

COMMONWEALTH OF KENTUCKY  
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

APPLICATION OF INTER-COUNTY ENERGY )      CASE NO.  
COOPERATIVE FOR AN ADJUSTMENT OF RATES )      2006-00415

O R D E R

On December 20, 2006, Inter-County Energy Cooperative Corporation ("Inter-County") submitted an application to the Commission requesting authority to increase its base rates by \$3,991,675.00, a 13.3 percent increase over normalized revenues. A review of the application revealed that it did not meet the minimum filing requirements set forth in 807 KAR 5:001, Section 10, and a notice of the filing deficiency was issued. Inter-County submitted additional information to correct the deficiency on January 11, 2007, and the application was accepted for filing on that date.

Inter-County is a consumer-owned rural electric cooperative organized pursuant to KRS Chapter 279 and engaged in the distribution and sale of electric energy to approximately 25,047 customers in Boyle, Casey, Garrard, Larue, Lincoln, Madison, Marion, Mercer, Nelson, Rockcastle, Taylor, and Washington counties in Kentucky.<sup>1</sup> Inter-County's last general electric base rate adjustment was authorized on July 28, 1986 in Case No. 9846.<sup>2</sup>

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<sup>1</sup> Inter-County's Annual Report to the Public Service Commission of Kentucky for the year ended December 31, 2006 at 18-19.

<sup>2</sup> Case No. 9486, Application of Inter-County Rural Electric Cooperative Corporation of Danville, Kentucky for an Order Authorizing an Increase in Its Retail Rates Applicable to All Consumers. (Ky. PSC July 28, 1986).

To determine the reasonableness of Inter-County's proposal, the Commission suspended the proposed rates pursuant to KRS 278.190(2) for 5 months from their effective date up to and including July 11, 2007. The Attorney General of the Commonwealth of Kentucky, by and through his Office of Rate Intervention ("AG"), was granted full intervention in the proceeding on January 19, 2007.

Inter-County notified the Commission that the parties had engaged in settlement discussions and requested that the Commission schedule an informal conference to discuss the settlement that it had reached with the AG. After notice to all parties, an informal conference was held at the Commission's offices on April 17, 2007. A Joint Settlement Stipulation and Recommendation ("Settlement Agreement") with documentation was filed with the Commission on April 24, 2007, and a hearing was held on May 15, 2007.

Under the terms of the Settlement Agreement, which is appended hereto as Appendix A, Inter-County will be granted a revenue increase of \$3,366,015.00 and will be permitted to add a new charge and adjust certain non-recurring charges.<sup>3</sup>

After careful review of the Settlement Agreement, an examination of the record, and being otherwise sufficiently advised, the Commission finds that the \$3,366,015.00 revenue increase provided for in the Settlement Agreement will result in fair, just, and reasonable rates for Inter-County to charge for electric energy service. The

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<sup>3</sup> The new charge agreed to is a temporary service charge of \$95.00, and the non-recurring charge adjustments agreed to in the Settlement Agreement are: Disconnection Charge \$30.00; Reconnection Charge (during business hours) \$30.00; Reconnection Charge (after business hours) \$65.00; Return Check Charge \$25.00; Meter Reading Charge \$ 30.00; Meter Test Charge \$40.00.

Commission further finds that the Settlement Agreement is in the public interest and should be accepted. The Commission's approval of this Settlement Agreement is based solely on its reasonableness in toto and does not constitute the approval of any rate-making adjustment.

IT IS THEREFORE ORDERED that:

1. The rates and charges proposed by Inter-County in its application are denied.
2. The Settlement Agreement, appended hereto as Appendix A, is incorporated into this Order as fully set forth herein.
3. The Settlement Agreement is adopted and approved in its entirety.
4. The rates set forth in Appendix B are approved for services rendered on and after June 1, 2007.
5. Within 20 days of the date of this Order, Inter-County shall file new tariff sheets setting forth the rates and charges approved herein.

Done at Frankfort, Kentucky, this 31st day of May 2007.

By the Commission

ATTEST



Executive Director

APPENDIX A

APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE  
COMMISSION IN CASE NO. 2006-00415 DATED May 31st 2007..

JOINT SETTLEMENT STIPULATION AND RECOMMENDATION

COMMONWEALTH OF KENTUCKY

BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

ADJUSTMENT OF RATES OF  
INTER COUNTY ENERGY  
COOPERATIVE CORPORATION

CASE NO. 2006-00415

JOINT SETTLEMENT STIPULATION AND RECOMMENDATION

It is the intent and purpose of the parties to this proceeding, namely the applicant, Inter County Energy Cooperative Corporation (Inter County); and the intervenor, Attorney General of the Commonwealth of Kentucky to express their agreement on a mutually satisfactory resolution of all of the issues in the instant proceeding which shall hereafter be referred to as the "Stipulation" and/or "Recommendation".

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

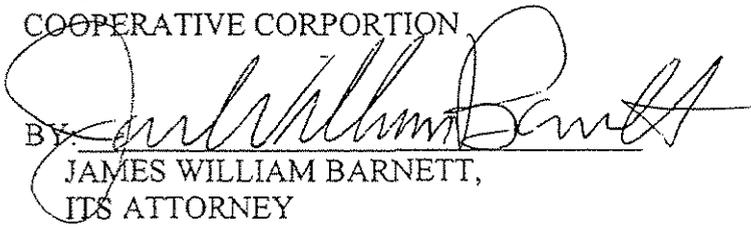
In addition, the adoption of this Recommendation will eliminate the need for the Commission and the parties to expend significant resources in litigation of this proceeding, and eliminate the possibility of, and any need for, rehearing or appeals of the Commission's final order herein. Based upon the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

1. Inter County should be permitted to adjust its rates in order to permit it to recover more in annual revenue than it is recovering under its current rates, with such rates to be effective for service rendered after May 1, 2007. The exhibits attached hereto reflect a stipulated reduction of \$380,000 from the original rate increase requested amount of \$3,991,675 for an amended rate increase amount of \$3,611,675.

2. Inter County's proposed tariff revisions should be adopted as are reflected in its original application as amended by this Stipulation and Recommendation. Amended tariffs for Farm and Home, Small Commercial and Small Power and Outdoor Lighting Service customers are attached hereto which reflects the stipulated reduction in rates.
3. Each party hereto waives all cross-examination of witnesses of the other parties hereto unless the Commission disapproves this Recommendation, and each party further stipulates and recommends that the Notice of Intent, Notice of Application, testimony, pleadings and responses to data requests filed in this proceeding be admitted into the record.
4. This Recommendation is submitted for purposes of this case only and is not deemed binding upon the parties hereto in any other proceeding, nor is it to be offered or relied upon in any other proceeding involving Inter County or any other utility.
5. If the Commission issues an order adopting this Recommendation in its entirety, each of the parties hereto agrees that it shall file neither an application for rehearing with the Commission, nor an appeal to the Franklin County Circuit Court with respect to such order.
6. If this Recommendation is not adopted in its entirety, each party reserves the right to withdraw from it and require that hearings go forward upon any or all matters involved herein, and that in such event the terms of this Recommendation shall not be deemed binding upon the parties hereto, nor shall such Recommendation be admitted into evidence, or referred to, or relied upon in any manner by any party hereto, the Commission, or its Staff in any such hearing.
7. The parties hereto agree that the foregoing Recommendation is reasonable and in the best interests of all concerned, and urge the Commission to adopt the Recommendation in its entirety.

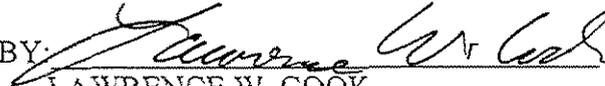
AGREED: this 23<sup>rd</sup> day of April, 2007.

INTER COUNTY ENERGY  
COOPERATIVE CORPORATION

BY: 

JAMES WILLIAM BARNETT,  
ITS ATTORNEY

KENTUCKY ATTORNEY GENERAL

BY: 

LAWRENCE W. COOK  
ASSISTANT ATTORNEY GENERAL

FOR ENTIRE TERRITORY SERVED

Community, Town or City

P.S.C. KY. NO. \_\_\_\_\_ 7 \_\_\_\_\_

REVISION #26 SHEET NO. \_\_\_\_\_ 1 \_\_\_\_\_

CANCELLING P.S.C. KY. NO. \_\_\_\_\_ 7 \_\_\_\_\_

REVISION #25 SHEET NO. \_\_\_\_\_ 1 \_\_\_\_\_

INTER-COUNTY ENERGY

(Name of Utility)

CLASSIFICATION OF SERVICE

RATES FOR FARM AND HOME SERVICE SCHEDULE 1

APPLICABLE

In all territory served by the seller.

AVAILABILITY

Effective July 1, 2004, this Schedule is available to customers for all uses in the home and on the farm. All electric service is subject to the established rules and regulations of the seller. Customers served under Schedule 1 prior to July 1, 2004, shall remain on Schedule 1 and will be subject to the availability of service conditions set forth in the Tariff immediately prior to July 1, 2004.

TYPE OF SERVICE

Single phase and three phase where available, at available voltages.

MONTHLY RATE

|                   |                            |     |
|-------------------|----------------------------|-----|
| Customer Charge   | \$8.14 per meter per month | (I) |
| All kWh Per Month | \$0.07511                  | (I) |

MINIMUM

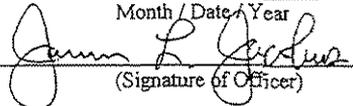
The minimum monthly charge under the above rate shall be \$8.14. (I)

SPECIAL RULES

Approval of the cooperative must be obtained prior to the installation of any motor having a rated capacity of 10 HP or more.

DATE OF ISSUE April 23, 2007  
Month / Date / Year

DATE EFFECTIVE June 1, 2007  
Month / Date / Year

ISSUED BY   
(Signature of Officer)

TITLE President/CEO

BY AUTHORITY OF ORDER OF THE PUBLIC SERVICE COMMISSION

IN CASE NO. 2006-00415 DATED June 1, 2007

FOR ENTIRE TERRITORY SERVED  
Community, Town or City

P.S.C. KY. NO. 7

REVISION #9 SHEET NO. 1A

CANCELLING P.S.C. KY. NO. 7

REVISION #8 SHEET NO. 1A

INTER-COUNTY ENERGY  
(Name of Utility)

CLASSIFICATION OF SERVICE

SCHEDULE 1-A FARM AND HOME MARKETING RATE (ETS)

AVAILABILITY OF SERVICE

This special marketing rate is available for specific marketing programs as approved by Inter-County Energy's Board of Directors. The electric power furnished under this marketing program shall be separately metered for each point of delivery and is applicable during the below off-peak hours. This rate is available to customers already receiving service under the Schedule 1, Farm and Home Service Rate. This marketing rate applies only to programs which are expressly approved by the Kentucky Public Service Commission to be offered under the Marketing Rate of East Kentucky Power Cooperative's Wholesale Power Rate Schedule E, the second (lower) energy rate.

MONTHS  
May through September  
  
October through April

OFF PEAK HOURS - PREVAILING TIME  
10:00 PM to 10:00 AM  
  
12:00 Noon to 5:00 PM  
10:00 PM to 7:00 AM

RATES

The energy rate for this program is listed below:

All kWh \$0.04507 (I)

TERMS OF PAYMENT

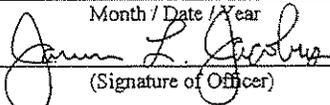
The customer's bill will be due the first day of each month. In the event the current monthly bill is not paid within fifteen (15) days from the issuance of the bill, ten percent (10%) shall be added to the bill.

FUEL ADJUSTMENT CLAUSE

All rates are applicable to the fuel adjustment clause and may be increased or decreased by an amount per kWh equal to the fuel adjustment amount per kWh as billed by the wholesale power supplier plus an allowance for line losses. The allowance for line losses will not exceed ten percent (10%) and is based on a twelve (12) month moving average of such losses. This fuel clause is subject to all other applicable provisions as set out in 807 KAR 5:056.

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DATE EFFECTIVE June 1, 2007  
Month / Date / Year

ISSUED BY   
(Signature of Officer)

TITLE President/CEO

BY AUTHORITY OF ORDER OF THE PUBLIC SERVICE COMMISSION  
IN CASE NO. 2006-00415 DATED June 1, 2007

FOR ENTIRE TERRITORY SERVED  
Community, Town or City

P.S.C. KY. NO. 7

REVISION #26 SHEET NO. 3

INTER-COUNTY ENERGY  
(Name of Utility)

CANCELLING P.S.C. KY. NO. 7

REVISION #25 SHEET NO. 3

CLASSIFICATION OF SERVICE

SMALL COMMERCIAL AND SMALL POWER SCHEDULE 2

APPLICABLE

In all territory served by the seller.

AVAILABILITY

Available to customers for single phase and three-phase commercial and industrial loads whose kilowatt demand is less than 50 kW for lighting and/or heating and/or power. Effective July 1, 2004, Schedule 2 will be available to churches and community buildings. All electric service is subject to the established rules and regulations of the seller.

TYPE OF SERVICE

Single phase and three phase where available, 60 Hz at available secondary voltage.

CHARACTER OF SERVICE

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

MONTHLY RATE

|                   |  |
|-------------------|--|
| Demand Charge     | \$4.12 per kW in excess of 10 kW per month |
| Customer Charge   | \$5.69 per meter per month                 |
| All kWh Per Month | \$0.07072 per kWh (I)                      |

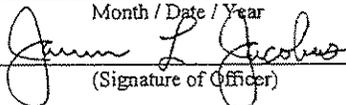
The Customer charge is without kWh usage. All kWh usage is billed at rates set forth above.

MINIMUM MONTHLY CHARGE

The minimum monthly charge under the above rate shall be \$5.69.

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BY AUTHORITY OF ORDER OF THE PUBLIC SERVICE COMMISSION  
IN CASE NO. 2006-00415 DATED June 1, 2007

FOR ENTIRE TERRITORY SERVED  
Community, Town or City

P.S.C. KY. NO. 7

REVISION #26 SHEET NO. 10

CANCELLING P.S.C. KY. NO. 7

REVISION #25 SHEET NO. 10

INTER-COUNTY ENERGY  
(Name of Utility)

CLASSIFICATION OF SERVICE

OUTDOOR LIGHTING SERVICE - SECURITY LIGHTS SCHEDULE 6

AVAILABILITY

Available to all customers of the cooperative for dusk to dawn outdoor lighting in close proximity to the existing overhead and underground 120/240 volt secondary voltage.

RATE PER LIGHT PER MONTH

|                                      |                            |     |
|--------------------------------------|----------------------------|-----|
| 107,800 Lumen Directional Floodlight | \$31.49 per lamp per month | (I) |
| 50,000 Lumen Directional Floodlight  | \$17.14 per lamp per month | (I) |
| 27,500 Lumen Directional Floodlight  | \$12.26 per lamp per month | (I) |
| 27,500 Lumen Cobra Head              | \$11.41 per lamp per month | (I) |
| 9,500 Lumen Security Light           | \$ 9.18 per lamp per month | (I) |
| 7,000 Lumen Security Light           | \$ 9.15 per lamp per month | (I) |
| 4,000 Lumen Decorative Colonial Post | \$11.62 per lamp per month | (I) |
| 9,550 Lumen Decorative Colonial Post | \$14.96 per lamp per month | (I) |

FUEL ADJUSTMENT CLAUSE

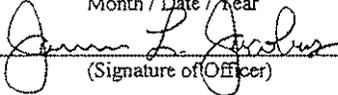
All rates are applicable to the fuel adjustment clause and may be increased or decreased by an amount per kWh equal to the fuel adjustment amount per kWh as billed by the wholesale power supplier plus an allowance for line losses. The allowance for line losses will not exceed 10% and is based on a twelve-month moving average of such losses. This fuel clause is subject to all other applicable provisions as set forth in 807 KAR 5:056.

Estimated kWh consumptions are as follows:

|                     |   |                    |
|---------------------|---|--------------------|
| 107,800 Lumen Light | - | 360 kWh per month  |
| 50,000 Lumen Light  | - | 159 kWh per month  |
| 27,500 Lumen Light  | - | 87 kWh per month   |
| 9,500 Lumen Light   | - | 39.3 kWh per month |
| 7,000 Lumen Light   | - | 77 kWh per month   |
| 4,000 Lumen Light   | - | 20 kWh per month   |
| 9,550 Lumen Light   | - | 38.3 kWh per month |

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TITLE President/CEO

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IN CASE NO. 2006-00415 DATED June 1, 2007

FOR ENTIRE TERRITORY SERVED  
Community, Town or City

P.S.C. KY. NO. 7

REVISION #13 SHEET NO. 30

CANCELLING P.S.C. KY. NO. 7

REVISION #12 SHEET NO. 30

INTER-COUNTY ENERGY  
(Name of Utility)

CLASSIFICATION OF SERVICE

LARGE INDUSTRIAL RATE SCHEDULE IND B1

APPLICABLE

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 billing demand.

MONTHLY RATES

|                      |  |     |
|----------------------|--|-----|
| Customer Charge      | \$548.56                                   |     |
| Demand Charge        | \$5.53 per kW of Contract Demand           |     |
| Excess Demand Charge | \$8.02 per kW of Excess of Contract Demand |     |
| Energy Charge        | \$0.03678 per kWh                          | (I) |

BILLING DEMAND

The billing demand (Kilowatt Demand) shall be the contract demand plus any excess demand. Excess demand occurs when the ultimate customer's highest demand during the current month coincident with EKPC's system peak (coincident peak), exceeds the contract demand. EKPC's system the peak demand is highest average rate at which energy is used during any fifteen minute interval in the below listed hours for each month and adjusted for power factor as provided herein.

MONTHS

October through April

May through September

HOURS APPLICABLE  
FOR DEMAND BILLING - EST

7:00 AM to 12:00 Noon  
5:00 PM to 10:00 PM  
10:00 AM to 10:00 PM

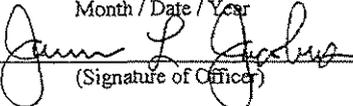
MINIMUM MONTHLY CHARGE

The minimum monthly charge shall not be less than the sum of (a), (b), and (c) below:

(a) The product of the contract demand multiplied by the respective demand charges, plus

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IN CASE NO. 2006-00415 DATED June 1, 2007



FOR ENTIRE TERRITORY SERVED

Community, Town or City

P.S.C. KY. NO. \_\_\_\_\_ 7 \_\_\_\_\_

REVISION #6 SHEET NO. \_\_\_\_\_ 20 \_\_\_\_\_

CANCELLING P.S.C. KY. NO. \_\_\_\_\_ 7 \_\_\_\_\_

REVISION #5 SHEET NO. \_\_\_\_\_ 20 \_\_\_\_\_

INTER-COUNTY ENERGY

(Name of Utility)

**RULES AND REGULATIONS**

the office of the cooperative within ten (10) days from the date of the bill. Failure to receive a bill will not release the customer from the payment obligation. Customer may be disconnected for failure to pay or make acceptable payment arrangements upon ten (10) days written notice of the cooperative's intent to disconnect. However, in no case will the customer be disconnected in fewer than twenty-seven (27) days after the mailing date of the original bill.

Should the cooperative travel to the site of the service for the purpose of disconnecting the service for non-payment after proper notice, a trip charge of \$30.00 will be assessed the account, provided that the service is actually disconnected or payment of the arrearage is made by the customer in order to avoid disconnection. The utility will make a field collection charge only once in any billing period. (1)

In the event the service is disconnected and the cooperative is required to travel to the site of the service for the purpose of restoring the service, a \$30.00 trip fee will be assessed to the account, provided the reconnection trip is made during regular working hours. Should reconnection be requested at times other than regular working hours, the reconnect trip fee will be \$65.00. (1)

A service fee of \$25.00 will be charged for each returned check. (1)

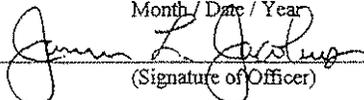
12. Meter Reading: Each customer receiving service will be required to supply the cooperative with the reading of each meter in his name until such time that the cooperative no longer requires a reading from the member. The meter shall be read on the first day of each month and the reading returned to the cooperative's office prior to the 10th of each month. Upon failure by the customer to supply the cooperative with such meter readings for three (3) consecutive months, the cooperative will read the customer's meter and a service charge of \$30.00 will be made to the customer's account for the extra service rendered. (1)

13. Failure of Meter to Register: In the event a customer's meter should fail to register, the customer shall be billed from the date of such failure at the average consumption of the customer, based on like months.

14. Discontinuance of Service by Cooperative: The cooperative may refuse or discontinue service to any customer, after proper notice for failure to comply with its rules and regulations or state and municipal rules and regulations, when a customer refuses or

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TITLE President/CEO

BY AUTHORITY OF ORDER OF THE PUBLIC SERVICE COMMISSION

IN CASE NO. 2006-00415 DATED June 1, 2007

FOR ENTIRE TERRITORY SERVED

Community, Town or City

P.S.C. KY. NO. 7

REVISION #6 SHEET NO. 21

CANCELLING P.S.C. KY. NO. 7

REVISION #5 SHEET NO. 21

INTER-COUNTY ENERGY

(Name of Utility)

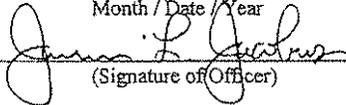
RULES AND REGULATIONS

neglects to provide reasonable access to the premises, for fraudulent or illegal use of service, or for nonpayment of bills. When a dangerous condition is found to exist on the customer's premises, service shall be cut off without notice or refused. If discontinuance is for nonpayment of bills, the customer shall be given at least ten (10) days written notice, separate from the original bill, and cut off shall be effective no less than 27 days after the mailing of original bill unless prior to discontinuance, a residential customer presents to the cooperative a written certificate, signed by a physician, registered nurse or public health office, that such discontinuance will aggravate an existing illness or infirmity on the affected premises, in which case discontinuance may be effected not less than thirty (30) days from the date the cooperative notifies the customer, in writing, of state and federal programs which may be available to aid in payment of bills and the office to contact for such possible assistance. All such disconnects will be made in accordance with 807 KAR 5:006, Section 14.

- 15. Reconnect Charge: When service has been discontinued by cooperative, for a period of twelve (12) months or less for any reason, a charge of \$30.00 dollars may be collected by cooperative before service is restored during regular working hours. Should the above mentioned service be required at times other than regular working hours, this charge will be sixty-five (\$65.00) dollars. (I)
- 16. Termination of Contract by Customer: A customer who has fulfilled his contract terms and wishes to discontinue service must give at least three (3) days notice in writing, in person or by telephone to that effect, unless contract specifies otherwise. Notice to discontinue service prior to expiration of contract term will not relieve customer from any minimum or guaranteed payment under any contract or rate.
- 17. Service Charges for Temporary Service: A customer requesting electric service for a period not exceeding ninety (90) days will be required by the cooperative to pay a temporary service charge equal to \$95.00 dollars to connect and to remove the service. Cooperative will meter the service and charge for the demand and the kWh that are used on the applicable rates. This rule applies to circuses, carnivals, fairs, temporary construction, temporary mobile homes and the like. (N)

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IN CASE NO. 2006-00415 DATED June 1, 2007

FOR ENTIRE TERRITORY SERVED

Community, Town or City

P.S.C. KY. NO. 7

REVISION #6 SHEET NO. 23

CANCELLING P.S.C. KY. NO. 7

REVISION #5 SHEET NO. 23

INTER-COUNTY ENERGY

(Name of Utility)

**RULES AND REGULATIONS**

25. Meter Test: The cooperative will, at its own expense, make periodic tests and inspections of its meters in order to maintain a high standard of accuracy. The cooperative will make additional tests or inspections of its meters at the request of the customer. If the tests show that the meter was not more than two (2) percent fast, the testing charge of forty (40) dollars per meter test will be paid by the customer. If the test determines the meter to be in excess of two (2) percent slow or fast, an adjustment will be made in the customer's account in accordance with 807 KAR 5:006, Section 10, 18. (T) (I)

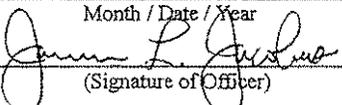
26. Normal Distribution Line Extensions: An extension of 1,000 feet or less of single phase line shall be made by the cooperative to its existing distribution line without charge for a prospective customer who shall apply for and contract to use the service for one (1) year or more and provides guarantee for such service. The "service drop" to the customer from the distribution line at the last pole shall not be included in the foregoing measurements. Extension of service to a customer who may require polyphase service may require the customer to pay in advance additional cost of construction which exceeds that for a single phase line.

When an extension of the cooperative's line to serve an applicant or group of applicants amounts to more than 1,000 feet per customer, the cooperative may, if not inconsistent with its filed tariff, require the total cost of the excessive footage over 1,000 feet per customer to be deposited with the cooperative by the applicants, based on the average estimated cost per foot of the total extension.

Each customer receiving service under such extension will be reimbursed under the following plan: Each year for a period of not less than ten (10) years, which for the purpose of this rule shall be the refund period, the cooperative shall refund to the customer or customers who paid for the excessive footage the cost of 1,000 feet of the extension in place for each additional customer connected during the year whose service line is directly connected to the extension installed and not to extensions or laterals there from, but in no case shall the total amount refunded

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BY AUTHORITY OF ORDER OF THE PUBLIC SERVICE COMMISSION

IN CASE NO. 2006-00415 DATED June 1, 2007

## APPENDIX B

### APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE COMMISSION IN CASE NO. 2006-00415 DATED May 31st 2007.

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

#### RATES FOR FARM AND HOME SERVICE SCHEDULE 1

##### Monthly Rate

|                   |                            |
|-------------------|----------------------------|
| Customer Charge   | \$8.14 per meter per month |
| All kWh Per Month | \$0.07511                  |

The minimum monthly charge under the above rate shall be \$8.14

#### SCHEDULE 1-A FARM AND HOME MARKETING RATE (ETS)

|         |           |
|---------|-----------|
| All kWh | \$0.04507 |
|---------|-----------|

#### SMALL COMMERCIAL AND SMALL POWER SCHEDULE 2

|                   |   |
|-------------------|---|
| Demand Charge     | \$4.12 per KW in excess of 10 kW<br>per month |
| Customer Charge   | \$5.69 per meter per month                    |
| All kWh Per Month | \$0.07072 per kWh                             |

#### OUTDOOR LIGHTING SERVICE-SECURITY LIGHTS SCHEDULE 6

|                                      |                            |
|--------------------------------------|----------------------------|
| 107,800 Lumen Directional Floodlight | \$31.49 per lamp per month |
| 50,000 Lumen Directional Floodlight  | \$17.14 per lamp per month |
| 27,500 Lumen Directional Floodlight  | \$12.26 per lamp per month |
| 27,500 Lumen Cobra Head              | \$11.41 per lamp per month |
| 9,500 Lumen Security Light           | \$ 9.18 per lamp per month |
| 7,000 Lumen Security Light           | \$ 9.15 per lamp per month |
| 4,000 Lumen Decorative Colonial Post | \$11.62 per lamp per month |
| 9,550 Lumen Decorative Colonial Post | \$14.96 per lamp per month |

LARGE INDUSTRIAL RATE SCHEDULE IND B1

|                      |  |
|----------------------|--|
| Customer Charge      | \$548.56                                       |
| Demand Charge        | \$ 5.53 per kW of Contract<br>Demand           |
| Excess Demand Charge | \$ 8.02 per kW of Excess of<br>Contract Demand |
| Energy Charge        | \$0.03678 per kWh                              |

MISCELLANEOUS CHARGES

|   |          |
|---|----------|
| Disconnection Charge                        | \$ 30.00 |
| Reconnection Charge (During business hours) | \$ 30.00 |
| Reconnection Charge (After business hours)  | \$ 65.00 |
| Return Check Charge                         | \$ 25.00 |
| Meter Reading Charge                        | \$ 30.00 |
| Meter Test Charge                           | \$ 40.00 |
| Temporary Service Charge                    | \$ 95.00 |