount by more than \$10.00 for a residential member or ten percent for a nonresidential member, the Cooperative may collect any underpayment and shall refund any overpayment by check or credit to the member's bill. No refund will be made if the member's bill is delinquent at the time of the recalculation.

(e) Interest will be paid on all sums held on deposit at the rate of 6 percent annually beginning on the date of deposit, except interest shall not be paid if the bill is delinquent on the anniversary of the deposit date (807 KAR 5:006 sec 7,6) The interest accrued shall be applied as a credit to the member's bill or paid to the member on an annual basis. If interest is paid or credited to the member's bill prior to twelve (12) months from date of deposit, the payment or credit shall be on prorated basis.

POINT OF DELIVERY

The point of delivery is the point, as designated by the Cooperative on members' premises where current is to be delivered to building or premises, namely the meter. All wiring and equipment beyond the point of delivery shall be maintained by the member.

DATE OF ISSUE August 9, 2010 DATE EFFECTIVE September 12, 2010
ISSUED BY _____ TITLE Manager
Name of Officer

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

**Meade County RECC
Response to
Public Hearing
In
Case No. 2010-00222**

3. Provide March 31 balance in account 920.100 – Special Meter Reading for the four years preceding the test year. Third PSC Data Request – Ex 11.a.

Response:

2010	\$ 57,181
2009	141,991
2008	123,934
2007	\$193,075

**Meade County RECC
Response to
Public Hearing
In
Case No. 2010-00222**

4. Update Exhibits 2 and 7 of the application reflecting the labor costs in Meade's response to PSC Second Data Request Item #22d wages.

Response:

Meade's Board granted an average 1.38% increase to grade midpoints at its board meeting on September 22, 2010 effective November 1, 2010. Attached are updated schedules reflecting the 1.38% increase to midpoint plus promotions and step increases. Total increase for 2010-2011 is \$223,618.

Midpoint increases	\$ 63,394
Promotions & step	<u>160,224</u>
Total increase	\$223,618

Benefits on Midpoint , Promotions and Step increases

R&S	23,191
401k	<u>12,921</u>
Total	\$ 36,112

Meade County Rural Electric Cooperative
Case No. 2010-00222
Payroll Taxes

The employer's portion of FICA and medicare rates remain the same for 2010 as they were for 2009. The FICA rate is 6.2% and medicare is 1.45%. The wage limit increases from \$106,800 in 2010 to \$106,800 in 2009 for FICA; all wages are subject to medicare.

Federal unemployment rates are 0.80% for the first \$7,000 of wages and state unemployment rate is 1.05% for the first \$8,000 of wages.

Proposed FICA amounts

FICA	243,143	
Medicare	58,547	
	<u>301,690</u>	
Proposed FUTA	3,984	
Proposed SUTA	5,956	311,629

Test year amount

FICA and Medicare	289,030	
Test year FUTA	4,102	
Test year SUTA	5,966	299,098

Increase 12,531

Adjustment:

		<u>Percent</u>	<u>Amount</u>
107	Capitalized	20.84%	2,611
163 - 416	Clearing and others	6.87%	861
580	Operations	16.22%	2,032
590	Maintenance	22.62%	2,834
901	Consumer accounts	14.36%	1,800
908	Customer service	2.03%	255
910	Sales	1.96%	246
920	Administrative and general	15.10%	1,892
		<u>100.00%</u>	<u>\$12,531</u>

9,059

State unemployment (SUTA) wage rates are as follows:

2010	1.05%
2009	0.80%
2008	0.60%
2007	0.70%
2006	0.70%

Emp #	Social Security		Medicare Wages		Federal Unemployment		State Unemployment	
	Up to	@	All	@	Up to	@	Up to	@
Total	\$106,800	6.20%	Wages	1.45%	\$7,000	0.80%	\$8,000	1.05%

Salary Employees

1	4	192,130	106,800	6,622	192,130	2,786	7,000	56	8,000	84
1	37	97,909	97,909	6,070	97,909	1,420	7,000	56	8,000	84
1	38	85,539	85,539	5,303	85,539	1,240	7,000	56	8,000	84
1	65	85,443	85,443	5,297	85,443	1,239	7,000	56	8,000	84
1	70	119,907	106,800	6,622	119,907	1,739	7,000	56	8,000	84
1	85	96,780	96,780	6,000	96,780	1,403	7,000	56	8,000	84
1	91	83,698	83,698	5,189	83,698	1,214	7,000	56	8,000	84
1	103	53,352	53,352	3,308	53,352	774	7,000	56	8,000	84
1	110	77,121	77,121	4,781	77,121	1,118	7,000	56	8,000	84
1	112	124,401	106,800	6,622	124,401	1,804	7,000	56	8,000	84
1	116	65,587	65,587	4,066	65,587	951	7,000	56	8,000	84
1	135	90,875	90,875	5,634	90,875	1,318	7,000	56	8,000	84
1	146	71,240	71,240	4,417	71,240	1,033	7,000	56	8,000	84
1	161	56,971	56,971	3,532	56,971	826	7,000	56	8,000	84
14	Subtotal	1,300,954	1,184,915	73,465	1,300,954	18,864	98,000	784	112,000	1,176

Hourly Employees:

1	23	60,869	60,869	3,774	60,869	883	7,000	56	8,000	84
1	68	65,623	65,623	4,069	65,623	952	7,000	56	8,000	84
1	81	40,619	40,619	2,518	40,619	589	7,000	56	8,000	84
1	82	72,738	72,738	4,510	72,738	1,055	7,000	56	8,000	84
1	83	56,179	56,179	3,483	56,179	815	7,000	56	8,000	84

1	84	70,123	70,123	4,348	70,123	1,017	7,000	56	8,000	84
1	86	75,207	75,207	4,663	75,207	1,090	7,000	56	8,000	84
1	89	40,806	40,806	2,530	40,806	592	7,000	56	8,000	84
1	90	68,118	68,118	4,223	68,118	988	7,000	56	8,000	84
1	93	70,137	70,137	4,349	70,137	1,017	7,000	56	8,000	84
1	98	62,124	62,124	3,852	62,124	901	7,000	56	8,000	84
1	101	60,335	60,335	3,741	60,335	875	7,000	56	8,000	84
1	107	41,205	41,205	2,555	41,205	597	7,000	56	8,000	84
1	114	45,568	45,568	2,825	45,568	661	7,000	56	8,000	84
1	119	51,496	51,496	3,193	51,496	747	7,000	56	8,000	84
1	120	76,093	76,093	4,718	76,093	1,103	7,000	56	8,000	84
1	122	48,853	48,853	3,029	48,853	708	7,000	56	8,000	84
1	126	39,997	39,997	2,480	39,997	580	7,000	56	8,000	84
1	127	44,690	44,690	2,771	44,690	648	7,000	56	8,000	84
1	130	40,183	40,183	2,491	40,183	583	7,000	56	8,000	84
1	131	40,126	40,126	2,488	40,126	582	7,000	56	8,000	84
1	132	57,778	57,778	3,582	57,778	838	7,000	56	8,000	84
1	133	71,022	71,022	4,403	71,022	1,030	7,000	56	8,000	84
1	134	44,013	44,013	2,729	44,013	638	7,000	56	8,000	84
1	136	66,390	66,390	4,116	66,390	963	7,000	56	8,000	84
1	139	81,915	81,915	5,079	81,915	1,188	7,000	56	8,000	84
1	140	40,226	40,226	2,494	40,226	583	7,000	56	8,000	84
1	143	92,662	92,662	5,745	92,662	1,344	7,000	56	8,000	84
1	145	73,775	73,775	4,574	73,775	1,070	7,000	56	8,000	84
1	148	41,894	41,894	2,597	41,894	607	7,000	56	8,000	84
1	149	73,818	73,818	4,577	73,818	1,070	7,000	56	8,000	84
1	151	38,792	38,792	2,405	38,792	562	7,000	56	8,000	84
1	152	53,676	53,676	3,328	53,676	778	7,000	56	8,000	84
1	154	65,366	65,366	4,053	65,366	948	7,000	56	8,000	84
1	158	40,068	40,068	2,484	40,068	581	7,000	56	8,000	84
1	160	61,359	61,359	3,804	61,359	890	7,000	56	8,000	84
1	162	55,864	55,864	3,464	55,864	810	7,000	56	8,000	84
1	163	54,264	54,264	3,364	54,264	787	7,000	56	8,000	84
1	166	7,885	7,885	489	7,885	114	7,000	56	7,885	83
1	167	38,778	38,778	2,404	38,778	562	7,000	56	8,000	84
1	168	38,681	38,681	2,398	38,681	561	7,000	56	8,000	84
1	169	53,405	53,405	3,311	53,405	774	7,000	56	8,000	84

1	170	37,203	37,203	2,307	37,203	539	7,000	56	8,000	84
1	171	48,809	48,809	3,026	48,809	708	7,000	56	8,000	84
1	173	28,943	28,943	1,794	28,943	420	7,000	56	8,000	84
1	180	57,684	57,684	3,576	57,684	836	7,000	56	8,000	84
1	182	54,000	54,000	3,348	54,000	783	7,000	56	8,000	84
1	183	51,615	51,615	3,200	51,615	748	7,000	56	8,000	84
1	184	29,591	29,591	1,835	29,591	429	7,000	56	8,000	84
1	186	32,321	32,321	2,004	32,321	469	7,000	56	8,000	84
50	Subtota	2,662,890	2,662,890	165,099	2,662,890	38,612	350,000	2,800	399,885	4,199

Part Time & Summer Employees

164	7,701	7,701	477	7,701	112	7,000	56	7,701	81
165	7,691	7,691	477	7,691	112	7,000	56	7,691	81
175	10,154	10,154	630	10,154	147	7,000	56	8,000	84
177	11,021	11,021	683	11,021	160	7,000	56	8,000	84
179	14,515	14,515	900	14,515	210	7,000	56	8,000	84
187	14,826	14,826	919	14,826	215	7,000	56	8,000	84
188	3,523	3,523	218	3,523	51	3,523	28	3,523	37
189	4,426	4,426	274	4,426	64	4,426	35	4,426	46
190	3,349								

Subtota	77,205	73,856	4,579	73,856	1,071	49,949	400	55,341	581
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Retired Employees

22										
56										
87										
Subtota	0									

Total	4,041,050	3,921,662	243,143	4,037,701	58,547	497,949	3,984	567,226	5,956
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Meade County Rural Electric Cooperative

Case No. 2010-00222

Retirement and Security and 401(k) Plans

Meade County provides pension benefits for substantially all employees through participation in the National Rural Electric Cooperative Association (NRECA) Retirement and Security (R&S) Program and the NRECA Savings Plan 401(k). It is the policy of Meade county to fund pension costs accrued. R&S contributions are based on base salary at a rate determined by NRECA. Employees hired after August 2002 can only participate in the 401(k) plan at a rate of 12%. The R&S plan does not allow for contributions after an employee has attained 30 years of service with Meade County.

The R&S rate for 2009 was 20.78% of base wages. For 2010 the rate increased to 28.78%. The adjustment is to normalize the R&S and 401(k) contributions using the rate for 2010 and normalized based wages for full-time salary and hourly employees.

Normalized on base wages:

R&S contributions	623,491	
401(k) contributions	<u>216,699</u>	840,190

Test year on base wages:

R&S contributions	441,890	
401(k) contributions	<u>192,416</u>	634,306

Proposed adjustment		<u><u>205,884</u></u>
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The adjustment is allocated as follows:

	<u>Percent</u>	<u>Amount</u>
107-108 Capitalized	20.84%	42,903
163 - 416 Clearing and others	6.87%	14,147
580 Operations	16.22%	33,391
590 Maintenance	22.62%	46,561
901 Consumer accounts	14.36%	29,568
908 Customer service	2.03%	4,181
910 Sales	1.96%	4,044
920 Administrative and general	15.10%	31,087
	<u>100.00%</u>	<u>\$205,884</u>

148,833

Meade County Rural Electric Cooperative
Case No. 2010-00222

 Rates Accruals
28.78%

Emp #	R & S	401(k)	R & S	401(k)
Salary Employees				
4	-	3.00%	0	5,559
37	-	3.00%	0	2,824
38	28.78%	3.00%	23,634	2,464
65	28.78%	3.00%	23,634	2,464
70	28.78%	3.00%	33,176	3,458
85	28.78%	3.00%	27,243	2,840
91	28.78%	3.00%	23,634	2,464
103	28.78%	3.00%	15,355	1,601
110	28.78%	3.00%	21,910	2,284
112	28.78%	3.00%	35,325	3,682
116	28.78%	3.00%	18,270	1,904
135	28.78%	3.00%	26,154	2,726
146	-	12.00%	0	8,549
161	-	12.00%	0	6,837
Subtotal			248,333	49,654
Hourly Employees:				
23	-	3.00%	0	1,776
68	28.78%	3.00%	18,611	1,940
81	28.78%	3.00%	11,470	1,196
82	28.78%	3.00%	19,312	2,013
83	28.78%	3.00%	14,104	1,470
84	28.78%	3.00%	18,611	1,940
86	28.78%	3.00%	18,611	1,940
89	28.78%	3.00%	11,470	1,196
90	28.78%	3.00%	18,611	1,940
93	28.78%	3.00%	17,564	1,831
98	28.78%	3.00%	17,378	1,811
101	28.78%	3.00%	17,037	1,776
107	28.78%	3.00%	11,859	1,236
114	28.78%	3.00%	13,044	1,360
119	28.78%	3.00%	14,104	1,470

120	28.78%	3.00%	18,611	1,940
122	28.78%	3.00%	12,667	1,320
126	28.78%	3.00%	11,470	1,196
127	28.78%	3.00%	12,667	1,320
130	28.78%	3.00%	11,470	1,196
131	28.78%	3.00%	11,470	1,196
132	28.78%	3.00%	16,468	1,717
133	-	12.00%	0	7,104
134	28.78%	3.00%	12,667	1,320
136	28.78%	3.00%	17,037	1,776
139	28.78%	3.00%	17,378	1,811
140	28.78%	3.00%	11,470	1,196
143	-	12.00%	0	7,543
145	-	12.00%	0	7,104
148	-	12.00%	0	4,977
149	-	12.00%	0	7,104
151	-	12.00%	0	4,620
152	-	12.00%	0	5,858
154	-	12.00%	0	7,104
158	-	12.00%	0	4,782
160	-	12.00%	0	6,884
162	-	12.00%	0	5,786
163	-	12.00%	0	5,786
166				
167	-	12.00%	0	4,620
168	-	12.00%	0	4,620
169	-	12.00%	0	5,504
170	-	12.00%	0	4,423
171	-	12.00%	0	5,681
173	-	12.00%	0	3,457
180	-	12.00%	0	5,152
182	-	12.00%	0	5,504
183	-	12.00%	0	5,152
184	-	12.00%	0	3,532
186	-	12.00%	0	3,869

Subtotal 375,158 167,045

Part Time & Summer Employees

- 164
- 165
- 175
- 177
- 179
- 187
- 188

189

190

Subtotal 0 0

Retired Employees

22

56

87

Subtotal 0 0

Total 623,491 216,699

EX 22d
 ps & st

Emp #	Hours Worked				Actual Test Year Wages				Wage Rate	Normalized Wages @ 2,080 Hours		Unused Vacation	Unused Sick Pay	Total	Reason for Increase	% Increase	Grades above midpoint promotions & step increases
	Reg Hrs	OT Hrs	Unesed Vacation	Unesed	Regular	Overtime	Unused Vacation	Unused Sick Pay		Regular	Overtime						
Salary Employees																	
4	2,080.0	0.0	32.0	172,120	0	2,648	3,972	178,740	82.75	89.09	185,307	2,851	3,972	192,130	Midpoint increase	7.66%	
37	2,080.0	0.0	40.0	85,738	0	1,649	1,979	89,365	41.22	45.25	94,120	1,810	1,979	97,909	Step increase	9.78%	5,803.20
38	2,080.0	0.0	40.0	79,810	0	1,535	1,842	83,186	38.37	39.48	82,118	1,579	1,842	85,539	Midpoint increase	2.89%	
65	2,080.0	0.0	40.0	79,810	0	1,535	1,746	83,090	38.37	39.48	82,118	1,579	1,746	85,443	Midpoint increase	2.89%	
70	2,080.0	0.0	40.0	104,707	0	2,014	2,416	109,138	50.34	55.42	115,274	2,217	2,416	119,907	Step increase	10.09%	7,342.40
85	2,080.0	0.0	40.0	91,853	0	1,535	1,842	93,972	44.16	45.51	94,661	1,579	1,842	96,780	Midpoint increase	3.06%	
91	2,080.0	0.0	40.0	79,810	0	1,535	1,842	81,345	38.37	39.48	82,118	1,579	1,842	83,698	Midpoint increase	2.89%	
103	2,080.0	0.0	40.0	50,814	564	0	0	51,378	24.43	25.65	53,352	0	0	53,352	Promotion	4.99%	1,150.37
110	2,080.0	0.0	40.0	73,736	0	993	993	74,729	35.45	36.60	76,128	993	993	77,121	Midpoint increase	3.24%	
112	2,080.0	0.0	40.0	111,426	0	1,661	1,661	113,086	53.57	59.01	122,741	1,661	1,661	124,401	Step increase	10.15%	7,904.00
116	2,080.0	0.0	32.0	61,630	0	948	1,129	63,707	29.63	30.52	63,482	977	1,129	65,587	Midpoint increase	3.00%	168.69
135	2,080.0	0.0	40.0	77,741	0	0	0	77,741	41.22	43.69	90,875	0	0	90,875	Step increase	5.99%	2,051.05
146	2,080.0	0.0	40.0	62,941	0	0	0	62,941	30.26	34.25	71,240	0	0	71,240	Promotion	13.19%	6,572.80
161	2,080.0	0.0	40.0	54,267	0	0	0	54,267	26.09	27.39	56,971	0	0	56,971	Step increase	4.98%	8,153.60
14	Subtotc	29,120.0	15.4	264.0	1,186,402	564	11864	17,856	1,216,686	1,270,506	0	12,592	17,856	1,300,954			
Hourly Employees:																	
23	2,080.0	12.5	40.0	57,866	522	1,113	0	59,501	27.82	28.46	59,197	534	1,138	60,869	Midpoint increase	2.30%	
68	2,080.0	20.5	40.0	62,941	930	536	0	63,871	30.26	31.09	64,667	956	1,138	65,623	Midpoint increase	2.74%	
81	2,080.0	8.0	28.0	39,853	230	536	0	40,619	19.16	19.16	39,853	230	536	40,619	Step increase	0.00%	686.40
82	2,080.0	116.5	40.0	65,021	5,463	7,174	0	70,484	31.26	32.56	67,101	5,637	7,174	72,738	Step increase	3.20%	304.93
83	2,080.0	203.0	40.0	49,005	7,174	0	56,179	23.56	23.56	49,005	7,174	0	56,179	Step increase	0.00%	187.20	
84	2,080.0	117.0	40.0	62,941	5,311	0	68,252	30.26	31.09	64,667	5,456	0	70,123	Midpoint increase	2.74%		
86	2,080.0	226.0	40.0	62,941	10,258	766	0	73,199	30.26	31.09	64,667	10,540	766	75,207	Midpoint increase	2.74%	686.40
89	2,080.0	6.5	40.0	39,853	187	0	40,806	19.16	19.16	39,853	187	0	40,806	Step increase	0.00%		
90	2,080.0	74.0	40.0	62,941	3,359	0	66,300	30.26	31.09	64,667	3,451	0	68,118	Midpoint increase	2.74%		
93	2,080.0	207.0	40.0	57,866	8,538	0	66,504	27.82	29.34	61,027	9,110	0	70,137	Step increase	5.46%	1,824.90	
98	2,080.0	40.0	40.0	57,866	1,669	0	59,535	27.82	29.03	60,382	1,742	0	62,124	Step increase	4.35%	1,180.10	
101	2,080.0	0.0	40.0	57,866	0	1,113	0	58,979	27.82	28.46	59,197	0	1,138	60,335	Midpoint increase	2.30%	
107	2,080.0	0.0	40.0	41,205	0	0	41,205	19.81	19.81	41,205	0	0	41,205	Step increase	0.00%	2,038.40	
114	2,078.5	7.5	40.0	43,981	238	0	44,219	21.16	21.79	45,323	245	0	45,568	Step increase	2.98%	1,414.40	
119	2,080.0	70.5	40.0	49,005	2,491	0	51,496	23.56	23.56	49,005	2,491	0	51,496	Step increase	0.00%	1,871.20	
120	2,080.0	245.0	40.0	62,941	11,121	0	74,062	30.26	31.09	64,667	11,426	0	76,093	Midpoint increase	2.74%		
122	2,080.0	152.5	40.0	44,013	4,840	0	48,853	21.16	21.16	44,013	4,840	0	48,853	Step increase	0.00%	104.00	
126	2,080.0	5.0	32.0	39,853	144	0	39,997	19.16	19.16	39,853	144	0	40,183	Step increase	0.00%	686.40	
127	2,080.0	0.0	32.0	44,013	0	677	0	44,690	21.16	21.16	44,013	677	0	44,690	Step increase	0.00%	686.40
130	2,080.0	11.5	32.0	39,853	331	0	40,183	19.16	19.16	39,853	331	0	40,183	Step increase	0.00%	686.40	
131	2,080.0	9.5	39,853	273	0	40,126	19.16	19.16	39,853	273	0	40,126	Step increase	0.00%	686.40		
132	2,080.0	13.5	52,957	516	0	53,473	25.46	27.51	57,221	557	0	57,778	Step increase	8.05%	3,307.20		
133	2,080.0	277.0	57,866	11,559	0	69,425	27.82	28.46	59,197	11,825	0	71,022	Midpoint increase	2.30%			
134	2,080.0	0.0	44,013	0	0	44,013	21.16	21.16	44,013	0	0	44,013	Step increase	0.00%	104.00		
136	2,080.0	168.5	57,866	7,032	0	64,898	27.82	28.46	59,197	7,193	0	66,390	Midpoint increase	2.30%			
139	2,080.0	494.5	57,866	20,535	0	78,501	27.82	29.03	60,382	21,533	0	81,915	Step increase	4.35%	1,180.10		

EX 22d
Pg 2 of 2

1	140	2,080.0	13.0	39,853	374	0	40,226	19.16	19.16	39,853	374	0	40,226	0.00%	686.40	
1	143	2,080.0	657.5	59,946	28,424	0	88,370	28.82	30.22	62,858	29,804	0	92,662	4.86%	1,275.49	
1	145	2,080.0	341.5	57,866	14,251	0	72,117	27.82	28.46	59,197	14,579	0	73,775	2.30%	1,275.49	
1	148	2,080.0	14.0	39,853	402	0	40,255	19.16	19.94	41,475	419	0	41,894	4.07%	2,308.80	
1	149	2,080.0	342.5	57,866	14,293	0	72,159	27.82	28.46	59,197	14,621	0	73,818	2.30%	1,476.80	
1	151	2,080.0	10.5	37,024	280	0	37,304	17.80	18.51	38,501	292	0	38,792	3.99%	1,476.80	
1	152	2,080.0	138.0	48,298	4,807	0	53,105	23.22	23.47	48,818	4,858	0	53,676	1.08%	856.46	
1	154	1,779.0	144.5	49,492	6,030	0	55,522	27.82	28.46	59,197	6,169	0	65,366	2.30%	856.46	
1	158	2,080.0	7.5	38,750	210	0	38,960	18.63	19.16	39,853	216	0	40,068	2.84%	686.40	
1	160	2,080.0	96.5	54,267	3,777	0	58,044	26.09	27.58	57,366	3,992	0	61,359	5.71%	1,845.63	
1	162	2,080.0	220.0	42,474	6,739	0	48,213	20.42	23.18	48,214	7,649	0	55,864	13.52%	5,740.80	
1	163	2,080.0	174.0	43,514	5,460	0	48,974	20.92	23.18	48,214	6,050	0	54,264	10.80%	4,700.80	
1	166	446.0	6.0	7,600	153	0	7,753	17.04	17.33	7,729	156	0	7,885	1.70%	27,972.70	
1	167	2,072.0	10.0	36,281	263	0	36,544	17.51	18.51	38,501	278	0	38,778	5.71%	2,228.08	
1	168	1,948.0	6.5	34,109	171	0	34,280	17.51	18.51	36,501	180	0	36,681	5.71%	4,523.32	
1	169	2,080.0	228.0	41,080	6,755	0	47,835	19.75	22.05	45,864	7,541	0	53,405	11.65%	4,784.00	
1	170	2,080.0	13.0	35,360	332	0	35,692	17.00	17.72	36,858	346	0	37,203	4.24%	1,497.60	
1	171	2,080.0	43.0	45,864	1,422	0	47,286	22.05	22.76	47,341	1,468	0	48,809	3.22%	1,476.80	
1	173	2,070.0	6.5	25,116	135	0	25,251	13.85	13.85	28,808	135	0	28,943	0.00%	138.50	
1	180	2,080.0	476.5	35,820	11,599	0	47,419	19.01	20.64	42,931	14,752	0	57,684	8.57%	3,390.40	
1	182	2,080.0	246.0	36,978	6,597	0	43,575	19.01	22.05	45,864	8,136	0	54,000	15.99%	6,322.20	
1	183	2,080.0	280.5	35,820	7,260	0	43,080	19.01	20.64	42,931	8,684	0	51,615	8.57%	3,390.40	
1	184	2,080.0	7.5	28,808	156	0	28,964	13.85	14.15	29,432	159	0	29,591	2.17%	3,948.00	
1	186	1,513.0	3.5	17,963	63	0	18,026	15.41	15.50	32,240	81	0	32,321	0.58%	6,991.20	
50	Subtotal:	101,346.5	5,972.5	180.0	2,302,238	222,873	4,206	0	2,529,317	2,421,819	236,815	4,257	0	2,662,890		
Part Time & Summer Employees																
1	164	755.0	0.0	7,550	0	0	7,550	10.00	10.20	7,701	0	0	7,701	Step Increase	2.00%	151.00
1	165	754.0	0.0	7,540	0	0	7,540	10.00	10.20	7,691	0	0	7,691	Step Increase	2.00%	150.80
1	175	934.1	0.0	10,154	0	0	10,154	10.87	10.87	10,154	0	0	10,154		0.00%	
1	177	994.0	0.0	10,805	0	0	10,805	10.87	11.09	11,021	0	0	11,021	Step Increase	2.00%	216.10
1	179	1,451.5	0.0	14,515	0	0	14,515	10.00	10.00	14,515	0	0	14,515		0.00%	
1	187	956.5	0.0	9,565	0	0	9,565	10.00	15.50	14,826	0	0	14,826	Promotion	55.00%	11,240.00
1	188	341.8	7.0	3,418	105	0	3,523	10.00	10.00	3,418	105	0	3,523		0.00%	
1	189	508.0	8.5	4,318	108	0	4,426	8.50	8.50	4,318	108	0	4,426		0.00%	
1	190	385.0	6.0	3,273	77	0	3,350	8.50	8.50	3,273	77	0	3,349			
	Subtotal:	7,079.9	21.5	71,137	290	0	71,428			76,916	290	0	77,205		4.43%	
Retired Employees																
1	22	0.0	0.0	0	0	0	0	27.82	27.82							
1	56	0.0	0.0	0	0	0	0	21.16	21.16							
1	87	0.0	0.0	0	0	0	0	19.16	19.16							
	Subtotal:	0.0	0.0	0	0	0	0			0	0	0	0			
	Total	137,546.4	6,009.4	444.0	3,559,777	223,728	16,070	17,856	3,817,431	3,769,240	237,105	16,849	17,856	4,041,050		160,224 Promotions & step increases
										160,224.00						63,394 midpoint increases
										3,609,016						223,618 Total Increase
																1.38% Regular Increase Percentage

**Meade County RECC
Response to
Public Hearing
In
Case No. 2010-00222**

5. Provide current rate case expenses and update monthly.

Response: See attached exhibit.

Meade County Rural Electric
Case No. 2010-00222
Rate Case Expenses

Date	Check Number	Payee	Description	Legal	Consulting	Advertising	Other	Total
5/28/2010	65730	VISA	JIM'S SEAFOOD-PSC INFORMAL CONF.				67.05	67.05
7/7/2010	66239	VISA	HOME PLATE,MIGUELS-KAREN,ANNA,ALAN-RATE CASE				180.67	180.67
7/30/2010	66494	VISA	RATE CASE-HOME PLATE-KAREN,ANNA,ALAN & JIM				35.82	35.82
8/6/2010	66591	STAPLES ADVANTAGE	SUPPLIES FOR RATE CASE			330.75	887.84	887.84
8/27/2010	66788	OHIO COUNTY TIMES NEWS	RATE CASE-ADVERTISING			330.75		330.75
8/27/2010	66789	OHIO COUNTY TIMES NEWS	RATE CASE-ADVERTISING			330.75		330.75
8/27/2010	66790	OHIO COUNTY TIMES NEWS	RATE CASE-ADVERTISING			330.75		330.75
8/27/2010	66811	MEADE CO RECC	DRINKS FOR LUNCH (RATE CASE)				1.20	1.20
8/27/2010	66818	VISA	RATE CASE-KY SEC OF STATE-CERT OF EXIST FEE		10.00			10.00
8/27/2010	66818	VISA	RATE CASE-HOME PLATE-KAREN,ANNA,ALAN,JIM				28.95	28.95
8/27/2010	66818	VISA	RATE CASE-USPS POSTAGE				42.85	42.85
8/31/2010	66820	HERALD NEWS PUBLISHING CO INC	RATE CASE ADVERTISING		2,394.00		38.46	2,394.00
8/31/2010	1 JE		PREPAID POSTAGE WRITE OFF					38.46
9/7/2010	66861	MEADE COUNTY MESSENGER/THE	RATE CASE ADVERTISING			1,070.10		1,070.10
9/7/2010	66877	GRAYSON COUNTY NEWS GAZETTE	RATE CASE ADVERTISING			3,572.10		3,572.10
10/29/2010	95133	VISA	Meals, consultant				33.88	33.88
10/29/2010	95133	VISA	Meals, consultant				29.35	29.35
10/29/2010	95133	VISA	Meals, consultant				25.14	25.14
10/15/2010	94974	FEDERAL EXPRESS CORP	SHIPPING CHARGES				134.37	134.37
10/7/2010	94955	STAPLES ADVANTAGE	SUPPLIES FOR RATE CASE				181.44	181.44
9/10/2010	94725	FEDEX NATIONAL LTL	SHIPPING TO PSC, M RALEY				208.85	208.85
9/10/2010	94734	NEWS STANDARD/THE	RATE CASE ADVERTISING			140.25		140.25
9/30/2010	94894	VISA	Meals, consultant				75.68	75.68
10/7/2010	94931	MEADE CO RECC	Meals, consultant				7.80	7.80
12/7/2010	95492	STAPLES ADVANTAGE	SUPPLIES FOR RATE CASE - Returned				(13.54)	(13.54)
12/7/2010	95461	MEADE COUNTY MESSENGER/THE	ADVERTISING FOR RATE CASE			22.50		22.50
12/7/2010	95448	GRAYSON COUNTY NEWS GAZETTE	ADVERTISING FOR RATE CASE			25.20		25.20
12/7/2010	95464	NEWS STANDARD/THE	ADVERTISING FOR RATE CASE			70.00		70.00
12/7/2010	95451	HERALD NEWS PUBLISHING CO INC	ADVERTISING FOR RATE CASE			28.00		28.00
12/7/2010	95471	OHIO COUNTY TIMES NEWS	ADVERTISING FOR RATE CASE			42.00		42.00
12/13/2010		BRITE & HOPKINS, PLLC ATTORNEYS AT LAW	PROFESSIONAL FEES	2,189.20				2,189.20
12/15/2010		JAMES R ADKINS	PROFESSIONAL SERVICES	40,140.00				40,140.00
		Subtotal		2,189.20	40,140.00	8,366.40	1,965.81	52,661.41
		Cooperative labor and benefits (no overtime included)					13,963.88	13,963.88
		Total expenses to date						\$66,625.29

**Meade County RECC
Response to
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In
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6. Explain increase in Schedule K Prepayments for November to December.

Response: The increase from November to December in Prepayments is attributable to the prepayment of \$577,333 to NRECA for 2010 Retirement and Savings Plan contributions. NRECA made this option available with an annual interest rate of 3 percent. Below is an excerpt from the offer:

Prepaid contributions must follow guidelines which are different from the standard RS Plan contribution process. You should be aware that: Annual interest in the amount of 3 percent will be credited on prepayment amounts until they are applied. This interest rate may be reevaluated after 2010.

**Meade County RECC
Response to
Public Hearing
In
Case No. 2010-00222**

7. File updated tariff – CATV changing “Pedestal attachment” to Three-party Grounding Attachment and “Grounding attachment” as a two-party attachment.

Response: See attached revised tariff.

**MEADE COUNTY RURAL ELECTRIC
COOPERATIVE CORPORATION**

FOR Entire territory served
 _____ Community, Town or City
 P.S.C. No. 38
 Sheet No. 21
 _____ (Revised)
 Canceling P.S.C. No. 36
 Sheet No. 21
 _____ (Revised)

Schedule 7	CLASSIFICATION OF SERVICE	RATE PER UNIT
Cable Television Attachment Tariff		
Applicable: In all territory served by the company on poles owned and used by the company for their electric plant.		
Availability of Service: To all qualified CATV operators having the right to receive service.		
Rental Charge: The yearly rental charges shall be as follows:		
Two-party pole attachment		\$9.01 I
Three-party pole attachment		\$9.08 I
Two-party anchor attachment		\$7.72 I
Three-party anchor attachment		\$5.10 I
Two-party grounding attachment		\$0.25 D
Three-party grounding attachment		\$0.16 D
Billing: Rental charges shall be billed yearly, in advance, based on the number of pole attachments. The rental charges are net, the gross being ten percent (10%) higher. In the event the current bill is not paid within thirty (30) days from the date of the bill, the gross rate shall apply.		
Note: Discount or penalty must apply to all electric consumers, but shall apply to advance billing only if given at least thirty (30) days before the late penalty takes effect.		
Specifications: A. The attachment to poles covered by this tariff shall at all times conform to the requirements of the National Electrical Safety Code 2002 Edition, and subsequent revisions thereof, except where the lawful		

DATE OF ISSUE August 9, 2010
 Month Day Year
 DATE EFFECTIVE September 12, 2010
 Month Day Year
 ISSUED BY _____
 Name of Officer Title Address
 President / CEO P.O. Box 489, Brandenburg, KY 40108
 ISSUED BY _____
 AUTHORITY OF P.S.C.

ORDER NO. 2010-000222

**Meade County RECC
Response to
Public Hearing
In
Case No. 2010-00222**

8. Provide revised Exhibit J. page 6 of 6 with columns expanded to show cents.

Response: See attached revised Exhibit J. page 6 of 6.

Outdoor Lighting Service

Billing Components	Billing Determinants	Actual Rate	Normalized Case No. 2006-500		Proposed Rates	Revenues
			Revenues	Rates		
175 W MV Unmetered	\$ 75,535	\$ 6.73	\$ 508,351	\$ 6.73	\$ 508,351	\$ 523,458
175 W MV Unmetered - Pole Rental	\$ 27,313	\$ 6.73	\$ 183,816	\$ 6.73	\$ 183,816	\$ 189,279
175W MV - city	\$ 5,320	\$ 5.91	\$ 31,441	\$ 5.91	\$ 31,441	\$ 32,399
175W MV Metered	\$ 449	\$ 3.25	\$ 1,459	\$ 3.25	\$ 1,459	\$ 1,504
175W MV Metered - Pole Rental	\$ 282	\$ 3.25	\$ 917	\$ 3.25	\$ 917	\$ 945
400W MV Unmetered	\$ 2,337	\$ 9.56	\$ 22,342	\$ 9.56	\$ 22,342	\$ 23,019
400W MV - city	\$ 4,344	\$ 8.81	\$ 38,271	\$ 8.81	\$ 38,271	\$ 39,487
400W MV - Unmetered, Pole Rental	\$ 2,209	\$ 9.51	\$ 21,008	\$ 9.51	\$ 21,008	\$ 21,648
400W MV Flood Light	\$ 3,294	\$ 9.51	\$ 31,326	\$ 9.51	\$ 31,326	\$ 32,281
400w MV Metered	\$ 766	\$ 3.25	\$ 2,490	\$ 3.25	\$ 2,490	\$ 2,566
400W MV, Metered - Pole Rental	\$ 160	\$ 3.25	\$ 520	\$ 3.25	\$ 520	\$ 536
400W MVFL - Metered	\$ 552	\$ 3.25	\$ 1,794	\$ 3.25	\$ 1,794	\$ 1,849
400W MVFL - Unmetered	\$ 3,982	\$ 9.56	\$ 38,068	\$ 9.56	\$ 38,068	\$ 39,223
400W MVFL - Unmetered, Pole Rental	\$ 460	\$ 9.56	\$ 4,398	\$ 9.56	\$ 4,398	\$ 4,531
400W MVFL, Metered - Pole Rental	\$ 228	\$ 3.25	\$ 741	\$ 3.25	\$ 741	\$ 764
Pole Rental	\$ 30,652	\$ 0.25	\$ 7,663	\$ 0.25	\$ 7,663	\$ 30,652
kWh	\$ 10,156,344					
Billing adjustments	\$ (1,233)		\$ (1,233)		\$ (1,233)	\$ (1,233)
Total from base rates	\$ 893,370		\$ 893,370		\$ 893,370	\$ 942,908
Adjustments (facility, etc.)	\$ -		\$ -		\$ -	\$ -
Total revenues	\$ 893,370		\$ 893,370		\$ 893,370	\$ 942,908
Amount			\$ (0)		\$ (0)	\$ 49,538
Percent			0%		0%	5.55%

**Meade County RECC
Response to
Public Hearing
In
Case No. 2010-00222**

9. File revised tariff pages for special meter reading (specifying that there is no charge for a remote read only) and keeping a manual meter reading charge.

Response: See attached revised tariff.

**MEADE COUNTY RURAL ELECTRIC
COOPERATIVE CORPORATION**

FOR Entire Territory Served
P.S.C. 38
Sheet No. 4
Canceling P.S.C. No. 9
Sheet No. 4

CLASSIFICATION OF SERVICE

**RATE
PER UNIT**

offices of the Cooperative or its regular authorized agencies. Failure to receive the bill will not release the consumer from payment obligations. All bills paid on or before the payment due date shown shall be payable at the net rate (all bills paid after the payment due date shown shall be at the gross rate, the gross rate being 10% higher, additional penalty charges shall not be assessed on unpaid penalty charges). All remittances, by mail for the net amount shown, shall be received in the Cooperative's offices on or before the payment due date shown on the bill. The gross amount shown on the bill shall apply to all bills received in the Cooperative's offices after the payment due date shown. Should bills not be paid as set forth above, the Cooperative may at anytime thereafter, on ten (10) days separate, written notice to the consumer, and 27 days after the mailing date of the original bill, discontinue service. See also "Discontinuance of Service."

METER READING

No charge is applicable for a monthly remote meter reading acquired for billing purposes.

A special meter reading charge of \$30.00 shall apply to member requests for manual reads or for disputes of a remote meter reading where a visit to the meter finds the reading to be correct.

SPECIAL CHARGES

Special charges shall be applied uniformly throughout the area served by the Cooperative.

These special charges include the following:

(a) Connection Charge. A connection charge of \$35.00 will be assessed for a new service connection or seasonal connection.

(b) Reconnect Charge. A reconnect charge of \$35.00 will be assessed to reconnect a service which has been terminated for nonpayment of bills or violation of the Cooperative's rules or Commission regulations.

DATE OF ISSUE August 10, 2010 DATE EFFECTIVE September 12, 2010
ISSUED BY _____ TITLE Manager
Name of Officer

Issued by authority of an Order of the Public Service Commission of Kentucky in
Case No. 2010-00222 dated _____.

**Meade County RECC
Response to
Public Hearing
In
Case No. 2010-00222**

10. Provide the average amount of residential capital credit checks for last two years capital credits were paid.

Response:

2007 for 1987	Total payment 12,199 customers	\$472,992.55 average check \$38.77
2008 for 1988	Total payment 12,380 customers	\$727,905.30 average check \$58.84

Note: Information is not available to determine residential v. commercial payments.