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OCT 31 2008

PUBLIC SERVICE
COMMISSION

October 31, 2008

HAND DELIVERED

Ms. Stephanie L. Stumbo
Executive Director
Public Service Commission
Post Office Box 615
211 Sower Boulevard
Frankfort, KY 40602

Re: PSC Case No. 2008-00409

Dear Ms. Stumbo:

Please find enclosed for filing with the Commission, an original and ten copies of the Statutory Notice and the Application of East Kentucky Power Cooperative, Inc. ("EKPC"), for a general adjustment of its wholesale electric rates, and EKPC's associated Motion in this case for the establishment of a regulatory asset relating to revenues needed by EKPC after the commercial operation date of Spurlock Station Unit No. 4 in April 2009.

Very truly yours,



Charles A. Lile
Corporate Counsel

Enclosures

Cc: Dennis G. Howard II, Esq.
Michael L. Kurtz, Esq.

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PUBLIC SERVICE
COMMISSION

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

GENERAL ADJUSTMENT OF ELECTRIC RATES) PSC CASE NO.
OF EAST KENTUCKY POWER) 2008-00409
COOPERATIVE, INC.)

STATUTORY NOTICE

East Kentucky Power Cooperative, Inc. ("EKPC"), pursuant to KRS §278.180 (1), hereby gives thirty (30) days notice to the Public Service Commission of its proposal to change its wholesale electric rates to its member distribution cooperatives, as detailed in the attached Application, dated October 31, 2008. Said rate adjustment is proposed to be effective for service rendered by EKPC on and after December 1, 2008.

Respectfully Submitted,



DAVID A. SMART



CHARLES A. LILE

ATTORNEYS FOR EAST KENTUCKY
POWER COOPERATIVE, INC.
P.O. BOX 707
WINCHESTER, KENTUCKY 40392-0707
(859) 744-4812

CERTIFICATE OF SERVICE

This is to certify that an original and 10 copies of the foregoing Statutory Notice and the accompanying Application were delivered to the office of Stephanie L. Stumbo, Executive Director of the Public Service Commission, 211 Sower Boulevard, Frankfort, KY 40601, and copies were mailed to Dennis G. Howard II, Esq., Assistant Attorney General, Office of Rate Intervention, P.O. Box 2000, Frankfort, Kentucky 40602-2000, and to Michael L. Kurtz, Esq., Boehm, Kurtz & Lowry, 36 East Seventh Street, Suite 1510, Cincinnati, Ohio 45202, this 31st day of October, 2008.



Charles A. Lile

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

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OCT 31 2008

PUBLIC SERVICE
COMMISSION

In the Matter of:

GENERAL ADJUSTMENT OF ELECTRIC RATES)	PSC CASE NO.
OF EAST KENTUCKY POWER)	2008-00409
COOPERATIVE, INC.)	

APPLICATION

East Kentucky Power Cooperative, Inc. ("Applicant" or "EKPC") hereby informs the Public Service Commission of Kentucky (the "Commission") that it is engaged in the business of the generation and transmission of wholesale electric power and energy to sixteen member distribution cooperatives in the Commonwealth of Kentucky and does hereby propose, pursuant to KRS §§278.180, 278.190 and 807 KAR 5:001 Section 10 and related sections, to adjust its wholesale electric rates and charges, effective December 1, 2008. In support of this Application, Applicant states as follows:

1. Applicant's business address is 4775 Lexington Road Winchester, Kentucky 40391, and the Applicant's mailing address is Post Office Box 707, Winchester, Kentucky 40392-0707.

2. Applicant's proposed adjustments of its wholesale power rates are necessary to address new expenses relating to the addition of Spurlock Station Unit No. 4, near Maysville, Kentucky, and to address EKPC's current financial condition. Based on its operating budget, revenue requirements are approximately \$67.9 million more than what the current base rates for Member Systems would provide in annual revenue. This equates to a wholesale rate increase of approximately 7.8 %. EKPC initially proposes to increase all rates on a proportional basis (Phase I). EKPC also proposes changes in its rate design, to establish rates which more closely reflect the cost of service (Phase II),

which would take effect one year after the effective date of the base rate increase granted by the Commission in this case.

3. Applicant's annual reports are on file with the Commission in accordance with 807 KAR 5:006 Section 3(1). A copy of Applicant's most recent FERC Form 1 is attached hereto at Volume 3, Tab 33.

4. Applicant is incorporated, and its articles of incorporation and all amendments thereto were filed with the Commission in PSC Case No. 90-197, the Application of East Kentucky Power Cooperative, Inc. for a Certificate of Public Convenience and Necessity to Construct Certain Steam Service Facilities in Mason County, Kentucky.

5. A Certificate of Good Standing is attached hereto at Volume 1, Tab 3.

6. Applicant does not conduct business under an assumed name and no certificate of assumed name is needed for this Application.

7. Applicant has attached the proposed tariffs at Volume 1, Tab 6.

8. Applicant has attached the present and proposed tariffs in comparative form, and the present tariffs, with proposed changes identified, at Volume 1, Tab 7.

9. Applicant states that its member distribution cooperatives have been given notice of the filing of this Application in compliance with 807 KAR 5:001 Section 10(3)-(4). A copy of this notice is attached hereto at Volume 1, Tab 10.

10. Applicant states that it provided written notice of intent to file a wholesale rate adjustment at least four (4) weeks prior to filing this Application, and that this notice of intent stated that the Application would be supported by a fully forecasted test period. The notice of intent is attached hereto at Volume 1, Tab 9.

11. Applicant has attached as Volume 2, Tab 23, Exhibit 2 to the direct testimony of Mr. William Steven Seelye, a complete description and quantified explanation for all proposed adjustments.

12. Applicant has included prepared testimony of each witness. These testimonies are attached at Volume 2, Tab 23.

13. Applicant states that this proposed wholesale rate adjustment will result in an increase in revenue of \$67.9 million, or approximately 7.8%.

14. Applicant has attached at Volume 5, Tab 59, a schedule showing the effect upon the average bill for each customer classification to which the proposed rate changes will apply.

15. Applicant has included an analysis of customers' bills in such detail that revenues from present and proposed rates can be readily determined for each customer class. This analysis is attached at Volume 2, Tab 23, Exhibits 9 and 10, to the direct testimony of Mr. Seelye.

16. Applicant has attached additional exhibits, in compliance with the filing requirements of 807 KAR 5:001 Section 10 for a case utilizing a fully forecasted test year, as detailed in the attached Table of Contents.

WHEREFORE, Applicant asks that the Commission make its order authorizing Applicant to adjust its wholesale electric power tariffs as requested herein above.

Respectfully Submitted,



DAVID A. SMART



CHARLES A. LILE

ATTORNEYS FOR EAST KENTUCKY
POWER COOPERATIVE, INC.
P.O. BOX 707
WINCHESTER, KENTUCKY 40392-0707
(859) 744-4812

East Kentucky Power Cooperative, Inc.

Case No. 2008-00409

Fully Forecasted Test Period Filing Requirements
Table of Contents

Volume	Tab	Filing Requirement	Description	Sponsoring Witness(es)
1	1	807 KAR 5:001 Section 10(1)(b)(1)	A statement of the reason the adjustment is required.	Robert M. Marshall David G. Eames
1	2	807 KAR 5:001 Section 10(1)(b)(2)	A statement that the utility's annual reports, including the annual report for the most recent calendar year, are on file with the commission in accordance with 807 KAR 5:006, Section 3(1).	Ann F. Wood
1	3	807 KAR 5:001 Section 10(1)(b)(3) and (5)	If the utility is incorporated, a certified copy of the utility's articles of incorporation and all amendments thereto or out of state documents of similar import. If the utility's articles of incorporation and amendments have already been filed with the Commission in a prior proceeding, the application may state this fact making reference to the style and case number of the prior proceeding <u>and</u> a certificate of good standing or certificate of authorization dated within sixty (60) days of the date the application is filed.	Ann F. Wood
1	4	807 KAR 5:001 Section 10(1)(b)(4) and (5)	If applicant is a limited partnership, a certified copy of the limited partnership agreement <u>or</u> if the agreement was filed with the PSC in a prior proceeding, a reference to the style and case number of the prior proceeding <u>and</u> a certificate of good standing or certificate of authorization dated within sixty (60) days of the date the application is filed.	Ann F. Wood
1	5	807 KAR 5:001 Section 10(1)(b)(6)	A certified copy of a certificate of assumed name as required by KRS 365.015 or a statement that such a certificate is not necessary.	Ann F. Wood
1	6	807 KAR 5:001 Section 10(1)(b)(7)	The proposed tariff in form complying with 807 KAR 5:011 with an effective date not less than thirty (30) days from the date the application is filed.	Ann F. Wood
1	7	807 KAR 5:001 Section 10(1)(b)(8)	Proposed tariff changes shown either by providing present and proposed tariffs in comparative form or indicating additions by italicized inserts or underscoring and striking over deletions in a copy of the current tariff.	Ann F. Wood
1	8	807 KAR 5:001 Section 10(1)(b)(9)	Statement that notice given, see subsections (3) and (4) of 807 KAR 5:001, Section 10 with copy.	Ann F. Wood
1	9	807 KAR 5:001 Section 10(2)	If gross annual revenues exceed \$1,000,000 written notice of intent filed at least four (4) weeks prior to application. Notice shall state whether the application will be supported by historical or a fully forecasted test period.	Ann F. Wood
1	10	807 KAR 5:001 Section 10(3)	Form of notice to customers. Every utility filing an application pursuant to this section shall notify all affected customers in the manner prescribed herein. The notice shall include the following information: (a) Amount of change requested in dollar amounts and percentage for each customer classification to which change will apply.	Ann F. Wood

East Kentucky Power Cooperative, Inc.

Case No. 2008-00409

Fully Forecasted Test Period Filing Requirements

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Volume	Tab	Filing Requirement	Description	Sponsoring Witness(es)
			<ul style="list-style-type: none"> (b) Present and proposed rates for each customer class to which change would apply. (c) Electric, gas, water and sewer utilities - the effect upon average bill for each customer class to which change will apply. (d) Local exchange companies - include effect upon average bill for each customer class for change in basic local service. (e) A statement that the rates contained in this notice are the rates proposed by (name of utility); however, the Public Service Commission may order rates to be charged that differ from the proposed rates contained in this notice; (f) A Statement that any corporation, association, or person with a substantial interest in the matter may, by written request, within thirty (30) days after publication or mailing of this notice of the proposed rate changes request to intervene; Intervention may be granted beyond the thirty (30) day period for good cause shown. (g) A statement that any person who has been granted intervention by the commission may obtain copies of the rate application and any other filings made by the utility by contacting the utility through a name and address and phone number stated in this notice; (h) A statement that any person may examine the rate application and any other filings made by the utility at the main office of the utility or at the commission's office indicating the addresses and telephone numbers of both the utility and the commission; and (i) The commission may grant a utility with annual gross revenues greater than \$1,000,000, upon written request, permission to use an abbreviated form of published notice of the proposed rates provided the notice includes a coupon which may be used to obtain all of the information required herein. 	
1	11	807 KAR 5:001 Section 10(4)(a)	Manner of notification. Sewer utilities shall give the required typewritten notice by mail to all of their customers pursuant to KRS 278.185.	Ann F. Wood
1	12	807 KAR 5:001 Section 10(4)(b)	Manner of notification. Applicant has 20 customers or less, written notice of proposed rate changes and estimated amount of increase per customer class shall be mailed to each customer no later than date of application.	Ann F. Wood
1	13	807 KAR 5:001 Section 10(4)(c)	Except for sewer utilities, applicants with more than twenty (20) customers affected by the proposed general rate adjustment shall give the required notice by	Ann F. Wood

East Kentucky Power Cooperative, Inc.

Case No. 2008-00409

Fully Forecasted Test Period Filing Requirements

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Volume	Tab	Filing Requirement	Description	Sponsoring Witness(es)
			one (1) of the following methods: 1. A typewritten notice mailed to all customers no later than the date the application is filed with the commission; 2. Publishing the notice in a trade publication of newsletter which is mailed to all customers no later than the date on which the application is filed with the commission; or 3. Publishing the notice once a week for three (3) weeks in a prominent manner in a newspaper of general circulation in the utility's service area, the first publication to be made within seven (7) days of the filing of the application with the Commission.	
1	14	807 KAR 5:001 Section 10(4)(d)	If the notice is published, an affidavit from the publisher verifying the notice was published, including the dates of the publication with an attached copy of the published notice, shall be filed with the commission no later than forty-five (45) days of the filed date of the application.	Ann F. Wood
1	15	807 KAR 5:001 Section 10(4)(e)	If the notice is mailed, a written statement signed by the utility's chief officer in charge of Kentucky operations verifying the notice was mailed shall be filed with the commission no later than thirty (30) days of the filed date of the application.	Ann F. Wood
1	16	807 KAR 5:001 Section 10(4)(f)	All utilities, in addition to the above notification, shall post a sample copy of the required notification at their place of business no later than the date on which the application is filed which shall remain posted until the commission has finally determined the utility's rates.	Ann F. Wood
1	17	807 KAR 5:001 Section 10(4)(g)	Compliance with this subsection shall constitute compliance with 807 KAR 5:051, Section 2.	Ann F. Wood
1	18	807 KAR 5:001 Section 10 (5)	Notice of hearing scheduled by the commission upon application by a utility for a general adjustment in rates shall be advertised by the utility by newspaper publication in the areas that will be affected in compliance with KRS 424.300	Ann F. Wood
1	19	807 KAR 5:001 Section 10 (8)(a)	Financial data for forecasted period presented as pro forma adjustments to base period.	Frank J. Oliva Ann F. Wood
1	20	807 KAR 5:001 Section 10 (8)(b)	Forecasted adjustments shall be limited to the 12 months immediately following the suspension period.	William Steven Seelye
1	21	807 KAR 5:001 Section 10 (8)(c)	Capitalization and net investment rate base shall be based on a 13 month average for the forecasted period.	William Steven Seelye
1	22	807 KAR 5:001 Section 10 (8)(f)	The utility shall provide a reconciliation of the rate base and capital used to determine its revenue requirements.	Ann F. Wood
2	23	807 KAR 5:001 Section 10(9)(a)	Prepared testimony of each witness supporting its application including testimony from chief officer in charge of Kentucky operations on the existing programs to achieve improvements in efficiency and productivity, including an explanation of the purpose of the program.	Ann F. Wood

East Kentucky Power Cooperative, Inc.

Case No. 2008-00409

Fully Forecasted Test Period Filing Requirements

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Volume	Tab	Filing Requirement	Description	Sponsoring Witness(es)
3	24	807 KAR 5:001 Section 10(9)(b)	Most recent capital construction budget containing at minimum 3 year forecast of construction expenditures.	Gary T. Crawford Craig A. Johnson Ricky L. Drury
3	25	807 KAR 5:001 Section 10(9)(c)	Complete description, which may be in prefiled testimony form, of all factors used to prepare forecast period. All econometric models, variables, assumptions, escalation factors, contingency provisions, and changes in activity levels shall be quantified, explained, and properly supported.	Frank J. Oliva
3	26	807 KAR 5:001 Section 10(9)(d)	Annual and monthly budget for the 12 months preceding filing date, base period and forecasted period.	Frank J. Oliva
3	27	807 KAR 5:001 Section 10(9)(e)	Attestation signed by utility's chief officer in charge of Kentucky operations providing: <ol style="list-style-type: none"> 1. That forecast is reasonable, reliable, made in good faith and that all basic assumptions used have been identified and justified; and 2. That forecast contains same assumptions and methodologies used in forecast prepared for use by management, or an identification and explanation for any differences; and 3. That productivity and efficiency gains are included in the forecast; 	Robert M. Marshall
3	28	807 KAR 5:001 Section 10(9)(f)	For each major construction project constituting 5% or more of annual construction budget within 3 year forecast, following information shall be filed: <ol style="list-style-type: none"> 1. Date project began or estimated starting date; 2. Estimated completion date; 3. Total estimated cost of construction by year exclusive and inclusive of Allowance for Funds Used During Construction ("AFUDC") or Interest During Construction Credit; and 4. Most recent available total costs incurred exclusive and inclusive of AFUDC or Interest During Construction Credit; 	Gary T. Crawford Craig A. Johnson Ricky L. Drury
3	29	807 KAR 5:001 Section 10(9)(g)	For all construction projects constituting less than 5% of annual construction budget within 3 year forecast, file aggregate of information requested in paragraph (f) 3 and 4 of this subsection;	Craig A. Johnson Ricky L. Drury
3	30	807 KAR 5:001 Section 10(9)(h)	Financial forecast for each of 3 forecasted years included in capital construction budget supported by underlying assumptions made in projecting results of operations and including the following information: <ol style="list-style-type: none"> 1. Operating income statement (exclusive of dividends per share or earnings per share); 	James C. Lamb, Jr. Frank J. Oliva

East Kentucky Power Cooperative, Inc.

Case No. 2008-00409
Fully Forecasted Test Period Filing Requirements
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Volume	Tab	Filing Requirement	Description	Sponsoring Witness(es)
			2. Balance sheet; 3. Statement of cash flows; 4. Revenue requirements necessary to support the forecasted rate of return; 5. Load forecast including energy and demand (electric); 6. Access line forecast (telephone); 7. Mix of generation (electric); 8. Mix of gas supply (gas); 9. Employee level; 10. Labor cost changes; 11. Capital structure requirements; 12. Rate base; 13. Gallons of water projected to be sold (water); 14. Customer forecast (gas, water); 15. MCF sales forecasts (gas); 16. Toll and access forecast of number of calls and number of minutes (telephone); and 17. A detailed explanation of any other information provided.	
3	31	807 KAR 5:001 Section 10(9)(i)	Most recent FERC or FCC audit reports;	Ann F. Wood
3	32	807 KAR 5:001 Section 10(9)(j)	Prospectuses of most recent stock or bond offerings;	Ann F. Wood
3	33	807 KAR 5:001 Section 10(9)(k)	Most recent FERC Form 1 (electric), FERC Form 2 (gas), or the Automated Reporting Management Information System Report (telephone) and PSC Form T (telephone);	Ann F. Wood
4	34	807 KAR 5:001 Section 10(9)(l)	Annual report to shareholders or members and statistical supplements for the most recent 5 years prior to application filing date;	Ann F. Wood
5	35	807 KAR 5:001 Section 10(9)(m)	Current chart of accounts if more detailed than Uniform System of Accounts chart;	Ann F. Wood
5	36	807 KAR 5:001 Section 10(9)(n)	Latest 12 months of the monthly managerial reports providing financial results of operations in comparison to forecast;	Ann F. Wood
5	37	807 KAR 5:001 Section 10(9)(o)	Complete monthly budget variance reports, with narrative explanations, for the 12 months prior to base period, each	Frank J. Oliva

East Kentucky Power Cooperative, Inc.

Case No. 2008-00409

Fully Forecasted Test Period Filing Requirements
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Volume	Tab	Filing Requirement	Description	Sponsoring Witness(es)
			month of base period, and subsequent months, as available;	
5	38	807 KAR 5:001 Section 10(9)(p)	SEC's annual report for most recent 2 years, Form 10-Ks and any Form 8-Ks issued during prior 2 years and any Form 10-Qs issued during past 6 quarters;	Ann F. Wood
5	39	807 KAR 5:001 Section 10(9)(q)	Independent auditor's annual opinion report, with any written communication which indicates the existence of a material weakness in internal controls;	Ann F. Wood
5	40	807 KAR 5:001 Section 10(9)(r)	Quarterly reports to the stockholders for the most recent 5 quarters;	Ann F. Wood
5	41	807 KAR 5:001 Section 10(9)(s)	Summary of latest depreciation study with schedules itemized by major plant accounts, except that telecommunications utilities adopting PSC's average depreciation rates shall identify current and base period depreciation rates used by major plant accounts. If information has been filed in another PSC case, refer to that case's number and style.	Ann F. Wood
5	42	807 KAR 5:001 Section 10(9)(t)	List all commercial or in-house computer software, programs, and models used to develop schedules and work papers associated with application. Include each software, program, or model; its use; identify the supplier of each; briefly describe software, program, or model; specifications for computer hardware and operating system required to run program.	Ann F. Wood
5	43	807 KAR 5:001 Section 10(9)(u)	If the utility had any amounts charged or allocated to it by an affiliate or general or home office or paid any monies to an affiliate or general or home office during the base period or during the previous three (3) calendar years, the utility shall file: <ol style="list-style-type: none"> 1. Detailed description of method of calculation and amounts allocated or charged to utility by affiliate or general or home office for each allocation or payment; 2. Method and amounts allocated during base period and method and estimated amounts to be allocated during forecasted test period; 3. Explain how allocator for both base and forecasted test period was determined; and 4. All facts relied upon, including other regulatory approval, to demonstrate that each amount charged, allocated or paid during base period is reasonable. 	Ann F. Wood
5	44	807 KAR 5:001 Section 10(9)(v)	If gas, electric or water utility with annual gross revenues greater than \$5,000,000, cost of service study based on methodology generally accepted in industry and	William Steven Seelye

East Kentucky Power Cooperative, Inc.

Case No. 2008-00409
Fully Forecasted Test Period Filing Requirements
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Volume	Tab	Filing Requirement	Description	Sponsoring Witness(es)
			based on current and reliable data from single time period.	
5	45	807 KAR 5:001 Section 10(9)(w)	Local exchange carriers with fewer than 50,000 access lines need not file cost of service studies, except as specifically directed by PSC. Local exchange carriers with more than 50,000 access lines shall file: <ol style="list-style-type: none"> 1. Jurisdictional separations study consistent with Part 36 of the FCC's rules and regulations; and 2. Service specific cost studies supporting pricing of services generating annual revenue greater than \$1,000,000 except local exchange access: <ol style="list-style-type: none"> a. Based on current and reliable data from single time period; and b. Using generally recognized fully allocated, embedded, or incremental cost principles. 	Ann F. Wood
5	46	807 KAR 5:001 Section 10(10)(a)	Jurisdictional financial summary for both base and forecasted periods detailing how utility derived amount of requested revenue increase;	David G. Eames William Steven Seelye
5	47	807 KAR 5:001 Section 10(10)(b)	Jurisdictional rate base summary for both base and forecasted periods with supporting schedules which include detailed analyses of each component of the rate base;	William Steven Seelye
5	48	807 KAR 5:001 Section 10(10)(c)	Jurisdictional operating income summary for both base and forecasted periods with supporting schedules which provide breakdowns by major account group and by individual account;	Ann F. Wood
5	49	807 KAR 5:001 Section 10(10)(d)	Summary of jurisdictional adjustments to operating income by major account with supporting schedules for individual adjustments and jurisdictional factors;	Ann F. Wood
5	50	807 KAR 5:001 Section 10(10)(e)	Jurisdictional federal and state income tax summary for both base and forecasted periods with all supporting schedules of the various components of jurisdictional income taxes;	Ann F. Wood
5	51	807 KAR 5:001 Section 10(10)(f)	Summary schedules for both base and forecasted periods (utility may also provide summary segregating items it proposes to recover in rates) of organization membership dues; initiation fees; expenditures for country club; charitable contributions; marketing, sales, and advertising; professional services; civic and political activities; employee parties and outings; employee gifts; and rate cases;	Ann F. Wood
5	52	807 KAR 5:001 Section 10(10)(g)	Analyses of payroll costs including schedules for wages and salaries, employees benefits, payroll taxes straight time and overtime hours, and executive compensation by title;	Ann F. Wood

East Kentucky Power Cooperative, Inc.

Case No. 2008-00409

Fully Forecasted Test Period Filing Requirements

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Volume	Tab	Filing Requirement	Description	Sponsoring Witness(es)
5	53	807 KAR 5:001 Section 10(10)(h)	Computation of gross revenue conversion factor for forecasted period;	William Steven Seelye
5	54	807 KAR 5:001 Section 10(10)(i)	Comparative income statements (exclusive of dividends per share or earnings per share), revenue statistics and sales statistics for 5 calendar years prior to application filing date, base period, forecasted period, and 2 calendar years beyond forecast period;	Ann F. Wood James C. Lamb, Jr. Frank J. Oliva
5	55	807 KAR 5:001 Section 10(10)(j)	Cost of capital summary for both base and forecasted periods with supporting schedules providing details on each component of the capital structure.	David G. Eames
5	56	807 KAR 5:001 Section 10(10)(k)	Comparative financial data and earnings measures for the 10 most recent calendar years, base period, and forecast period;	Ann F. Wood Frank J. Oliva
5	57	807 KAR 5:001 Section 10(10)(l)	Narrative description and explanation of all proposed tariff changes;	William Steven Seelye
5	58	807 KAR 5:001 Section 10(10)(m)	Revenue summary for both base and forecasted periods with supporting schedules which provide detailed billing analyses for all customer classes; and	William Steven Seelye
5	59	807 KAR 5:001 Section 10(10)(n)	Typical bill comparison under present and proposed rates for all customer classes.	William Steven Seelye

East Kentucky Power Cooperative, Inc.
Case No. 2008-00409
Fully Forecasted Test Period
Volume 1, Tab 1

Filing Requirement
807 KAR 5:001 Section 10(1)(b)(1)
Sponsoring Witnesses: Robert M. Marshall and David G. Eames

Description of Filing Requirement:

A statement of the reason the adjustment is required.

Response:

EKPC is proposing to adjust its rates to a level that will provide it with an opportunity to maintain its financial integrity, to maintain adequate interest and debt service coverage ratios, and to rebuild its members' equity to a level that will allow EKPC to continue to serve its distribution cooperative members/owners in a reliable manner. EKPC's interest and debt service coverage ratios and members' equity percentage are currently inadequate. Because of load growth on its system, EKPC is short on capacity and is therefore adding two new coal-fired generating units, two gas-fired combustion turbine units, and upgrading its transmission facilities to interconnect these new generating resources. Although these resources are critical to EKPC's efforts to continue to serve its members in a safe, reliable, environmentally-compliant, and cost effective manner, installing these facilities is creating pressure for EKPC to increase its base rates to its members. Despite ongoing and significant efforts to contain costs and create efficiencies, EKPC's current base rates are not adequate to cover its increased costs.

Spurlock 4, a 278 MW coal-fired generating unit which will cost \$528 million, is scheduled to be placed into commercial operation on April 1, 2009. Because it has been accruing Allowance for Interest on Borrowed Funds Used During Construction on its construction expenditures, EKPC is currently not recovering interest expenses associated with Spurlock 4 through rates. Although Spurlock 4 is expected to result in considerable savings in fuel and purchased power expenses, which will be flowed through to members through the fuel adjustment clause, EKPC's interest, depreciation, and non-fuel operation and maintenance expenses will increase significantly once Spurlock 4 is placed into commercial operation. Without increasing wholesale rates to its member systems, EKPC's interest coverage ratios and members' equity percentage will become dangerously low once Spurlock 4 is placed into service. Based on current

financial projections, without a wholesale rate increase EKPC would default on its debt obligations for calendar year 2009.

Because of its need to increase rates to provide for recovery of increased interest, depreciation and non-fuel operation and maintenance expenses which will occur once Spurlock 4 is placed into commercial operation, EKPC is filing an application for a general adjustment in rates supported by a fully forecasted test period. A fully forecasted test period will allow EKPC to increase its base rates to provide for recovery of these increased expenses once Spurlock 4 is placed into commercial operation.

Please see the prepared direct testimonies of Robert M. Marshall, David G. Eames, Jonathon Andrew Don, Daniel M. Walker, and William Steven Seelye included in tab number 23 of the Application and Filing Requirements for additional information concerning the need for EKPC to adjust its base rates.

East Kentucky Power Cooperative, Inc.
Case No. 2008-00409
Fully Forecasted Test Period
Volume 1, Tab 2

Filing Requirement
807 KAR 5:001 Section 10(1)(b)(2)
Sponsoring Witness: Ann F. Wood

Description of Filing Requirement:

A statement that the utility's annual reports, including the annual report for the most recent calendar year, are on file with the Commission in accordance with 807 KAR 5:006, Section 3(1).

Response:

EKPC confirms that its annual reports, including the annual report for the most recent calendar year, are on file with the Commission.

East Kentucky Power Cooperative, Inc.
Case No. 2008-00409
Fully Forecasted Test Period
Volume 1, Tab 3

Filing Requirement
807 KAR 5:001 Section 10(1)(b)(3) and (5)
Sponsoring Witness: Ann F. Wood

Description of Filing Requirement:

If the utility is incorporated, a certified copy of the utility's articles of incorporation and all amendments thereto or out of state documents of similar import. If the utility's articles of incorporation and amendments have already been filed with the Commission in a prior proceeding, the application may state this fact making reference to the style and case number of the prior proceeding and a certificate of good standing or certificate of authorization dated within sixty (60) days of the date the application is filed.

Response:

EKPC's articles of incorporation and all amendments thereto were filed with the Commission in PSC Case No. 90-197, the Application of East Kentucky Power Cooperative, Inc. for a Certificate of Public Convenience and Necessity to Construct Certain Steam Service Facilities in Mason County, Kentucky.

EKPC's Certificate of Good Standing is included on page 2 of this response.

Commonwealth of Kentucky
Trey Grayson, Secretary of State

9/9/2008

Division of Corporations
Business Filings

P. O. Box 718
Frankfort, KY 40602
(502) 564-2848
<http://www.sos.ky.gov>

Certificate of Existence

Authentication Number: 69654

Jurisdiction: East Kentucky Power Cooperative, Inc.

Visit <http://apps.sos.ky.gov/business/obdb/certvalidate.aspx> to authenticate this certificate.

I, Trey Grayson, Secretary of State of the Commonwealth of Kentucky, do hereby certify that according to the records of the Office of the Secretary of State,


EAST KENTUCKY POWER COOPERATIVE, INC.

is a nonprofit corporation duly incorporated and existing under KRS Chapter 273, whose date of incorporation is July 9, 1941 and whose period of duration is perpetual.

I further certify that all fees and penalties owed to the Secretary of state have been paid; that articles of dissolution have not been filed; and that the most recent annual report required by KRS 273.3671 has been delivered to the Secretary of State.

IN WITNESS THEREOF, I have hereunto set my hand and affixed my Official Seal at Frankfort, Kentucky, this 9th day of September, 2008.





Trey Grayson
Secretary of State
Commonwealth of Kentucky
69654/0015195

**East Kentucky Power Cooperative, Inc.
Case No. 2008-00409
Fully Forecasted Test Period
Volume 1, Tab 4**

**Filing Requirement
807 KAR 5:001 Section 10(1)(b)(4) and (5)
Sponsoring Witness: Ann F. Wood**

Description of Filing Requirement:

If applicant is a limited partnership, a certified copy of the limited partnership agreement or if the agreement was filed with the PSC in a prior proceeding, a reference to the style and case number of the prior proceeding and a certificate of good standing or certificate of authorization dated within sixty (60) days of the date the application is filed.

Response:

EKPC is not a limited partnership and, therefore, compliance with this filing requirement is not necessary.

East Kentucky Power Cooperative, Inc.
Case No. 2008-00409
Fully Forecasted Test Period
Volume 1, Tab 5

Filing Requirement
807 KAR 5:001 Section 10(1)(b)(6)
Sponsoring Witness: Ann F. Wood

Description of Filing Requirement:

A certified copy of a certificate of assumed name as required by KRS 365.015 or a statement that such a certificate is not necessary.

Response:

The legal name of EKPC is East Kentucky Power Cooperative, Inc. It has never done business in Kentucky under an assumed name and has never filed a Certificate of Assumed Name as may be required by KRS 365.015.

East Kentucky Power Cooperative, Inc.
Case No. 2008-00409
Fully Forecasted Test Period
Volume 1, Tab 6

Filing Requirement
807 KAR 5:001 Section 10(1)(b)(7)
Sponsoring Witness: Ann F. Wood

Description of Filing Requirement:

The proposed tariff in form complying with 807 KAR 5:011 with an effective date not less than thirty (30) days from the date the application is filed.

Response:

The proposed tariffs are attached and distinguished as Phase I and Phase II. Note that the Phase II tariffs neither reflect a date of issue nor an effective date. As discussed in detail in the testimony of Mr. Seelye, under Tab 23, the Phase II tariffs are proposed to become effective one year after the effective date of the Phase I tariffs.

PHASE I
PROPOSED TARIFFS

P.S.C. KY NO. 33

CANCELS P.S.C. KY NO. 32

EAST KENTUCKY POWER COOPERATIVE, INC.

OF

WINCHESTER, KENTUCKY

RATES, RULES, AND REGULATIONS FOR FURNISHING

WHOLESALE POWER SERVICE

AT

VARIOUS LOCATIONS TO

RURAL ELECTRIC COOPERATIVE MEMBERS

THROUGHOUT KENTUCKY

FILED WITH THE PUBLIC SERVICE COMMISSION
OF KENTUCKY

ISSUED October 31, 2008

EFFECTIVE FOR SERVICE RENDERED
ON AND AFTER DECEMBER 1, 2008

ISSUED BY EAST KENTUCKY POWER COOPERATIVE, INC.

BY _____

Robert M. Marshall
President and Chief Executive Officer

EAST KENTUCKY POWER COOPERATIVE, INC.

Wholesale Power Rate Schedule

Applicability

Applicable to all sections of this rate schedule and this rate schedule shall apply to each East Kentucky Power Cooperative, Inc. (hereinafter referred to as "EKPC" or the "Cooperative") load center separately.

Load Center Charges - Monthly

A. Metering Point Charge

1. Applicable to each metering point and to each substation
2. Charge: \$138.00 (I)

B. Substation Charge

1. Applicable to each substation based on its size:
2. Charges:

1,000 - 2,999 kVa substation	\$1,041.00	(I)
3,000 - 7,499 kVa substation	\$2,617.00	(I)
7,500 - 14,999 kVa substation	\$3,149.00	(I)
15,000 and over kVa substation	\$5,079.00	(I)

Minimum Monthly Charge

The minimum monthly charge shall be equal to the Load Center Charges plus the minimum monthly charges for Section B and Section C. Load Center Charges cover metering point and substation charge.

DATE OF ISSUE October 31, 2008 DATE EFFECTIVE: Service rendered on and after December 1, 2008

ISSUED BY _____ TITLE President & Chief Executive Officer

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

EAST KENTUCKY POWER COOPERATIVE, INC.

Fuel Adjustment

1. The fuel clause shall provide for periodic adjustment per kWh of sales when the unit cost of fuel $[F(m) / S(m)]$ is above or below the base unit cost of \$0.02638 per kWh $[F(b) / S(b)]$. The current monthly charges shall be increased or decreased by the product of the kWh furnished during the current month and the fuel adjustment rate for the preceding month where the fuel adjustment rate is defined below:

$$\text{Fuel Adjustment Rate} = \frac{F(m)}{S(m)} - \frac{F(b)}{S(b)}$$

Where F is the expense of fossil fuel in the base (b) and current (m) periods; and S is sales in the base (b) and current (m) periods, all defined below:

2. Fuel cost (F) shall be the most recent actual monthly cost of:
 - (a) Fossil fuel consumed in the utility's own plants, and the utility's share of fossil and nuclear fuel consumed in jointly owned or leased plants, plus the cost of fuel which would have been used in plants suffering forced generation and/or transmission outages, but less the cost of fuel related to substitute generation, plus
 - (b) The actual identifiable fossil and nuclear fuel costs associated with energy purchased for reasons other than identified in paragraph (c) below, but excluding the cost of fuel related to purchases to substitute the forced outages, plus
 - (c) The net energy cost of energy purchases, exclusive of capacity or demand charges (irrespective of the designation assigned to such transaction) when such energy is purchased on an economic dispatch basis. Included therein may be such costs as the charges for economy energy purchases and the charges as a result of scheduled outages, also such kinds of energy being purchased by the buyer to substitute for its own higher cost energy; and less

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ISSUED BY _____ TITLE President & Chief Executive Officer

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EAST KENTUCKY POWER COOPERATIVE, INC.

Fuel Adjustment (con't.)

- (d) The cost of fossil fuel recovered through inter-system sales including the fuel costs related to economy energy sales and other energy sold on an economic dispatch basis.
- (e) All fuel costs shall be based on weighted average inventory costing.
3. Forced outages are all non-scheduled losses of generation or transmission which require (purchase of) substitute power for a continuous period in excess of six (6) hours. Where forced outages are not as a result of faulty equipment, faulty manufacture, faulty design, faulty installations, faulty operation, or faulty maintenance, but are Acts of God, riot, insurrection or acts of public enemy, the utility may, upon proper showing, with the approval of the Commission, include the fuel cost of substitute energy in the adjustment.
4. Sales (S) shall be kWh sold, excluding inter-system sales. Where for any reason, billed system sales cannot be coordinated with fuel costs for the billing period, sales may be equated to the sum of (i) generation, (ii) purchases, (iii) interchange in, less (iv) energy associated with pumped storage operations, less (v) inter-system sales referred to in subsection (2)(d) above, less (vi) total system losses. Utility-used energy shall not be excluded in the determination of sales (S).
5. The cost of fossil fuel shall include no items other than the invoice price of fuel less any cash or other discounts. The invoice price of fuel includes the cost of the fuel itself and necessary charges for transportation of the fuel from the point of acquisition to the unloading point, as listed in Account 151 of the FERC Uniform System of Accounts for Public Utilities and Licenses.

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ISSUED BY _____ TITLE President & Chief Executive Officer

Issued by authority of an Order of the Public Service Commission of Kentucky in
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For All Counties Served
P.S.C. No. 33
Original Sheet No. 4
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EAST KENTUCKY POWER COOPERATIVE, INC.

Power Factor Adjustment

The member cooperative agrees to maintain a unity power factor as nearly as practicable at each load center at the time of the monthly peak demand for the load center. When the power factor is determined to be less than 90%, the monthly billing demand at the load center will be adjusted by multiplying the actual monthly billing demand by 90% and dividing this product by the actual power factor at the time of the monthly peak demand for the load center. For new load centers, the power factor penalty will not be applicable for the month of energization or the succeeding six (6) months. The demand rate applicable for power factor penalty billing is the lowest firm demand rate in Section A, B, C, E, or G.

Energy Curtailment and Outage Restoration Priorities

These tariffs are subject to the Energy Curtailment and Outage Restoration Priorities provisions of Administrative Case No. 353 of the Kentucky Public Service Commission. East Kentucky Power Cooperative's energy curtailment and restoration procedures are contained in Appendix I to these tariffs title Emergency Electric Procedures, East Kentucky Power Cooperative, Inc.; prepared April 1, 1994; revised February 17, 1995.

East Kentucky Power Cooperative will adhere to the curtailment of service requirements as set forth below and contained in Kentucky Revised Statutes (KRS) Section 278.214.

Curtailment of service by utility or generation and transmission cooperative. When a utility or generation and transmission cooperative engaged in the transmission of electricity experiences on its transmission facilities an emergency or other event that necessitates a curtailment or interruption of service, the utility or generation and transmission cooperative shall not curtail or interrupt retail electric service within its certified territory, or curtail or interrupt wholesale electric energy furnished to a member distribution cooperative for retail electric service within the cooperative's certified territory, except for customers who have agreed to receive interruptible service, until after service has been interrupted to all other customers whose interruption may relieve the emergency or other event.

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ISSUED BY _____ TITLE President & Chief Executive Officer

Issued by authority of an Order of the Public Service Commission of Kentucky in
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EAST KENTUCKY POWER COOPERATIVE, INC.

Section A

Availability

Available to all cooperative associations which are or shall be members of EKPC. The electric power and energy furnished hereunder shall be separately metered for each point of delivery.

Applicability

Applicable to all power usage at the load center not subject to the provisions of Sections B, C, and E of this tariff.

Monthly Rate - Per Load Center

Demand Charge per kW of billing demand	\$9.54	(I)
Energy Charge per kWh	\$0.036901	(I)

Billing Demand

The billing demand (kilowatt demand) is based on EKPC's system peak demand (coincident peak) which 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.
May through September	10:00 a.m. to 10:00 p.m.

Billing demand applicable to this section is equal to the load center's contribution to EKPC's system peak demand minus the actual demands of Section B, Section C, and Section E participants coincident with EKPC's system peak demand.

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ISSUED BY _____ TITLE President & Chief Executive Officer

Issued by authority of an Order of the Public Service Commission of Kentucky in
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For All Counties Served
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Original Sheet No. 6
Canceling P.S.C. No. 32
Original Sheet No. 6

EAST KENTUCKY POWER COOPERATIVE, INC.

Section A (con't.)

Billing Energy

Billing energy applicable to this section is equal to the total energy provided at the load center minus the actual energy provided to Section B, Section C, and Section E participants.

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ISSUED BY _____ TITLE President & Chief Executive Officer

Issued by authority of an Order of the Public Service Commission of Kentucky in
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EAST KENTUCKY POWER COOPERATIVE, INC.

Section B

Availability

Available to all cooperative associations which are or shall be members of EKPC and which execute EKPC approved contracts with the ultimate consumers. The electric power and energy furnished hereunder shall be separately metered for each point of delivery.

Applicability

Applicable to cooperative associations and ultimate consumers willing to contract for demands of 500 kW or greater and a monthly minimum energy usage equal to or greater than 400 hours per kW of contract demand. Wholesale monthly minimum demand shall be agreed between the cooperative association and EKPC.

Monthly Rate

Demand Charge per kW of Minimum Demand	\$6.86	(I)
Demand Charge per kW of Billing Demand in Excess of Minimum Demand	\$9.54	(I)
Energy Charge per kWh	\$0.036901	(I)

Billing Demand

The billing demand (kilowatt demand) shall be the minimum demand plus any excess demand. Excess demand occurs when the ultimate consumer's highest demand during the current month, coincident with EKPC's system peak (coincident peak), exceeds the minimum demand. EKPC's system 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.
May through September	10:00 a.m. to 10:00 p.m.

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ISSUED BY _____ TITLE President & Chief Executive Officer

Issued by authority of an Order of the Public Service Commission of Kentucky in
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Original Sheet No. 8

EAST KENTUCKY POWER COOPERATIVE, INC.

Section B (con't.)

Minimum Monthly Charge

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

- (a) The product of the minimum demand multiplied by the demand charge, plus
- (b) The product of the minimum demand multiplied by 400 hours and the energy charge per kWh minus the fuel base per kWh.

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ISSUED BY _____ TITLE President & Chief Executive Officer

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P.S.C. No. 33
Original Sheet No. 9
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EAST KENTUCKY POWER COOPERATIVE, INC.

Section C

Availability

Available to all cooperative associations which are or shall be members of EKPC and which execute EKPC approved contracts with the ultimate consumers. The electric power and energy furnished hereunder shall be separately metered for each point of delivery.

Applicability

Applicable to cooperative associations and ultimate consumers willing to contract for demand of 500 kW or greater and a monthly energy usage equal to or greater than 400 hours per kW of billing demand.

Monthly Rate

Demand Charge per kW of Billing Demand	\$6.86	(I)
Energy Charge per kWh	\$0.036901	(I)

DATE OF ISSUE October 31, 2008 DATE EFFECTIVE: Service rendered on and after December 1, 2008

ISSUED BY _____ TITLE President & Chief Executive Officer

Issued by authority of an Order of the Public Service Commission of Kentucky in
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EAST KENTUCKY POWER COOPERATIVE, INC.

Section C (con't.)

Billing Demand

The kilowatt demand shall be the greater of (a) or (b) listed below:

- (a) The contract demand
- (b) The ultimate consumer's highest demand during the current month or preceding eleven months coincident with EKPC's system peak demand. EKPC's system 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.
May through September	10:00 a.m. to 10:00 p.m.

Minimum Monthly Charge

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

- (a) The product of the billing demand multiplied by the demand charge, plus
- (b) The product of the billing demand multiplied by 400 hours and the energy charge per kWh minus the fuel base per kWh.

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ISSUED BY _____ TITLE President & Chief Executive Officer

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EAST KENTUCKY POWER COOPERATIVE, INC.

Section D
Interruptible Service

Standard Rider

This Interruptible Rate is a rider to Rate Sections A, B, C, and E.

Applicable

In all territory served by EKPC.

Availability of Service

This schedule shall be made available at any load center, to any member cooperative where an ultimate "Customer" will contract for an interruptible demand of not less than 250 kW and not more than 20,000 kW, subject to a maximum number of hours of interruption per year and a notice period as listed below.

Monthly Rate

A monthly demand credit per kW is based on the following matrix: (T)

<u>Notice Minutes</u>	<u>Annual Hours of Interruption</u>					
	<u>200</u>		<u>300</u>		<u>400</u>	
10	\$2.97	(I)	\$3.47	(I)	\$3.97	(I)
60	\$2.48	(I)	\$2.97	(I)	\$3.47	(I)

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ISSUED BY _____ TITLE President & Chief Executive Officer

Issued by authority of an Order of the Public Service Commission of Kentucky in
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EAST KENTUCKY POWER COOPERATIVE, INC.

Section D (con't.)

Determination of Measured Load - Billing Demand

The billing demand (kilowatt demand) is based on EKPC's system peak demand (coincident peak) which 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.
May through September	10:00 a.m. to 10:00 p.m.

The interruptible billing demand shall be equal to the amount by which the monthly billing demand exceeds the minimum billing demand as specified in the contract.

Conditions of Service for Customer Contract

1. The customer will, upon notification by the Cooperative, reduce his load being supplied by the Cooperative to the contract capacity level specified by the contract.
2. The Cooperative will endeavor to provide the Customer as much advance notice as possible of the interruption of service. However, the Customer shall interrupt service within the notice period as contracted.
3. Service will be furnished under the Cooperatives "General Rules and Regulations" or "Terms and Conditions" except as set out herein and/or provisions agreed to by written contract.
4. No responsibility of any kind shall attach to the Cooperative for, or on account of, any loss or damage caused by, or resulting from, any interruption or curtailment of this service.

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ISSUED BY _____ TITLE President & Chief Executive Officer

Issued by authority of an Order of the Public Service Commission of Kentucky in
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For All Counties Served
P.S.C. No. 33
Original Sheet No. 13
Canceling P.S.C. No. 32
Original Sheet No. 13

EAST KENTUCKY POWER COOPERATIVE, INC.

Section D (con't.)

5. The Customer shall own, operate, and maintain all necessary equipment for receiving electric energy and all telemetering and communications equipment, within the Customer's premises, required for interruptible service.
6. The minimum original contract period shall be one year and thereafter until terminated by giving at least six months previous written notice. The Cooperative may require a contract be executed for a longer initial term when deemed necessary by the size of the load and other conditions.
7. The Fuel Adjustment Clause, as specified in the General Wholesale Power Rate Schedule, is applicable.

Calculation of Monthly Bill

The monthly bill is calculated on the following basis:

- A. Sum of metering point charge and substation charge, plus
- B. Minimum billing demand in kW multiplied by the firm capacity rate, plus
- C. Interruptible billing demand in kW multiplied by interruptible rate, plus
- D. Energy usage in kWh multiplied by the energy rate.

Number and Duration of Interruptions

- A. Winter Season: There shall be no more than two (2) interruptions during any 24 hour calendar day. No interruption shall last more than six hours.
- B. Summer Season: There shall be no more than one (1) interruption during any 24 hour calendar day. No interruption shall last more than twelve hours.
- C. The maximum number of annual hours of interruption shall be in accordance with the customer contracted level of interruptible service.

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ISSUED BY _____ TITLE President & Chief Executive Officer

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P.S.C. No. 33
Original Sheet No. 14
Canceling P.S.C. No. 32
Original Sheet No. 14

EAST KENTUCKY POWER COOPERATIVE, INC.

Section D (con't.)

Charge for Failure to Interrupt

If Customer fails to interrupt load as requested by the Cooperative, the Cooperative shall bill the uninterrupted load at a rate equal to five (5) times the applicable firm power demand charge for that billing month. Uninterrupted load is equal to actual load during requested interruption minus firm load.

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ISSUED BY _____ TITLE President & Chief Executive Officer

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For All Counties Served
P.S.C. No. 33
Original Sheet No. 15
Canceling P.S.C. No. 32
Original Sheet No. 15

EAST KENTUCKY POWER COOPERATIVE, INC.

Section E

Availability

Available to all cooperative associations which are or shall be members of EKPC. The electric power and energy furnished hereunder shall be separately metered for each point of delivery.

Applicability

Applicable to all power usage at the load center not subject to the provisions of Section A, Section B, or Section C of this tariff.

Monthly Rate - Per Load Center

A cooperative association may select either Option 1 or Option 2 of this section of the tariff to apply to all load centers. The cooperative association must remain on a selected option for at least one (1) year and may change options, no more often than every twelve (12) months, after giving a minimum notice of two (2) months.

	<u>Option 1</u>		<u>Option 2</u>	
Demand Charge per kW of Billing Demand	\$7.63	(I)	\$5.76	(I)
Energy Charge per kWh				
On-Peak kWh	\$0.039053	(I)	\$0.046844	(I)
Off-Peak kWh	\$0.038499	(I)	\$0.038499	(I)

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ISSUED BY _____ TITLE President & Chief Executive Officer

Issued by authority of an Order of the Public Service Commission of Kentucky in
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Canceling P.S.C. No. 32
Original Sheet No. 16

EAST KENTUCKY POWER COOPERATIVE, INC.

Section E (con't.)

On-peak and off-peak hours are provided below:

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

Billing Demand

The billing demand (kilowatt demand) is based on EKPC's system peak demand (coincident peak) which 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.
May through September	10:00 a.m. to 10:00 p.m.

Billing demand applicable to this section is equal to the load center's contribution to EKPC's system peak demand minus the actual demands of Section A, Section B, and Section C participants coincident with EKPC's system peak demand.

Billing Energy

Billing energy applicable to this section is equal to the total energy provided at the load center minus the actual energy provided to Section A, Section B, and Section C participants.

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ISSUED BY _____ TITLE President & Chief Executive Officer

Issued by authority of an Order of the Public Service Commission of Kentucky in
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EAST KENTUCKY POWER COOPERATIVE, INC.

Section F

Voluntary Interruptible Service

Standard Rider

This Voluntary Interruptible Service is a rider to Rate Sections A, B, C, E, G and special contracts.

Applicable

In all territory served by EKPC.

No interruptible demand which is already under contract under any other Interruptible Rider is eligible for this service.

Availability of Service

This schedule shall be made available at any load center, to any member cooperative where an ultimate "Customer" is capable of interrupting at least 1,000 kW upon request and has contracted with the Member System to do so under a retail contract rider.

Conditions of Service

1. Any request for interruption under this Rider shall be made by EKPC through its Member Cooperative.
2. Each interruption will be strictly voluntary. The Member Cooperative may accept or decline the terms of the interruption offered by EKPC.
3. No responsibility of any kind shall attach to EKPC for, or on account of, any loss or damage caused by, or resulting from, any interruption or curtailment of this service.
4. The Customer shall agree by contract to own, operate, and maintain all necessary equipment for receiving electric energy and all telemetering and communications equipment, within the Customer's premises, required for interruptible service.
5. It is the Member Cooperative's responsibility to notify the Customer and execute an

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ISSUED BY _____ TITLE President & Chief Executive Officer

Issued by authority of an Order of the Public Service Commission of Kentucky in
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EAST KENTUCKY POWER COOPERATIVE, INC.

interruption request from EKPC. Therefore, EKPC and the Member Cooperative shall mutually agree upon the manner by which EKPC shall notify the Customer of a request for interruption. Such an agreement shall include the means by which EKPC shall communicate the interruption request (e.g. email, phone, pager, etc.) and the Customer's point of contact to receive such a request.

6. EKPC will attempt to provide as much advance notice as possible for requests for interruption. However, upon the Customer's acceptance of the Terms of Interruption the Customer's load shall be interrupted with as little as one (1) hour of advance notification.
7. EKPC reserves the right to require verification of a Customer's ability to interrupt its load.
8. The Member Cooperative is not eligible for the Interruption Credits for any interruption when the Customer's interruptible load is down for other reasons during the period of the requested interruption. Such down time would include any event outside of the Customer's normal operating circumstances such as planned or unplanned outages due to renovation, repair, vacation, refurbishment, renovation, strike, or force majeure.

Interruptible Customer Data Report

The Member Cooperative shall furnish to EKPC an Interruptible Customer Data Report for each of its eligible Customers. Such a report shall include such information as:

1. The maximum number of hours per day and the time of day that the Customer has the ability to interrupt.
2. The maximum number of days and the maximum number of consecutive days that the Customer has the ability to interrupt.
3. The maximum interruptible demand and the minimum interruptible demand by the Customer upon request.
4. The minimum price at which each Customer is willing to interrupt.

Demand and Energy Interruption

The Customer will agree by contract, within an agreed time after receiving notice, to comply to the extent possible with EKPC's request to interrupt load. EKPC is the sole judge of the need for

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ISSUED BY _____ TITLE President & Chief Executive Officer

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interruption of load. EKPC is the sole judge of the amount of interruptible demand provided by the Customer, based on the following calculation:

The average of the integrated fifteen-minute demand for the two hours prior to the hour immediately preceding the call for interruption will be used as the basis for establishing the existing demand level. The hourly interruptible demands for each customer will be the difference between the existing demand level and the actual demand measured during each hour of the interruption period. The interrupted energy of each interruption period shall be the sum of the hourly interrupted demands. These types of interruptions will cover a period of no more than six hours.

For interruptions longer than six hours in duration, the Customer's average load usage for the same hours as the interruption hours in the two preceding business days prior to the day of notice will be used as the basis for determining the demand level for interruption. The average hourly usage for these business days, based on the average integrated fifteen minute demand intervals, minus the actual load during the interruption period will equal the amount of interruptible load. The interrupted energy of each interruption period shall be the sum of the hourly interrupted demands.

Terms of Interruption

For each interruption request, EKPC shall identify the Customer to be interrupted. EKPC shall inform the Member Cooperative or each Customer of an interruption request in accordance with the agreed upon method of notification. The Terms of Interruption shall include the following:

1. The time at which each interruption shall begin is to be established by EKPC. At least one (1) hour of advance notice of each request for interruption shall be provided by EKPC.
2. The duration in clock hours of the interruption request is to be established by EKPC.
3. The current price and the potential savings. This price will be determined by EKPC on a case by case basis and will be based on a percentage of the market price of power at the time of interruption.
4. The Member Cooperative shall specify or arrange for the Customer to specify:
 - a. The maximum demand in kW that will be interrupted.

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ISSUED BY _____ TITLE President & Chief Executive Officer

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EAST KENTUCKY POWER COOPERATIVE, INC.

-
- b. The maximum firm demand that the Customer will purchase through the Member Cooperative during the interruption.

Interruption Credits

The interruption credit for each interruption period shall be equal to the interrupted energy MWh times an amount equal to 110% by which the quoted price for each interruption exceeds the Customer's regular tariff rate. The sum of the interruption credits for the billing month will be allocated as follows:

1. The Member Cooperative's account with EKPC will be credited in the amount of 10% of the credit to the Customer.
2. The interruption credit to the Customer shall be equal to the product of the interrupted energy multiplied by the interruption price for each interruption. This amount will be credited to the Member Cooperative's account with EKPC and passed along to the Customer.

Failure to Interrupt

For those Customers failing to interrupt a minimum of 80% of their agreed amount of interruptible load of 5,000 kW or greater, an excess energy charge will be applicable. This excess energy is equal to the difference of 80% of the interruptible load minus the interrupted load. Excess energy shall be charged to the Customer at a price equal to 125% of the interruption price plus the standard rate applicable to this load.

Term

The minimum original contract period shall be one (1) year and shall remain in effect thereafter until either party provides to the other at least thirty (30) days previous written notice.

Interruption Implementation Procedure

Voluntary interruptions will be implemented based on data developed from the Interruptible Customer Data Report. EKPC personnel will match the interruption scenario with the interruptible customers' profiles to determine interruption priority and sequence.

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Original Sheet No. 18
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Original Sheet No. 18

EAST KENTUCKY POWER COOPERATIVE, INC.

Section G

SPECIAL ELECTRIC CONTRACT RATE
Applicable to Inland Container Corporation

Character of Service

Three-phase 60 Hertz alternating current as specified in the Agreement for Purchased Power.

Monthly Rate

Demand Charge per Billing kW	\$6.68	(I)
Energy Charge per ALL kWh	\$0.034954	(I)

Determination of Billing Demand

The kilowatt demand shall be the greater of (a) or (b) listed below:

- (a) The contract demand
- (b) The ultimate consumer's highest demand during the current month or preceding eleven months coincident with EKPC's system peak demand. EKPC's system 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.
May through September	10:00 a.m. to 10:00 p.m.

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Original Sheet No. 19

EAST KENTUCKY POWER COOPERATIVE, INC.

Section G (con't.)

Minimum Monthly Charge

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

- (a) The metering and substation charge, plus
- (b) The product of the billing demand multiplied by the demand charge, plus
- (c) The product of \$0.007 multiplied by the product of the billing demand multiplied by 400 hours.

Power Factor Adjustment

Refer to EKPC General Wholesale Power Tariffs Power Factor Adjustment, Original Sheet 4.

Fuel Adjustment Clause

Refer to EKPC General Wholesale Power Tariffs Fuel Adjustment, Original Sheets 2-4.

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EAST KENTUCKY POWER COOPERATIVE, INC.

Section H

Wholesale Renewable Resource Power Service

Standard Rider

This Renewable Resource Power Service is a rider to Rate Sections A, B, C, and E. The purpose of this service is to provide Member Systems with a source of renewable resource generated power for resale to their Customers.

Applicable

In all territory served by EKPC.

Availability of Service

This service is contingent upon the available supply of energy generated from renewable resources which EKPC owns or controls, or such energy which EKPC has purchased from other wholesale suppliers.

This schedule shall be made available at any load center to any member cooperative where a retail "Customer" contracts for renewable resource power service in the following block amounts:

100 kWh

AND where retail "Customer" has contracted with the Member Cooperative Association to do so under a retail contract rider.

Eligibility

Any EKPC Member Cooperative Association that has completed and returned a "Pledge to Purchase Renewable Resource Power Service" application to EKPC will be eligible for this rider. This form will indicate the number of blocks that the Member Cooperative Association intends to purchase monthly as a firm purchase power commitment for a period of one year. All such Member Cooperative Associations will have executed an Agreement for the sale of renewable resource power with a retail consumer.

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Original Sheet No. 21

EAST KENTUCKY POWER COOPERATIVE, INC.

Section H (con't.)

Monthly Rate

The monthly rate for this service will be a renewable power premium, i.e. added charge, for all renewable power purchased by the participating Member Cooperative Association. The renewable rate premium per block is as follows:

100 kWh block \$2.375 per block (\$0.02375 per kWh)

This power can be purchased only in the blocks and amounts listed above. These rates are in addition to the regular wholesale rate applicable to the Member Cooperative Association.

Billing and Minimum Charge:

Blocks of power sold under this tariff shall constitute the minimum amount of energy in kWh that the Member Cooperative Association may be billed for during a normal billing period.

Terms of Service and Payment:

This schedule shall be subject to all other terms of service and payment of the wholesale power tariff.

Fuel Adjustment Clause:

The fuel adjustment clause is not applicable to renewable resource power.

Special Terms:

When Member Cooperative Associations' contract for this type of power service, said Member Cooperative Associations will pay for all such power at the rates prescribed in this tariff for the complete contract period.

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EAST KENTUCKY POWER COOPERATIVE, INC.

Section DSM - 1

Touchstone Energy Manufactured Home Program

Purpose

The Touchstone Energy Manufactured Home Program is a conservation program that encourages the sale of more energy-efficient manufactured homes. It is based on the *Energy Star* standards for manufactured homes, a nationally recognized symbol of energy efficiency and quality developed and operated jointly by the U.S. Environmental Protection Agency (EPA) and the U.S. Department of Energy (DOE).

Availability

This program is available in all service territory served by EKPC.

Eligibility

To qualify as a Touchstone Energy Manufactured Home under EKPC's program, the participating manufactured home must be located in the service territory of a participating Member System and meet the *Energy Star* standards by including additional floor, wall and ceiling insulation, double pane windows and an electric heat pump.

Rebate

EKPC will provide an incentive for retail customers of our Member Systems to participate in this program by offering a one-time rebate. EKPC will rebate \$250 per certified manufactured home to the participating Member System. Rebates will be paid to the participating Member Systems upon written certification that the retail participant has met the *Energy Star* standards for newly constructed manufactured homes.

For customers who purchase a manufactured home which only includes a heat pump meeting Energy Star standards, EKPC will rebate \$150. For customers with inefficient electric heating systems, EKPC will rebate \$150 for replacing their existing furnace with a heat pump that meets minimum Energy Star Standards.

Annual Reports

EKPC will submit annual reports on the Program that contain the number of participants from each Member System, the annual costs, including the costs of the rebates, and the status of the rebate provision. EKPC will file the first report by March 31, 2004, and annually thereafter.

Term

The Touchstone Energy Manufactured Home Program will remain in effect through the end of 2009. If EKPC should decide to continue the entire program beyond 2009, an application for approval from the Kentucky Public Service Commission will be filed 6 months prior to the date of continuation.

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P.S.C. No. 33

Original Sheet No. 23

Canceling PSC No. 32

First Revised Sheet No. 23

EAST KENTUCKY POWER COOPERATIVE, INC.

Section DSM - 2

Touchstone Energy Home Program

Purpose

The Touchstone Energy Home Program is a conservation program that encourages the sale of more energy-efficient homes. It is based on *Energy Star* standards for homes, a nationally recognized symbol of energy efficiency and quality developed and operated jointly by the U.S. Environmental Protection Agency (EPA) and the U.S. Department of Energy (DOE).

Availability

This program is available in all service territory served by EKPC.

Eligibility

To qualify as a Touchstone Energy Home under EKPC's program, the participating home must be located in the service territory of a participating Member System and meet the *Energy Star* standards by including additional floor, wall and ceiling insulation, double pane windows and an electric heat pump.

Rebate

EKPC and its Member Systems will provide an incentive to retail customers to build or purchase a Touchstone Energy home. Member System Cooperatives may elect to offer a rebate of up to \$250 for each participant. EKPC will match the rebate offered by the member system cooperative up to a maximum of \$250, resulting in a maximum rebate of \$500 for each participant. Rebates will be paid to each participant upon written certification that the newly constructed home has met the *Energy Star* standards.

Annual Reports

EKPC will submit annual reports on the Program that contain the number of participants from each Member System, the annual costs, including the costs of the rebates, and the status of the rebate provision. EKPC will file the first report by June 30, 2005, and annually thereafter.

Term

The Touchstone Energy Home Program will remain in effect through 2009. If EKPC should decide to continue the entire program beyond 2009, an application for approval from the Kentucky Public Service Commission will be filed 6 months prior to the date of continuation.

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EAST KENTUCKY POWER COOPERATIVE, INC

RATE ES – ENVIRONMENTAL SURCHARGE

APPLICABILITY

Applicable to all sections of this rate schedule and this rate schedule shall apply to each Member System.

AVAILABILITY

This rate schedule shall apply to EKPC rate sections A, B, C, E, and G and all special contracts with rates subject to adjustment upon the approval of the Commission.

RATE

The Environmental Surcharge shall provide for monthly adjustments based on a percent of revenues equal to the difference between the environmental compliance costs in the base period and in the current period based on the following formula:

$$\text{CESF} = \text{E(m)} / \text{R(m)}$$

$$\text{MESF} = \text{CESF} - \text{BESF}$$

MESF = Monthly Environmental Surcharge Factor

CESF = Current Environmental Surcharge Factor

BESF = Base Environmental Surcharge Factor of 1.21%

where E(m) is the total of each approved environmental compliance plan revenue requirement of environmental costs for the current expense month and R(m) is the revenue for the current expense month as expressed below.

Definitions

$$(1) \text{ E(m)} = [(\text{RB}/12)(\text{RORB}) + \text{OE} - \text{BAS} + (\text{Over})\text{Under Recovery}$$

where:

(a) RB is the Environmental Compliance Rate Base, defined as electric plant in service for applicable environmental projects adjusted for accumulated depreciation, CWIP net of AFUDC, cash working capital, spare parts and limestone inventory, emission allowance inventory;

(b) RORB is the Rate of Return on the Environmental Compliance Rate Base, designated as the average cost of debt for environmental compliance plan projects approved by the Commission plus application of a times-interest-earned ratio of 1.35;

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-
- (c) OE is the Monthly Pollution Control Operating Expenses, defined as the average of the twelve month operating and maintenance expense; depreciation expense, property taxes, insurance expense, emission allowance expense, and consulting fees. O&M expense for the pollution-control related equipment at the Gilbert generating unit will be recovered by including an average of the monthly expense as the Unit begins operation;
 - (d) BAS is the net proceeds from By-Products and Emission Allowance Sales, and;
 - (e) (Over) or Under recovery amount as amortized from prior six-month period.

(2) Total E(m) is multiplied by the Member System Allocation Ratio to arrive at Net E(m). The Member System Allocation Ratio is based on the ratio of the 12-month total revenue from sales to Member Systems to which the Surcharge will be applied, ending with the current expense month, divided by the 12-month total revenue from sales to Member Systems and off-system sales.

(3) The revenue R(m) is the average monthly revenue, including base revenues and automatic adjustment clause revenues less Environmental Cost Recovery Surcharge revenues, for EKPC for the twelve months ending with the current expense month.

(4) The current expense month (m) shall be the second month preceding the month in which the Environmental Surcharge is billed.

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P.S.C. No. 33

Original Sheet No. 26

Canceling P.S.C. No. 32

First Revised Sheet No. 26

EAST KENTUCKY POWER COOPERATIVE, INC.

Section DSM - 3

Direct Load Control of Water Heaters Program

Direct Load Control of Air-Conditioners Program

Purpose

The Direct Load Control of Water Heaters and Air Conditioners will encourage the reduction in growth of peak demand, enabling the Company to utilize its system more efficiently and defer the construction of new generation.

Availability

Both the Direct Load Control of Water Heaters Program and the Direct Load Control of Air Conditioners Program are available to residential customers in the service territories of EKPC. Availability may be denied where, in the judgment of the Member System, installation of the load control equipment is impractical.

Eligibility

To qualify for these Programs, the participant must be located in the service territory of a participating Member System and have central air conditioning or heat pump units and/or 40-gallon (minimum) electric water heating units. The above appliances may be electrically cycled or interrupted in accordance with the rules of this Tariff.

Incentive - Direct Load Control of Water Heaters Program

EKPC and participating Member Systems will provide an incentive to the participants in this program. EKPC will reimburse the participating Member System \$10.00 per water heater annually. The participating Member System, in turn, will annually credit the residential power bill of the participant \$10.00 per water heater. The participant will receive this credit regardless of whether the water heater is cycled.

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Original Sheet No. 27
Canceling P.S.C. 32

EAST KENTUCKY POWER COOPERATIVE, INC.

First Revised Sheet No. 27

Incentive - Direct Load Control of Air-Conditioners Program

EKPC and participating Member Systems will provide an incentive to the participants in this program. The customer may select one of two alternatives. One, EKPC will reimburse the participating Member System \$20.00 annually per air conditioner (\$5 per summer months, June, July, August, and September). The participating Member System will, in turn, credit the residential power bill of the participant \$20.00 per air conditioner (\$5 per summer months, June, July, August, and September). Two, alternatively, EKPC will provide and install at no cost one or more digital thermostats as needed for control purposes. The participant will receive one of these incentives regardless of whether the air conditioner or heat pump is controlled during any program month.

Time Period for the Direct Load Control of Water Heaters Program

A load control switch will be placed on the water heater and may be electrically interrupted for a maximum time period of four hours.

EKPC will cycle the water heaters only during the hours listed below.

<u>Months</u>	<u>Hours Applicable for Demand Billing - EST</u>
October through April	6:00 a.m. to 12:00 noon 4:00 p.m. to 10:00 p.m.
May through September	10:00 a.m. to 10:00 p.m.

Time Period for the Direct Load Control of Air Conditioners

A load control device (switch or thermostat) will be placed on each central air conditioning unit or heat pump that will allow the operating characteristics of the unit to be modified (by cycling the unit off for periods of time up to 7.5 minutes of each 15-minute interval, or by adjusting the temperature setting on the thermostat up to two degrees) to reduce demand on the system.

EKPC will control the air conditioning units and heat pumps only during its summer on-peak billing hours listed below.

<u>Months</u>	<u>Hours Applicable for Demand Billing - EST</u>
May through September	10:00 a.m. to 10:00 p.m.

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First Revised Sheet No. 28

EAST KENTUCKY POWER COOPERATIVE, INC.

Terms and Conditions

1. If a participant decides to withdraw from the program(s) or change to another load control option, the Member Systems will endeavor to implement the change as soon as possible.
2. Prior to the installation of load control devices, the Member Systems may inspect the participant's electrical equipment to insure good repair and working condition, but the Member Systems shall not be responsible for the repair or maintenance of the electrical equipment.
3. EKPC, on behalf of the Member Systems, will install, own, and maintain the load management devices controlling the participant's air conditioner, heat pump, or water heater. The participant must allow the Member System, or their representative, reasonable access to install, maintain, inspect, test and remove load control devices. Inability of the Member System to gain access to the load management device to perform any of the above activities for a period exceeding 30 days may, at the Member System's option, result in discontinuance of credits under this tariff until such time as the Member System is able to gain the required access.
4. Participants in the Pilot program from Big Sandy RECC and Blue Grass Energy will have the opportunity to participate in this program. Equipment already installed on the premises may be used as part of this program.

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EAST KENTUCKY POWER COOPERATIVE, INC.

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INVOICE DATE:

EAST KENTUCKY POWER COOPERATIVE
P.O. BOX 707 WINCHESTER, KENTUCKY 40391

WHOLESALE POWER INVOICE
SUBSTATION CHARGES
MONTH, 20XX

SUBSTATION	RATE CODE	BILLING NOTES	BILLING DEMAND	BILLING KWH	DEMAND CHARGE	ENERGY CHARGE	WHEELING OR SUBSTATION	FUEL ADJUSTMENT	TOTAL CHARGE
------------	-----------	---------------	----------------	-------------	---------------	---------------	------------------------	-----------------	--------------

CO-OP TOTALS

E.T.S. ****

** CONSUMER BILLED FROM A PRIOR DEMAND TOTAL DUE BY 20TH DAY OF MONTH

DATE OF ISSUE October 31, 2008 DATE EFFECTIVE: Service rendered on and after December 1, 2008

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Issued by authority of an Order of the Public Service Commission of Kentucky in
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Original Sheet No. 30
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Original Sheet No. 30

EAST KENTUCKY POWER COOPERATIVE, INC.

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INVOICE DATE:

EAST KENTUCKY POWER COOPERATIVE
P.O. BOX 707 WINCHESTER, KENTUCKY 40391

WHOLESALE POWER INVOICE
SUBSTATION DETAIL CHARGES
MONTH, 20XX

SUBSTATION	RATE CODE	BILLING NOTES	BILLING DEMAND	BILLING KWH	DEMAND CHARGE	ENERGY CHARGE	WHEELING OR SUBSTATION	FUEL ADJUSTMENT	TOTAL CHARGE
------------	-----------	---------------	----------------	-------------	---------------	---------------	------------------------	-----------------	--------------

CO-OP TOTALS
E.T.S.

CO-OP AMOUNT DUE

DATE OF ISSUE October 31, 2008 DATE EFFECTIVE: Service rendered on and after December 1, 2008

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P.O. BOX 707 WINCHESTER, KENTUCKY 40391

WHOLESALE POWER INVOICE
CO-OP TOTAL CHARGES

MONTH, 20XX

SUBSTATION	RATE CODE	BILLING NOTES	BILLING DEMAND	BILLING KWH	DEMAND CHARGE (\$\$)	ENERGY CHARGE (\$\$)	WHEELING OR SUBSTATION CHARGE (\$\$)	FUEL ADJUSTMENT (\$\$)	TOTAL CHARGE (\$\$)
------------	-----------	---------------	----------------	-------------	----------------------	----------------------	--------------------------------------	------------------------	---------------------

SCHEDULE A ADJ. TOTALS
SCHEDULE B ADJ. TOTALS
SCHEDULE C ADJ. TOTALS
SCHEDULE E ADJ. TOTALS STEP 1
SCHEDULE E ADJ. TOTALS STEP 2

SCHEDULE A TOTALS
SCHEDULE B TOTALS
SCHEDULE C TOTALS
SCHEDULE E TOTALS STEP 1
SCHEDULE E TOTALS STEP 2

E.T.S.
GRAND TOTALS

TOTAL AMOUNT DUE

** CONSUMER BILLED FROM A PRIOR DEMAND

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KWH-SCH. B&C
KWH-SCH. E STEP 1
KWH-SCH. E STEP 2
KWH-ETS
FUEL RATE
OFFICE WHEELING

EAST KENTUCKY POWER COOPERATIVE, INC.
P.O. BOX 707 WINCHESTER, KENTUCKY 40391
STATISTICS FOR THE MONTH OF

KW-SCH. A
KW-SCH. B CONTRACT
EXCESS CONTRACT
KW-SCH. C
KW-SCH. E

SUBSTATION	CONSTANT KW	KWH METER READINGS			BILLING KWH	TOD DEMAND	HIGHEST DEMAND	CONTRACT DEMAND	ACTUAL KWH	CONTRACT KWH
		PRESENT	PREV	DIFF						
SCHEDULE A	STATISTIC TOTALS									
SCHEDULE B	STATISTIC TOTALS									
SCHEDULE C	STATISTIC TOTALS									
SCHEDULE E	STATISTIC TOTALS STEP 1									
SCHEDULE E	STATISTIC TOTALS STEP 2									
E.T.S.	****									
	GRAND TOTALS									

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EAST KENTUCKY POWER COOPERATIVE, INC.

EAST KENTUCKY POWER COOPERATIVE
P.O. BOX 707, WINCHESTER, KENTUCKY 40391

Fleming Mason RECC
P.O. Drawer 328
Flemingsburg, Kentucky 41041

STEAM INVOICE
INLAND CONTAINER STATISTICS
DATE

Average Heat Rate	Billing Demand/MMBTU	TOD Demand/MMBTU	Highest Demand/MMBTU	Billing Energy/MMBTU
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EAST KENTUCKY POWER COOPERATIVE, INC.

Fleming Mason RECC EAST KENTUCKY POWER COOPERATIVE DEMAND/MMBTU
P.O. Drawer 328 P.O. BOX 707, WINCHESTER, KENTUCKY 40391 ENERGY/MMBTU
Flemingsburg, Kentucky 41041 FUEL ADJ./MMBTU
MINIMUM BILL

STEAM INVOICE
INLAND CONTAINER DETAIL CHARGES
DATE

BILLING	BILLING	BILLING	DEMAND	ENERGY	FUEL	TOTAL
NOTES	DEMAND/MMBTU	ENERGY/MMBTU	CHARGE	CHARGE	ADJUSTMENT	CHARGE

EDR DEMAND CREDIT

TOTAL DUE BY 20TH DAY OF THE MONTH

*Steam Measurement Adjustment Factor

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EAST KENTUCKY POWER COOPERATIVE, INC.

EKPC Emergency Electric Procedures

EKPC's Emergency Electric Procedures are based on the following NERC Emergency Operations Standards:

- EOP-001 Emergency Operations Planning
- EOP-002 Capacity and Energy Emergencies
- EOP-003 Load Shedding Plans
- EOP-005 System Restoration Plans

Definitions

Transmission Operator (and Balancing Authority) - EKPC
Reliability Coordinator - TVA
Regional Reliability Organization – SERC

Overview

The Balancing Authority and the Reliability Coordinator have the responsibility and clear decision-making authority to take whatever actions are needed to ensure the reliability of its respective area and to exercise specific authority to alleviate capacity and energy emergencies. The Balancing Authority will implement its capacity and energy emergency plan, when required and as appropriate, to reduce risks to the interconnected system. The Balancing Authority experiencing an operating capacity or energy emergency will communicate its current and future system conditions to the Reliability Coordinator and neighboring Balancing Authorities.

When the Balancing Authority anticipates an operating capacity or energy emergency it will perform all actions necessary including bringing on all available generation, postponing equipment maintenance, scheduling interchange purchases in advance, and being prepared to reduce firm load. If the Balancing Authority is deficient it will only use the assistance provided by the Interconnection's frequency bias for the time needed to implement corrective actions.

The Balancing Authority will not unilaterally adjust generation in an attempt to return Interconnection frequency to normal beyond that supplied through frequency bias action and Interchange Schedule changes. Such unilateral adjustment may overload transmission facilities. If the Balancing Authority cannot comply with the Control Performance and Disturbance Control Standards, then it will immediately implement remedies to do so.

DATE OF ISSUE October 31, 2008 DATE EFFECTIVE: December 1, 2008

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Case No. _____ Dated _____

EAST KENTUCKY POWER COOPERATIVE, INC.

A Reliability Coordinator that has any Balancing Authority within its Reliability Coordinator Area experiencing a potential or actual Energy Emergency will initiate an Energy Emergency Alert as detailed in EOP-002-0 "Energy Emergency Alert Levels." The Reliability Coordinator will act to mitigate the emergency condition, including a request for emergency assistance if required.

Measures

The Transmission Operator (and Balancing Authority) has emergency plans and self-assessments available for review by the Regional Reliability Organization. The Regional Reliability Organization reviews and evaluates emergency plans every three years to ensure that the plans are complete and may elect to request self-certification of the Transmission Operator and Balancing Authority in years that the full review is not done.

Each Reliability Coordinator and Balancing Authority has and provides upon request evidence that includes job descriptions, signed agreements, authority letter signed by an appropriate officer of the company, or other equivalent evidence that confirms that it meets NERC requirements.

If the Reliability Coordinator or Balancing Authority implements its Capacity and Energy Emergency plan, that entity has and provides upon request evidence that includes operator logs, voice recordings or transcripts of voice recordings, electronic communications, computer printouts or other equivalent evidence that will be used to determine if the actions it took to relieve emergency conditions were in conformance with its Capacity and Energy Emergency Plan.

Insufficient Generating Capacity

The steps for mitigation of operating emergencies for insufficient generating capacity are:

1. Load all available generating capacity
2. Deploy all available operating reserve
3. Interrupt interruptible load and exports
4. Request emergency assistance from other Balancing Authorities
5. Declare an Energy Emergency through the Reliability Coordinator
6. Reduce load through procedures such as public appeals, voltage reductions, or curtailment of interruptible loads and firm loads

DATE OF ISSUE October 31, 2008 DATE EFFECTIVE: December 1, 2008

ISSUED BY _____ TITLE: President & Chief Executive Officer

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

EAST KENTUCKY POWER COOPERATIVE, INC.

Once the Balancing Authority has exhausted these steps or if these steps cannot be completed in sufficient time to resolve the emergency condition, the Balancing Authority shall:

1. Manually shed firm load without delay to return its ACE to zero
2. Request the Reliability Coordinator to declare an Energy Emergency Alert

All Emergency Electric Procedures consider:

1. Communication protocol
2. Controlling actions
3. Coordination with adjacent Transmission Operators and Balancing Authorities
4. Staffing levels

Elements addressed in Insufficient Generating Capacity Emergency Electric Procedures are:

1. Fuel supply and inventory - recognition of reasonable delays or problems in the delivery or production of fuel
2. Fuel switching - for units for which fuel supply shortages may occur
3. Environmental constraints - seek removal of environmental constraints for generating units
4. System energy use - reduction of the system's own energy use
5. Public appeals - through all media for voluntary load reductions and energy conservation
6. Load management - implementation of load management and voltage reductions
7. Optimize fuel supply - operation of generating sources to optimize the availability
8. Appeals to customers to use alternate fuels - appeals to large industrial and commercial customers to reduce non-essential energy use and maximize the use of customer-owned generation that rely on fuels other than the one in short supply
9. Interruptible loads - interrupt customer load to reduce capacity requirements or to conserve the fuel in short supply
10. Maximizing generator output and availability - operation of all generating sources to maximize output and availability
11. Notification of IPPs - cogeneration and other power producers, to maximize output and availability
12. Requests of government - to implement programs to achieve energy reductions
13. Load curtailment - mandatory load curtailment plan to use as a last resort
14. Notification of government agencies - as the various steps of the emergency plan are implemented

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EAST KENTUCKY POWER COOPERATIVE, INC.

15. Notifications to operating entities - as steps in emergency plan are implemented

Transmission System Operating Emergencies

The Transmission Operator (and Balancing Authority) develops, maintains, and implements a set of plans to mitigate operating emergencies. These plans are coordinated with other Transmission Operators, Balancing Authorities, and the Reliability Coordinator. Balancing Authorities have operating agreements with adjacent and remote Balancing Authorities that contain provisions for emergency assistance.

The Transmission Operator has an emergency load reduction plan for all identified Interconnection Reliability Operating Limits (IROLs). The plan includes the details on how the Transmission Operator will implement load reduction in sufficient amount and time to mitigate the IROL violation before system separation or collapse occurs. The Transmission Operator and Balancing Authority emergency plans include:

1. Communications protocols to be used during emergencies
2. A list of controlling actions to resolve the emergency
3. Load reduction, in sufficient quantity and within established timelines
4. Tasks to be coordinated with and among adjacent Transmission Operators and Balancing Authorities
5. Staffing levels for the emergency

The Transmission Operator (and Balancing Authority) annually reviews and updates each emergency plan and provides a copy of its updated emergency plans to the Reliability Coordinator and to neighboring Transmission Operators and Balancing Authorities.

The Transmission Operator (and Balancing Authority) coordinates its emergency plans with other Transmission Operators and Balancing Authorities as appropriate. This coordination includes the following steps:

1. Establish and maintain reliable communications between interconnected systems
2. Arrange new interchange agreements to provide for emergency capacity or energy transfers if existing agreements cannot be used
3. Coordinate transmission and generator maintenance schedules to maximize capacity or conserve the fuel in short supply
4. Arrange deliveries of electrical energy or fuel from remote systems through normal operating channels

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Load shedding

After taking all other remedial steps, the Transmission Operator and Balancing Authority, operating with insufficient generation or transmission capacity, will shed customer load rather than risk an uncontrolled failure of components or cascading outages of the Interconnection. Coordination of load shedding would take place between the Transmission Operator (and Balancing Authority) and other interconnected Transmission Operators and Balancing Authorities. Implementation of manual load shedding takes into consideration frequency, rate of frequency decay, voltage level, rate of voltage decay, and power flow levels. The Transmission Operator (and Balancing Authority) would implement load shedding in steps established to minimize the risk of further uncontrolled separation, loss of generation, or system shutdown.

After the Transmission Operator (and Balancing Authority) separates from the Interconnection, if there is insufficient generating capacity to restore system frequency following automatic underfrequency load shedding, the Transmission Operator (and Balancing Authority) would shed additional load. The Transmission Operator (and Balancing Authority) coordinates automatic load shedding throughout its area with underfrequency isolation of generating units, tripping of shunt capacitors, and other automatic actions that occur under abnormal frequency, voltage, or power flow conditions. Each Transmission Operator and/or Balancing Authority has plans for operator-controlled manual load shedding to respond to real-time emergencies.

System restoration

The Transmission Operator has a restoration plan to reestablish its electric system in a stable and orderly manner in the event of a partial or total shutdown of its system including necessary operating instructions and procedures to cover emergency conditions and the loss of vital telecommunications channels.

The Transmission Operator reviews and updates its restoration plan annually and whenever it makes changes in the power system network, and corrects deficiencies found during the simulated restoration exercises. The Transmission Operator coordinates its restoration plans with the Generator Owners and Balancing Authorities within its area, its Reliability Coordinator, and neighboring Transmission Operators and Balancing Authorities.

The Transmission Operator (and Balancing Authority) periodically tests its telecommunication facilities needed to implement the restoration plan and trains its

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Case No. _____ Dated _____

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operating personnel in the implementation of the restoration plan. This training includes simulated exercises and verification of the restoration procedure by actual testing and simulation.

During system restoration, affected Transmission Operators and Balancing Authorities work in conjunction with their Reliability Coordinator(s) to determine the extent and condition of the isolated area(s). The affected Transmission Operators and Balancing Authorities take the necessary actions to restore Bulk Electric System frequency to normal, including adjusting generation, placing additional generators on line, or load shedding.

The affected Balancing Authorities, working with their Reliability Coordinator(s), immediately review the Interchange Schedules between those Balancing Authority Areas or fragments of those Balancing Authority Areas within the separated area and make adjustments as needed to facilitate the restoration. The affected Balancing Authorities make all attempts to maintain the adjusted Interchange Schedules, whether generation control is manual or automatic. The affected Transmission Operators may resynchronize the isolated area(s) with the surrounding area(s) when the following conditions are met:

1. Voltage, frequency, and phase angle permit
2. The size of the area being reconnected and the capacity of the transmission lines effecting the reconnection and the number of synchronizing points across the system are considered adequate
3. Reliability Coordinator(s) and adjacent areas are notified and Reliability Coordinator approval is given
4. If required, load is shed in neighboring areas to permit successful interconnected system restoration

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Case No. _____ Dated _____

Special Contracts

Summary of Proposed Charges Under Electric Special Contracts

Large Special Contract	Demand Charge:		
	Firm Demand	\$6.68 per kW per month	(I)
	10-Min Interruptible Demand	\$2.71 per kW per month	(I)
	90-Min Interruptible Demand	\$3.71 per kW per month	(I)
	Energy Charge		
	On-Peak	\$0.037259 per kWh	(I)
	Off-Peak	\$0.033950 per kWh	(I)
Special Contract - Pumping Stations	Demand Charge		
	Per kW	\$1.75	
	Energy Charge		
	Off-Peak (May-Dec)	\$0.004440 per kWh	
	Off-Peak (Jan-Apr)	\$0.004460 per kWh	
Steam Service	Demand Charge		
	Per MMBTU	\$552.04	(I)
	Energy Charge		
	Per MMBTU	\$3.945	(I)

**QUALIFIED COGENERATION AND
SMALL POWER PRODUCTION FACILITIES
TARIFF**

East Kentucky Power Cooperative, Inc., is not proposing any changes to the Cogeneration tariff. Enclosed is a copy of the tariff for informational purposes.

P.S.C. KY NO. 6

CANCELS P.S.C. KY NO. 5

EAST KENTUCKY POWER COOPERATIVE, INC.

OF

WINCHESTER, KENTUCKY

RATES, RULES, AND REGULATIONS FOR PURCHASING

ELECTRIC POWER AND ENERGY

AT

VARIOUS LOCATIONS THROUGHOUT KENTUCKY

FROM

QUALIFIED COGENERATION AND

SMALL POWER PRODUCTION FACILITIES

FILED WITH THE PUBLIC SERVICE COMMISSION
OF KENTUCKY

ISSUED March 31, 2008

EFFECTIVE June 1, 2008

ISSUED BY EAST KENTUCKY POWER COOPERATIVE, INC.

BY _____

Robert M. Marshall
President and Chief Executive Officer

EAST KENTUCKY POWER COOPERATIVE, INC.

COGENERATION AND SMALL POWER PRODUCTION
POWER PURCHASE RATE SCHEDULE OVER 100 kW

AVAILABILITY

Available only to qualified cogeneration or small power production facilities with a design capacity of over 100 kW which have executed a contract with East Kentucky Power Cooperative and one of EKPC's member distribution systems for the purchase of electric power by East Kentucky Power Cooperative.

RATES

The rates set forth below shall be used as the basis for negotiating a final purchase rate with qualifying facilities pursuant to Section 7 of 807 KAR 5:054.

1. Capacity

- a. \$40.40 per kW per year is applicable if cogenerator or small power producer is dispatched by East Kentucky Power Cooperative.
- b. \$0.00614 per kWh is applicable if cogenerator or small power producer is not dispatched by East Kentucky Power Cooperative.

2. Energy – A base payment per kWh is listed below for a time-differentiated basis or a non-time differentiated basis for the specified years.

a. Time Differentiated Rates:

Year	Winter		Summer	
	On-Peak	Off-Peak	On-Peak	Off-Peak
2008	\$0.06032	\$0.04293	\$0.06637	\$0.03199
2009	\$0.05722	\$0.03881	\$0.05447	\$0.02094
2010	\$0.05647	\$0.03461	\$0.05069	\$0.02203
2011	\$0.06015	\$0.03899	\$0.06448	\$0.03069
2012	\$0.05875	\$0.03817	\$0.05737	\$0.02486

b. Non-Time Differentiated Rates:

Year	2008	2009	2010	2011	2012
Rate	\$0.05120	\$0.04428	\$0.04219	\$0.04933	\$0.04596

DATE OF ISSUE March 31, 2008

DATE EFFECTIVE June 1, 2008

ISSUED BY _____

TITLE President & Chief Executive Officer

Issued by authority of an Order of the Public Service Commission of Kentucky in
Case No. 2008-00128 Dated August 20, 2008

EAST KENTUCKY POWER COOPERATIVE, INC.

The on-peak and off-peak energy rates are applicable during the hours listed below for each season:

Winter (October - April)

On-Peak 7:00 a.m. - 12:00 noon
5:00 p.m. - 10:00 p.m.

Off-Peak 12:00 noon - 5:00 p.m.
10:00 p.m. - 7:00 a.m.

Summer (May - September)

On-Peak 10:00 a.m. - 10:00 p.m.

Off-Peak 10:00 p.m. - 10:00 a.m.

TERMS AND CONDITIONS

1. All power from a Qualifying Facility (QF) will be sold only to East Kentucky Power Cooperative.
2. Seller must provide good quality electric power within a reasonable range of voltage, frequency, flicker, harmonic currents, and power factor.
3. Qualifying Facility (QF) shall provide reasonable protection for EKPC and the member cooperative's system.
4. Qualifying Facility (QF) shall design, construct, install, own, operate, and maintain the Qualifying Facility in accordance with all applicable codes, laws, regulations, and generally accepted utility practices.
5. Qualifying Facility shall reimburse EKPC and its member cooperative for all costs incurred as a result of interconnecting with the QF, including operation, maintenance, administration, and billing.

DATE OF ISSUE March 31, 2008

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Issued by authority of an Order of the Public Service Commission of Kentucky in
Case No. 2008-00128 Dated August 20, 2008

EAST KENTUCKY POWER COOPERATIVE, INC.

6. Qualifying Facility shall obtain insurance in the following minimum amounts for each occurrence:
 - a. Public Liability for Bodily Injury - \$1,000,000.00
 - b. Property Damage - \$500,000.00
7. Initial contract term shall be for a minimum of five years.
8. Qualifying Facilities proposing to supply as available (non-firm) electric power shall not be entitled to a capacity payment.
9. Qualifying cogeneration and small power production facilities must meet the definition set forth in 807 KAR 5:054 to be eligible for this tariff.
10. Updated rates will be filed with the Public Service Commission of Kentucky by March 31 of each year.

DATE OF ISSUE March 31, 2008

DATE EFFECTIVE June 1, 2008

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Case No. 2008-00128 Dated August 20, 2008

EAST KENTUCKY POWER COOPERATIVE, INC.

COGENERATION AND SMALL POWER PRODUCTION
POWER PURCHASE RATE SCHEDULE
LESS THAN 100 kW

AVAILABILITY

Available only to qualified cogeneration or small power production facilities with a design capacity of less than 100 kW which have executed a contract with East Kentucky Power Cooperative and one of EKPC's member distribution systems for the purchase of electric power by East Kentucky Power Cooperative.

RATES

1. Capacity

- a. \$40.40 per kW per year is applicable if cogenerator or small power producer is dispatched by East Kentucky Power Cooperative.
- b. \$0.00614 per kWh is applicable if cogenerator or small power producer is not dispatched by East Kentucky Power Cooperative.

2. Energy – A base payment per kWh is listed below for a time-differentiated basis or a non-time differentiated basis for the specified years.

a. Time Differentiated Rates:

Year	<u>Winter</u>		<u>Summer</u>	
	On-Peak	Off-Peak	On-Peak	Off-Peak
2008	\$0.06032	\$0.04293	\$0.06637	\$0.03199
2009	\$0.05722	\$0.03881	\$0.05447	\$0.02094
2010	\$0.05647	\$0.03461	\$0.05069	\$0.02203
2011	\$0.06015	\$0.03899	\$0.06448	\$0.03069
2012	\$0.05875	\$0.03817	\$0.05737	\$0.02486

b. Non-Time Differentiated Rates:

Year	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>
Rate	\$0.05120	\$0.04428	\$0.04219	\$0.04933	\$0.04596

DATE OF ISSUE March 31, 2008

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Case No. 2008-00128 Dated August 20, 2008

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Winter (October - April)

On-Peak 7:00 a.m. - 12:00 noon
5:00 p.m. - 10:00 p.m.

Off-Peak 12:00 noon - 5:00 p.m.
10:00 p.m. - 7:00 a.m.

Summer (May - September)

On-Peak 10:00 a.m. - 10:00 p.m.

Off-Peak 10:00 p.m. - 10:00 a.m.

TERMS AND CONDITIONS

1. All power from a Qualifying Facility (QF) will be sold only to East Kentucky Power Cooperative.
2. Seller must provide good quality electric power within a reasonable range of voltage, frequency, flicker, harmonic currents, and power factor.
3. Qualifying Facility (QF) shall provide reasonable protection for EKPC and the member cooperative's system.
4. Qualifying Facility (QF) shall design, construct, install, own, operate, and maintain the Qualifying Facility in accordance with all applicable codes, laws, regulations, and generally accepted utility practices.
5. Qualifying Facility shall reimburse EKPC and its member cooperative for all costs incurred as a result of interconnecting with the QF, including operation, maintenance, administration, and billing.

DATE OF ISSUE March 31, 2008

DATE EFFECTIVE June 1, 2008

ISSUED BY _____ TITLE President & Chief Executive Officer

EAST KENTUCKY POWER COOPERATIVE, INC.

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 - a. Public Liability for Bodily Injury - \$1,000,000.00
 - b. Property Damage - \$500,000.00
7. Initial contract term shall be for a minimum of five years.
8. Qualifying Facilities proposing to supply as available (non-firm) electric power shall not be entitled to a capacity payment.
9. Qualifying cogeneration and small power production facilities must meet the definition set forth in 807 KAR 5:054 to be eligible for this tariff.
10. Updated rates will be filed with the Public Service Commission of Kentucky by March 31 of each year.

DATE OF ISSUE March 31, 2008

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Issued by authority of an Order of the Public Service Commission of Kentucky in
Case No. 2008-00128 Dated August 20, 2008

PHASE II
PROPOSED TARIFFS

P.S.C. KY NO.

CANCELS P.S.C. KY NO.

EAST KENTUCKY POWER COOPERATIVE, INC.

OF

WINCHESTER, KENTUCKY

RATES, RULES, AND REGULATIONS FOR FURNISHING

WHOLESALE POWER SERVICE

AT

VARIOUS LOCATIONS TO

RURAL ELECTRIC COOPERATIVE MEMBERS

THROUGHOUT KENTUCKY

FILED WITH THE PUBLIC SERVICE COMMISSION
OF KENTUCKY

ISSUED _____

EFFECTIVE FOR SERVICE RENDERED
ON AND AFTER _____

ISSUED BY EAST KENTUCKY POWER COOPERATIVE, INC.

BY _____

Robert M. Marshall
President and Chief Executive Officer

For All Counties Served
P.S.C. No.
Original Sheet No. 1
Canceling P.S.C. No.
Original Sheet No. 1

EAST KENTUCKY POWER COOPERATIVE, INC.

Wholesale Power Rate Schedule

Applicability

Applicable to all sections of this rate schedule and this rate schedule shall apply to each East Kentucky Power Cooperative, Inc. (hereinafter referred to as "EKPC" or the "Cooperative") load center separately.

Load Center Charges - Monthly

A. Metering Point Charge

- 1. Applicable to each metering point and to each substation
- 2. Charge: \$230.00 (I)

B. Substation Charge

- 1. Applicable to each substation based on its size:
- 2. Charges:

1,000 - 4,999 kVa substation	\$ 1,168.00	(T)(I)
5,000 - 9,999 kVa substation	\$ 3,087.00	(T)(I)
10,000 - 14,999 kVa substation	\$ 4,265.00	(T)(I)
15,000 - 29,999 kVa substation	\$ 9,220.00	(T)(I)
30,000 - 50,999	\$14,488.00	(N)
>51,000 kVa substation	\$16,155.00	(N)

Minimum Monthly Charge

The minimum monthly charge shall be equal to the Load Center Charges plus the minimum monthly charges for Section B and Section C. Load Center Charges cover metering point and substation charge.

DATE OF ISSUE _____ DATE EFFECTIVE: Service rendered on and after _____

ISSUED BY _____ TITLE President & Chief Executive Officer

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

EAST KENTUCKY POWER COOPERATIVE, INC.

Fuel Adjustment

- 1. The fuel clause shall provide for periodic adjustment per kWh of sales when the unit cost of fuel [F(m) / S(m)] is above or below the base unit cost of \$0.02638 per kWh [F(b) / S(b)]. The current monthly charges shall be increased or decreased by the product of the kWh furnished during the current month and the fuel adjustment rate for the preceding month where the fuel adjustment rate is defined below:

$$\text{Fuel Adjustment Rate} = \frac{F(m)}{S(m)} - \frac{F(b)}{S(b)}$$

Where F is the expense of fossil fuel in the base (b) and current (m) periods; and S is sales in the base (b) and current (m) periods, all defined below:

- 2. Fuel cost (F) shall be the most recent actual monthly cost of:
 - (a) Fossil fuel consumed in the utility's own plants, and the utility's share of fossil and nuclear fuel consumed in jointly owned or leased plants, plus the cost of fuel which would have been used in plants suffering forced generation and/or transmission outages, but less the cost of fuel related to substitute generation, plus
 - (b) The actual identifiable fossil and nuclear fuel costs associated with energy purchased for reasons other than identified in paragraph (c) below, but excluding the cost of fuel related to purchases to substitute the forced outages, plus
 - (c) The net energy cost of energy purchases, exclusive of capacity or demand charges (irrespective of the designation assigned to such transaction) when such energy is purchased on an economic dispatch basis. Included therein may be such costs as the charges for economy energy purchases and the charges as a result of scheduled outages, also such kinds of energy being purchased by the buyer to substitute for its own higher cost energy; and less

DATE OF ISSUE _____ DATE EFFECTIVE: Service rendered on and after

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Case No. _____ Dated _____

EAST KENTUCKY POWER COOPERATIVE, INC.

Fuel Adjustment (con't.)

- (d) The cost of fossil fuel recovered through inter-system sales including the fuel costs related to economy energy sales and other energy sold on an economic dispatch basis.
- (e) All fuel costs shall be based on weighted average inventory costing.
- 3. Forced outages are all non-scheduled losses of generation or transmission which require (purchase of) substitute power for a continuous period in excess of six (6) hours. Where forced outages are not as a result of faulty equipment, faulty manufacture, faulty design, faulty installations, faulty operation, or faulty maintenance, but are Acts of God, riot, insurrection or acts of public enemy, the utility may, upon proper showing, with the approval of the Commission, include the fuel cost of substitute energy in the adjustment.
- 4. Sales (S) shall be kWh sold, excluding inter-system sales. Where for any reason, billed system sales cannot be coordinated with fuel costs for the billing period, sales may be equated to the sum of (i) generation, (ii) purchases, (iii) interchange in, less (iv) energy associated with pumped storage operations, less (v) inter-system sales referred to in subsection (2)(d) above, less (vi) total system losses. Utility-used energy shall not be excluded in the determination of sales (S).
- 5. The cost of fossil fuel shall include no items other than the invoice price of fuel less any cash or other discounts. The invoice price of fuel includes the cost of the fuel itself and necessary charges for transportation of the fuel from the point of acquisition to the unloading point, as listed in Account 151 of the FERC Uniform System of Accounts for Public Utilities and Licenses.

DATE OF ISSUE _____ DATE EFFECTIVE: Service rendered on and after

ISSUED BY _____ TITLE President & Chief Executive Officer

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

For All Counties Served
P.S.C. No.
Original Sheet No. 4
Canceling P.S.C. No.
Original Sheet No. 4

EAST KENTUCKY POWER COOPERATIVE, INC.

Power Factor Adjustment

The member cooperative agrees to maintain a unity power factor as nearly as practicable at each load center at the time of the monthly peak demand for the load center. When the power factor is determined to be less than 90%, the monthly billing demand at the load center will be adjusted by multiplying the actual monthly billing demand by 90% and dividing this product by the actual power factor at the time of the monthly peak demand for the load center. For new load centers, the power factor penalty will not be applicable for the month of energization or the succeeding six (6) months. The demand rate applicable for power factor penalty billing is the lowest firm demand rate in Section A, B, C, E, or G.

Energy Curtailment and Outage Restoration Priorities

These tariffs are subject to the Energy Curtailment and Outage Restoration Priorities provisions of Administrative Case No. 353 of the Kentucky Public Service Commission. East Kentucky Power Cooperative's energy curtailment and restoration procedures are contained in Appendix I to these tariffs title Emergency Electric Procedures, East Kentucky Power Cooperative, Inc.; prepared April 1, 1994; revised February 17, 1995.

East Kentucky Power Cooperative will adhere to the curtailment of service requirements as set forth below and contained in Kentucky Revised Statutes (KRS) Section 278.214.

Curtailment of service by utility or generation and transmission cooperative. When a utility or generation and transmission cooperative engaged in the transmission of electricity experiences on its transmission facilities an emergency or other event that necessitates a curtailment or interruption of service, the utility or generation and transmission cooperative shall not curtail or interrupt retail electric service within its certified territory, or curtail or interrupt wholesale electric energy furnished to a member distribution cooperative for retail electric service within the cooperative's certified territory, except for customers who have agreed to receive interruptible service, until after service has been interrupted to all other customers whose interruption may relieve the emergency or other event.

DATE OF ISSUE _____ DATE EFFECTIVE: Service rendered on and after

ISSUED BY _____ TITLE President & Chief Executive Officer

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

For All Counties Served
P.S.C. No.
Original Sheet No. 5
Canceling P.S.C. No.
Original Sheet No. 5

EAST KENTUCKY POWER COOPERATIVE, INC.

Section A

Availability

Available to all cooperative associations which are or shall be members of EKPC. The electric power and energy furnished hereunder shall be separately metered for each point of delivery.

Applicability

Applicable to all power usage at the load center not subject to the provisions of Sections B, C, and E of this tariff.

Monthly Rate - Per Load Center

Demand Charge per kW of billing demand	\$12.35	(I)
Energy Charge per kWh	\$0.032140	(I)

Billing Demand

The billing demand (kilowatt demand) is based on EKPC's system peak demand (coincident peak) which 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.
May through September	10:00 a.m. to 10:00 p.m.

Billing demand applicable to this section is equal to the load center's contribution to EKPC's system peak demand minus the actual demands of Section B, Section C, and Section E participants coincident with EKPC's system peak demand.

DATE OF ISSUE _____ DATE EFFECTIVE: Service rendered on and after _____

ISSUED BY _____ TITLE President & Chief Executive Officer

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

For All Counties Served
P.S.C. No.
Original Sheet No. 6
Canceling P.S.C. No.
Original Sheet No. 6

EAST KENTUCKY POWER COOPERATIVE, INC.

Section A (con't.)

Billing Energy

Billing energy applicable to this section is equal to the total energy provided at the load center minus the actual energy provided to Section B, Section C, and Section E participants.

DATE OF ISSUE _____ DATE EFFECTIVE: Service rendered on and after _____

ISSUED BY _____ TITLE President & Chief Executive Officer

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

EAST KENTUCKY POWER COOPERATIVE, INC.

Section B

Availability

Available to all cooperative associations which are or shall be members of EKPC and which execute EKPC approved contracts with the ultimate consumers. The electric power and energy furnished hereunder shall be separately metered for each point of delivery.

Applicability

Applicable to cooperative associations and ultimate consumers willing to contract for demands of 500 kW or greater and a monthly minimum energy usage equal to or greater than 400 hours per kW of contract demand. Wholesale monthly minimum demand shall be agreed between the cooperative association and EKPC.

Monthly Rate

Demand Charge per kW of Minimum Demand	\$9.92	(I)
Demand Charge per kW of Billing Demand in Excess of Minimum Demand	\$12.35	(I)
Energy Charge per kWh	\$0.032140	(I)

Billing Demand

The billing demand (kilowatt demand) shall be the minimum demand plus any excess demand. Excess demand occurs when the ultimate consumer's highest demand during the current month, coincident with EKPC's system peak (coincident peak), exceeds the minimum demand. EKPC's system 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.
May through September	10:00 a.m. to 10:00 p.m.

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EAST KENTUCKY POWER COOPERATIVE, INC.

Section B (con't.)

Minimum Monthly Charge

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

- (a) The product of the minimum demand multiplied by the demand charge, plus
- (b) The product of the minimum demand multiplied by 400 hours and the energy charge per kWh minus the fuel base per kWh.

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EAST KENTUCKY POWER COOPERATIVE, INC.

Section C

Availability

Available to all cooperative associations which are or shall be members of EKPC and which execute EKPC approved contracts with the ultimate consumers. The electric power and energy furnished hereunder shall be separately metered for each point of delivery.

Applicability

Applicable to cooperative associations and ultimate consumers willing to contract for demand of 500 kW or greater and a monthly energy usage equal to or greater than 400 hours per kW of billing demand.

Monthly Rate

Demand Charge per kW of Billing Demand	\$9.92	(I)
Energy Charge per kWh	\$0.032140	(I)

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EAST KENTUCKY POWER COOPERATIVE, INC.

Section C (con't.)

Billing Demand

The kilowatt demand shall be the greater of (a) or (b) listed below:

- (a) The contract demand
- (b) The ultimate consumer's highest demand during the current month or preceding eleven months coincident with EKPC's system peak demand. EKPC's system 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.
May through September	10:00 a.m. to 10:00 p.m.

Minimum Monthly Charge

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

- (a) The product of the billing demand multiplied by the demand charge, plus
- (b) The product of the billing demand multiplied by 400 hours and the energy charge per kWh minus the fuel base per kWh.

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EAST KENTUCKY POWER COOPERATIVE, INC.

Section D
Interruptible Service

Standard Rider

This Interruptible Rate is a rider to Rate Sections A, B, C, and E.

Applicable

In all territory served by EKPC.

Availability of Service

This schedule shall be made available at any load center, to any member cooperative where an ultimate "Customer" will contract for an interruptible demand of not less than 250 kW and not more than 20,000 kW, subject to a maximum number of hours of interruption per year and a notice period as listed below.

Monthly Rate

A monthly demand credit per kW is based on the following matrix: (T)

<u>Notice Minutes</u>	<u>Annual Hours of Interruption</u>					
	<u>200</u>		<u>300</u>		<u>400</u>	
10	\$4.00	(I)	\$4.65	(I)	\$5.30	(I)
60	\$3.30	(I)	\$4.00	(I)	\$4.65	(I)

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EAST KENTUCKY POWER COOPERATIVE, INC.

Section D (con't.)

Determination of Measured Load - Billing Demand

The billing demand (kilowatt demand) is based on EKPC's system peak demand (coincident peak) which 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.
May through September	10:00 a.m. to 10:00 p.m.

The interruptible billing demand shall be equal to the amount by which the monthly billing demand exceeds the minimum billing demand as specified in the contract.

Conditions of Service for Customer Contract

1. The customer will, upon notification by the Cooperative, reduce his load being supplied by the Cooperative to the contract capacity level specified by the contract.
2. The Cooperative will endeavor to provide the Customer as much advance notice as possible of the interruption of service. However, the Customer shall interrupt service within the notice period as contracted.
3. Service will be furnished under the Cooperatives "General Rules and Regulations" or "Terms and Conditions" except as set out herein and/or provisions agreed to by written contract.
4. No responsibility of any kind shall attach to the Cooperative for, or on account of, any loss or damage caused by, or resulting from, any interruption or curtailment of this service.

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EAST KENTUCKY POWER COOPERATIVE, INC.

Section D (con't.)

- 5. The Customer shall own, operate, and maintain all necessary equipment for receiving electric energy and all telemetering and communications equipment, within the Customer's premises, required for interruptible service.
- 6. The minimum original contract period shall be one year and thereafter until terminated by giving at least six months previous written notice. The Cooperative may require a contract be executed for a longer initial term when deemed necessary by the size of the load and other conditions.
- 7. The Fuel Adjustment Clause, as specified in the General Wholesale Power Rate Schedule, is applicable.

Calculation of Monthly Bill

The monthly bill is calculated on the following basis:

- A. Sum of metering point charge and substation charge, plus
- B. Minimum billing demand in kW multiplied by the firm capacity rate, plus
- C. Interruptible billing demand in kW multiplied by interruptible rate, plus
- D. Energy usage in kWh multiplied by the energy rate.

Number and Duration of Interruptions

- A. Winter Season: There shall be no more than two (2) interruptions during any 24 hour calendar day. No interruption shall last more than six hours.
- B. Summer Season: There shall be no more than one (1) interruption during any 24 hour calendar day. No interruption shall last more than twelve hours.
- C. The maximum number of annual hours of interruption shall be in accordance with the customer contracted level of interruptible service.

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EAST KENTUCKY POWER COOPERATIVE, INC.

Section D (con't.)

Charge for Failure to Interrupt

If Customer fails to interrupt load as requested by the Cooperative, the Cooperative shall bill the uninterrupted load at a rate equal to five (5) times the applicable firm power demand charge for that billing month. Uninterrupted load is equal to actual load during requested interruption minus firm load.

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EAST KENTUCKY POWER COOPERATIVE, INC.

Section E

Availability

Available to all cooperative associations which are or shall be members of EKPC. The electric power and energy furnished hereunder shall be separately metered for each point of delivery.

Applicability

Applicable to all power usage at the load center not subject to the provisions of Section A, Section B, or Section C of this tariff.

Monthly Rate - Per Load Center

A cooperative association may select either Option 1 or Option 2 of this section of the tariff to apply to all load centers. The cooperative association must remain on a selected option for at least one (1) year and may change options, no more often than every twelve (12) months, after giving a minimum notice of two (2) months.

	<u>Option 1</u>		<u>Option 2</u>	
Demand Charge per kW of Billing Demand	\$10.10	(I)	\$10.10	(I)
Energy Charge per kWh				
On-Peak kWh	\$0.032382	(I)	\$0.032382	(I)
Off-Peak kWh	\$0.031880	(I)	\$0.031880	(I)

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Section E (con't.)

On-peak and off-peak hours are provided below:

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

Billing Demand

The billing demand (kilowatt demand) is based on EKPC’s system peak demand (coincident peak) which 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.
May through September	10:00 a.m. to 10:00 p.m.

Billing demand applicable to this section is equal to the load center’s contribution to EKPC’s system peak demand minus the actual demands of Section A, Section B, and Section C participants coincident with EKPC’s system peak demand.

Billing Energy

Billing energy applicable to this section is equal to the total energy provided at the load center minus the actual energy provided to Section A, Section B, and Section C participants.

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Section F

Voluntary Interruptible Service

Standard Rider

This Voluntary Interruptible Service is a rider to Rate Sections A, B, C, E, G and special contracts.

Applicable

In all territory served by EKPC.

No interruptible demand which is already under contract under any other Interruptible Rider is eligible for this service.

Availability of Service

This schedule shall be made available at any load center, to any member cooperative where an ultimate "Customer" is capable of interrupting at least 1,000 kW upon request and has contracted with the Member System to do so under a retail contract rider.

Conditions of Service

1. Any request for interruption under this Rider shall be made by EKPC through its Member Cooperative.
2. Each interruption will be strictly voluntary. The Member Cooperative may accept or decline the terms of the interruption offered by EKPC.
3. No responsibility of any kind shall attach to EKPC for, or on account of, any loss or damage caused by, or resulting from, any interruption or curtailment of this service.
4. The Customer shall agree by contract to own, operate, and maintain all necessary equipment for receiving electric energy and all telemetering and communications equipment, within the Customer's premises, required for interruptible service.
5. It is the Member Cooperative's responsibility to notify the Customer and execute an

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interruption request from EKPC. Therefore, EKPC and the Member Cooperative shall mutually agree upon the manner by which EKPC shall notify the Customer of a request for interruption. Such an agreement shall include the means by which EKPC shall communicate the interruption request (e.g. email, phone, pager, etc.) and the Customer's point of contact to receive such a request.

6. EKPC will attempt to provide as much advance notice as possible for requests for interruption. However, upon the Customer's acceptance of the Terms of Interruption the Customer's load shall be interrupted with as little as one (1) hour of advance notification.
7. EKPC reserves the right to require verification of a Customer's ability to interrupt its load.
8. The Member Cooperative is not eligible for the Interruption Credits for any interruption when the Customer's interruptible load is down for other reasons during the period of the requested interruption. Such down time would include any event outside of the Customer's normal operating circumstances such as planned or unplanned outages due to renovation, repair, vacation, refurbishment, renovation, strike, or force majeure.

Interruptible Customer Data Report

The Member Cooperative shall furnish to EKPC an Interruptible Customer Data Report for each of its eligible Customers. Such a report shall include such information as:

1. The maximum number of hours per day and the time of day that the Customer has the ability to interrupt.
2. The maximum number of days and the maximum number of consecutive days that the Customer has the ability to interrupt.
3. The maximum interruptible demand and the minimum interruptible demand by the Customer upon request.
4. The minimum price at which each Customer is willing to interrupt.

Demand and Energy Interruption

The Customer will agree by contract, within an agreed time after receiving notice, to comply to the extent possible with EKPC's request to interrupt load. EKPC is the sole judge of the need for

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interruption of load. EKPC is the sole judge of the amount of interruptible demand provided by the Customer, based on the following calculation:

The average of the integrated fifteen-minute demand for the two hours prior to the hour immediately preceding the call for interruption will be used as the basis for establishing the existing demand level. The hourly interruptible demands for each customer will be the difference between the existing demand level and the actual demand measured during each hour of the interruption period. The interrupted energy of each interruption period shall be the sum of the hourly interrupted demands. These types of interruptions will cover a period of no more than six hours.

For interruptions longer than six hours in duration, the Customer's average load usage for the same hours as the interruption hours in the two preceding business days prior to the day of notice will be used as the basis for determining the demand level for interruption. The average hourly usage for these business days, based on the average integrated fifteen minute demand intervals, minus the actual load during the interruption period will equal the amount of interruptible load. The interrupted energy of each interruption period shall be the sum of the hourly interrupted demands.

Terms of Interruption

For each interruption request, EKPC shall identify the Customer to be interrupted. EKPC shall inform the Member Cooperative or each Customer of an interruption request in accordance with the agreed upon method of notification. The Terms of Interruption shall include the following:

1. The time at which each interruption shall begin is to be established by EKPC. At least one (1) hour of advance notice of each request for interruption shall be provided by EKPC.
2. The duration in clock hours of the interruption request is to be established by EKPC.
3. The current price and the potential savings. This price will be determined by EKPC on a case by case basis and will be based on a percentage of the market price of power at the time of interruption.
4. The Member Cooperative shall specify or arrange for the Customer to specify:
 - a. The maximum demand in kW that will be interrupted.

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- b. The maximum firm demand that the Customer will purchase through the Member Cooperative during the interruption.

Interruption Credits

The interruption credit for each interruption period shall be equal to the interrupted energy MWh times an amount equal to 110% by which the quoted price for each interruption exceeds the Customer's regular tariff rate. The sum of the interruption credits for the billing month will be allocated as follows:

1. The Member Cooperative's account with EKPC will be credited in the amount of 10% of the credit to the Customer.
2. The interruption credit to the Customer shall be equal to the product of the interrupted energy multiplied by the interruption price for each interruption. This amount will be credited to the Member Cooperative's account with EKPC and passed along to the Customer.

Failure to Interrupt

For those Customers failing to interrupt a minimum of 80% of their agreed amount of interruptible load of 5,000 kW or greater, an excess energy charge will be applicable. This excess energy is equal to the difference of 80% of the interruptible load minus the interrupted load. Excess energy shall be charged to the Customer at a price equal to 125% of the interruption price plus the standard rate applicable to this load.

Term

The minimum original contract period shall be one (1) year and shall remain in effect thereafter until either party provides to the other at least thirty (30) days previous written notice.

Interruption Implementation Procedure

Voluntary interruptions will be implemented based on data developed from the Interruptible Customer Data Report. EKPC personnel will match the interruption scenario with the interruptible customers' profiles to determine interruption priority and sequence.

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EAST KENTUCKY POWER COOPERATIVE, INC.

Section G

SPECIAL ELECTRIC CONTRACT RATE
Applicable to Inland Container Corporation

Character of Service

Three-phase 60 Hertz alternating current as specified in the Agreement for Purchased Power.

Monthly Rate

Demand Charge per Billing kW	\$8.93	(I)
Energy Charge per ALL kWh	\$0.032140	(I)

Determination of Billing Demand

The kilowatt demand shall be the greater of (a) or (b) listed below:

- (a) The contract demand
- (b) The ultimate consumer's highest demand during the current month or preceding eleven months coincident with EKPC's system peak demand. EKPC's system 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.
May through September	10:00 a.m. to 10:00 p.m.

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EAST KENTUCKY POWER COOPERATIVE, INC.

Section G (con't.)

Minimum Monthly Charge

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

- (a) The metering and substation charge, plus
- (b) The product of the billing demand multiplied by the demand charge, plus
- (c) The product of \$0.007 multiplied by the product of the billing demand multiplied by 400 hours.

Power Factor Adjustment

Refer to EKPC General Wholesale Power Tariffs Power Factor Adjustment, Original Sheet 4.

Fuel Adjustment Clause

Refer to EKPC General Wholesale Power Tariffs Fuel Adjustment, Original Sheets 2-4.

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EAST KENTUCKY POWER COOPERATIVE, INC.

Section H

Wholesale Renewable Resource Power Service

Standard Rider

This Renewable Resource Power Service is a rider to Rate Sections A, B, C, and E. The purpose of this service is to provide Member Systems with a source of renewable resource generated power for resale to their Customers.

Applicable

In all territory served by EKPC.

Availability of Service

This service is contingent upon the available supply of energy generated from renewable resources which EKPC owns or controls, or such energy which EKPC has purchased from other wholesale suppliers.

This schedule shall be made available at any load center to any member cooperative where a retail "Customer" contracts for renewable resource power service in the following block amounts:

100 kWh

AND where retail "Customer" has contracted with the Member Cooperative Association to do so under a retail contract rider.

Eligibility

Any EKPC Member Cooperative Association that has completed and returned a "Pledge to Purchase Renewable Resource Power Service" application to EKPC will be eligible for this rider. This form will indicate the number of blocks that the Member Cooperative Association intends to purchase monthly as a firm purchase power commitment for a period of one year. All such Member Cooperative Associations will have executed an Agreement for the sale of renewable resource power with a retail consumer.

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EAST KENTUCKY POWER COOPERATIVE, INC.

Section H (con't.)

Monthly Rate

The monthly rate for this service will be a renewable power premium, i.e. added charge, for all renewable power purchased by the participating Member Cooperative Association. The renewable rate premium per block is as follows:

100 kWh block \$2.375 per block (\$0.02375 per kWh)

This power can be purchased only in the blocks and amounts listed above. These rates are in addition to the regular wholesale rate applicable to the Member Cooperative Association.

Billing and Minimum Charge:

Blocks of power sold under this tariff shall constitute the minimum amount of energy in kWh that the Member Cooperative Association may be billed for during a normal billing period.

Terms of Service and Payment:

This schedule shall be subject to all other terms of service and payment of the wholesale power tariff.

Fuel Adjustment Clause:

The fuel adjustment clause is not applicable to renewable resource power.

Special Terms:

When Member Cooperative Associations' contract for this type of power service, said Member Cooperative Associations will pay for all such power at the rates prescribed in this tariff for the complete contract period.

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EAST KENTUCKY POWER COOPERATIVE, INC.

Section DSM - 1

Touchstone Energy Manufactured Home Program

Purpose

The Touchstone Energy Manufactured Home Program is a conservation program that encourages the sale of more energy-efficient manufactured homes. It is based on the *Energy Star* standards for manufactured homes, a nationally recognized symbol of energy efficiency and quality developed and operated jointly by the U.S. Environmental Protection Agency (EPA) and the U.S. Department of Energy (DOE).

Availability

This program is available in all service territory served by EKPC.

Eligibility

To qualify as a Touchstone Energy Manufactured Home under EKPC's program, the participating manufactured home must be located in the service territory of a participating Member System and meet the *Energy Star* standards by including additional floor, wall and ceiling insulation, double pane windows and an electric heat pump.

Rebate

EKPC will provide an incentive for retail customers of our Member Systems to participate in this program by offering a one-time rebate. EKPC will rebate \$250 per certified manufactured home to the participating Member System. Rebates will be paid to the participating Member Systems upon written certification that the retail participant has met the *Energy Star* standards for newly constructed manufactured homes.

For customers who purchase a manufactured home which only includes a heat pump meeting Energy Star standards, EKPC will rebate \$150. For customers with inefficient electric heating systems, EKPC will rebate \$150 for replacing their existing furnace with a heat pump that meets minimum Energy Star Standards.

Annual Reports

EKPC will submit annual reports on the Program that contain the number of participants from each Member System, the annual costs, including the costs of the rebates, and the status of the rebate provision. EKPC will file the first report by March 31, 2004, and annually thereafter.

Term

The Touchstone Energy Manufactured Home Program will remain in effect through the end of 2009. If EKPC should decide to continue the entire program beyond 2009, an application for approval from the Kentucky Public Service Commission will be filed 6 months prior to the date of continuation.

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EAST KENTUCKY POWER COOPERATIVE, INC.

Section DSM - 2

Touchstone Energy Home Program

Purpose

The Touchstone Energy Home Program is a conservation program that encourages the sale of more energy-efficient homes. It is based on *Energy Star* standards for homes, a nationally recognized symbol of energy efficiency and quality developed and operated jointly by the U.S. Environmental Protection Agency (EPA) and the U.S. Department of Energy (DOE).

Availability

This program is available in all service territory served by EKPC.

Eligibility

To qualify as a Touchstone Energy Home under EKPC's program, the participating home must be located in the service territory of a participating Member System and meet the *Energy Star* standards by including additional floor, wall and ceiling insulation, double pane windows and an electric heat pump.

Rebate

EKPC and its Member Systems will provide an incentive to retail customers to build or purchase a Touchstone Energy home. Member System Cooperatives may elect to offer a rebate of up to \$250 for each participant. EKPC will match the rebate offered by the member system cooperative up to a maximum of \$250, resulting in a maximum rebate of \$500 for each participant. Rebates will be paid to each participant upon written certification that the newly constructed home has met the *Energy Star* standards.

Annual Reports

EKPC will submit annual reports on the Program that contain the number of participants from each Member System, the annual costs, including the costs of the rebates, and the status of the rebate provision. EKPC will file the first report by June 30, 2005, and annually thereafter.

Term

The Touchstone Energy Home Program will remain in effect through 2009. If EKPC should decide to continue the entire program beyond 2009, an application for approval from the Kentucky Public Service Commission will be filed 6 months prior to the date of continuation.

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EAST KENTUCKY POWER COOPERATIVE, INC

RATE ES – ENVIRONMENTAL SURCHARGE

APPLICABILITY

Applicable to all sections of this rate schedule and this rate schedule shall apply to each Member System.

AVAILABILITY

This rate schedule shall apply to EKPC rate sections A, B, C, E, and G and all special contracts with rates subject to adjustment upon the approval of the Commission.

RATE

The Environmental Surcharge shall provide for monthly adjustments based on a percent of revenues equal to the difference between the environmental compliance costs in the base period and in the current period based on the following formula:

$$\text{CESF} = \text{E(m)} / \text{R(m)}$$

$$\text{MESF} = \text{CESF} - \text{BESF}$$

MESF = Monthly Environmental Surcharge Factor

CESF = Current Environmental Surcharge Factor

BESF = Base Environmental Surcharge Factor of 1.21%

where E(m) is the total of each approved environmental compliance plan revenue requirement of environmental costs for the current expense month and R(m) is the revenue for the current expense month as expressed below.

Definitions

$$(1) \text{ E(m)} = [(\text{RB}/12)(\text{RORB}) + \text{OE} - \text{BAS} + (\text{Over})\text{Under Recovery}]$$

where:

(a) RB is the Environmental Compliance Rate Base, defined as electric plant in service for applicable environmental projects adjusted for accumulated depreciation, CWIP net of AFUDC, cash working capital, spare parts and limestone inventory, emission allowance inventory;

(b) RORB is the Rate of Return on the Environmental Compliance Rate Base, designated as the average cost of debt for environmental compliance plan projects approved by the Commission plus application of a times-interest-earned ratio of 1.35;

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EAST KENTUCKY POWER COOPERATIVE, INC

-
- (c) OE is the Monthly Pollution Control Operating Expenses, defined as the average of the twelve month operating and maintenance expense; depreciation expense, property taxes, insurance expense, emission allowance expense, and consulting fees. O&M expense for the pollution-control related equipment at the Gilbert generating unit will be recovered by including an average of the monthly expense as the Unit begins operation;
 - (d) BAS is the net proceeds from By-Products and Emission Allowance Sales, and;
 - (e) (Over) or Under recovery amount as amortized from prior six-month period.

(2) Total E(m) is multiplied by the Member System Allocation Ratio to arrive at Net E(m). The Member System Allocation Ratio is based on the ratio of the 12-month total revenue from sales to Member Systems to which the Surcharge will be applied, ending with the current expense month, divided by the 12-month total revenue from sales to Member Systems and off-system sales.

(3) The revenue R(m) is the average monthly revenue, including base revenues and automatic adjustment clause revenues less Environmental Cost Recovery Surcharge revenues, for EKPC for the twelve months ending with the current expense month.

(4) The current expense month (m) shall be the second month preceding the month in which the Environmental Surcharge is billed.

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For All Counties Served
P.S.C. No.
Original Sheet No. 26
Canceling P.S.C. No.

EAST KENTUCKY POWER COOPERATIVE, INC.

First Revised Sheet No. 26

Section DSM - 3

Direct Load Control of Water Heaters Program

Direct Load Control of Air-Conditioners Program

Purpose

The Direct Load Control of Water Heaters and Air Conditioners will encourage the reduction in growth of peak demand, enabling the Company to utilize its system more efficiently and defer the construction of new generation.

Availability

Both the Direct Load Control of Water Heaters Program and the Direct Load Control of Air Conditioners Program are available to residential customers in the service territories of EKPC. Availability may be denied where, in the judgment of the Member System, installation of the load control equipment is impractical.

Eligibility

To qualify for these Programs, the participant must be located in the service territory of a participating Member System and have central air conditioning or heat pump units and/or 40-gallon (minimum) electric water heating units. The above appliances may be electrically cycled or interrupted in accordance with the rules of this Tariff.

Incentive - Direct Load Control of Water Heaters Program

EKPC and participating Member Systems will provide an incentive to the participants in this program. EKPC will reimburse the participating Member System \$10.00 per water heater annually. The participating Member System, in turn, will annually credit the residential power bill of the participant \$10.00 per water heater. The participant will receive this credit regardless of whether the water heater is cycled.

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For All Counties Served
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Original Sheet No. 27
Canceling P.S.C.

EAST KENTUCKY POWER COOPERATIVE, INC.

First Revised Sheet No. 27

Incentive - Direct Load Control of Air-Conditioners Program

EKPC and participating Member Systems will provide an incentive to the participants in this program. The customer may select one of two alternatives. One, EKPC will reimburse the participating Member System \$20.00 annually per air conditioner (\$5 per summer months, June, July, August, and September). The participating Member System will, in turn, credit the residential power bill of the participant \$20.00 per air conditioner (\$5 per summer months, June, July, August, and September). Two, alternatively, EKPC will provide and install at no cost one or more digital thermostats as needed for control purposes. The participant will receive one of these incentives regardless of whether the air conditioner or heat pump is controlled during any program month.

Time Period for the Direct Load Control of Water Heaters Program

A load control switch will be placed on the water heater and may be electrically interrupted for a maximum time period of four hours.

EKPC will cycle the water heaters only during the hours listed below.

<u>Months</u>	<u>Hours Applicable for Demand Billing - EST</u>
October through April	6:00 a.m. to 12:00 noon 4:00 p.m. to 10:00 p.m.
May through September	10:00 a.m. to 10:00 p.m.

Time Period for the Direct Load Control of Air Conditioners

A load control device (switch or thermostat) will be placed on each central air conditioning unit or heat pump that will allow the operating characteristics of the unit to be modified (by cycling the unit off for periods of time up to 7.5 minutes of each 15-minute interval, or by adjusting the temperature setting on the thermostat up to two degrees) to reduce demand on the system.

EKPC will control the air conditioning units and heat pumps only during its summer on-peak billing hours listed below.

<u>Months</u>	<u>Hours Applicable for Demand Billing - EST</u>
May through September	10:00 a.m. to 10:00 p.m.

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EAST KENTUCKY POWER COOPERATIVE, INC.

Terms and Conditions

1. If a participant decides to withdraw from the program(s) or change to another load control option, the Member Systems will endeavor to implement the change as soon as possible.
2. Prior to the installation of load control devices, the Member Systems may inspect the participant's electrical equipment to insure good repair and working condition, but the Member Systems shall not be responsible for the repair or maintenance of the electrical equipment.
3. EKPC, on behalf of the Member Systems, will install, own, and maintain the load management devices controlling the participant's air conditioner, heat pump, or water heater. The participant must allow the Member System, or their representative, reasonable access to install, maintain, inspect, test and remove load control devices. Inability of the Member System to gain access to the load management device to perform any of the above activities for a period exceeding 30 days may, at the Member System's option, result in discontinuance of credits under this tariff until such time as the Member System is able to gain the required access.
4. Participants in the Pilot program from Big Sandy RECC and Blue Grass Energy will have the opportunity to participate in this program. Equipment already installed on the premises may be used as part of this program.

DATE OF ISSUE _____ DATE EFFECTIVE: Service rendered on and after _____

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EAST KENTUCKY POWER COOPERATIVE, INC.

For All Counties Served
P.S.C. No.
Original Sheet No. 29
Canceling P.S. C. No.
Original Sheet No. 29

PAGE - 1
INVOICE DATE:

EAST KENTUCKY POWER COOPERATIVE
P.O. BOX 707 WINCHESTER, KENTUCKY 40391

WHOLESALE POWER INVOICE
SUBSTATION CHARGES
MONTH, 20XX

SUBSTATION	RATE CODE	BILLING NOTES	BILLING DEMAND	BILLING KWH	DEMAND CHARGE	ENERGY CHARGE	WHEELING OR SUBSTATION	FUEL ADJUSTMENT	TOTAL CHARGE

CO-OP TOTALS

E.T.S. *****

** CONSUMER BILLED FROM A PRIOR DEMAND TOTAL DUE BY 20TH DAY OF MONTH

DATE OF ISSUE _____ DATE EFFECTIVE: Service rendered on and after

ISSUED BY _____ TITLE President & Chief Executive Officer

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

EAST KENTUCKY POWER COOPERATIVE, INC.

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INVOICE DATE:

EAST KENTUCKY POWER COOPERATIVE
P.O. BOX 707 WINCHESTER, KENTUCKY 40391

WHOLESALE POWER INVOICE
SUBSTATION DETAIL CHARGES
MONTH, 20XX

SUBSTATION	RATE CODE	BILLING NOTES	BILLING DEMAND	BILLING KWH	DEMAND CHARGE	ENERGY CHARGE	WHEELING OR SUBSTATION	FUEL ADJUSTMENT	TOTAL CHARGE
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CO-OP TOTALS

E.T.S.

CO-OP AMOUNT DUE

DATE OF ISSUE _____ DATE EFFECTIVE: Service rendered on and after

ISSUED BY _____ TITLE President & Chief Executive Officer

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

EAST KENTUCKY POWER COOPERATIVE, INC.

EAST KENTUCKY POWER COOPERATIVE
P.O. BOX 707 WINCHESTER, KENTUCKY 40391
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INVOICE DATE:

WHOLESALE POWER INVOICE
CO-OP TOTAL CHARGES

MONTH, 20XX

SUBSTATION	RATE CODE	BILLING NOTES	BILLING DEMAND	BILLING KWH	DEMAND CHARGE (\$\$)	ENERGY CHARGE (\$\$)	WHEELING OR SUBSTATION CHARGE (\$\$)	FUEL ADJUSTMENT (\$\$)	TOTAL CHARGE (\$\$)
------------	-----------	---------------	----------------	-------------	----------------------	----------------------	--------------------------------------	------------------------	---------------------

SCHEDULE A ADJ. TOTALS
SCHEDULE B ADJ. TOTALS
SCHEDULE C ADJ. TOTALS
SCHEDULE E ADJ. TOTALS STEP 1
SCHEDULE E ADJ. TOTALS STEP 2

SCHEDULE A TOTALS
SCHEDULE B TOTALS
SCHEDULE C TOTALS
SCHEDULE E TOTALS STEP 1
SCHEDULE E TOTALS STEP 2

E.T.S.
GRAND TOTALS

TOTAL AMOUNT DUE

** CONSUMER BILLED FROM A PRIOR DEMAND

DATE OF ISSUE _____ DATE EFFECTIVE: Service rendered on and after

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EAST KENTUCKY POWER COOPERATIVE, INC.

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KWH-SCH. B&C
KWH-SCH. E STEP 1
KWH-SCH. E STEP 2
KWH-ETS
FUEL RATE
OFFICE WHEELING

EAST KENTUCKY POWER COOPERATIVE, INC.
P.O. BOX 707 WINCHESTER, KENTUCKY 40391
STATISTICS FOR THE MONTH OF

KW-SCH. A
KW-SCH. B CONTRACT
EXCESS CONTRACT
KW-SCH. C
KW-SCH. E

SUBSTATION	CONSTANT KW	KWH METER READINGS			BILLING DEMAND	TOD DEMAND	HIGHEST DEMAND	CONTRACT DEMAND	BILLING KWH	ACTUAL KWH	CONTRACT KWH
		PRESENT	PREV	DIFF							
SCHEDULE A											
SCHEDULE B											
SCHEDULE C											
SCHEDULE E											
SCHEDULE E											
E.T.S.											

GRAND TOTALS											

DATE OF ISSUE _____ DATE EFFECTIVE: Service rendered on and after _____

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For All Counties Served
P.S.C. No.
Original Sheet No. 33
Canceling P.S. C. No.
Original Sheet No. 33

EAST KENTUCKY POWER COOPERATIVE, INC.

Fleming Mason RECC
P.O. Drawer 328
Flemingsburg, Kentucky 41041

EAST KENTUCKY POWER COOPERATIVE
P.O. BOX 707, WINCHESTER, KENTUCKY 40391

STEAM INVOICE
INLAND CONTAINER STATISTICS
DATE

Average Heat Rate	Billing Demand/MMBTU	TOD Demand/MMBTU	Highest Demand/MMBTU	Billing Energy/MMBTU
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DATE OF ISSUE _____ DATE EFFECTIVE: Service rendered on and after

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Case No. _____ Dated _____

EAST KENTUCKY POWER COOPERATIVE, INC.

DEMAND/MMBTU
ENERGY/MMBTU
FUEL ADJ./MMBTU
MINIMUM BILL

EAST KENTUCKY POWER COOPERATIVE
P.O. BOX 707, WINCHESTER, KENTUCKY 40391

Fleming Mason RECC
P.O. Drawer 328
Flemingsburg, Kentucky 41041

STEAM INVOICE
INLAND CONTAINER DETAIL CHARGES
DATE

BILLING NOTES	BILLING DEMAND/MBTU	BILLING ENERGY/MMBTU	DEMAND CHARGE	ENERGY CHARGE	FUEL ADJUSTMENT	TOTAL CHARGE
---------------	---------------------	----------------------	---------------	---------------	-----------------	--------------

EDR DEMAND CREDIT

TOTAL DUE BY 20TH DAY OF THE MONTH

*Steam Measurement Adjustment Factor

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Case No. _____ Dated _____

EAST KENTUCKY POWER COOPERATIVE, INC.

EKPC Emergency Electric Procedures

EKPC’s Emergency Electric Procedures are based on the following NERC Emergency Operations Standards:

- EOP-001 Emergency Operations Planning
- EOP-002 Capacity and Energy Emergencies
- EOP-003 Load Shedding Plans
- EOP-005 System Restoration Plans

Definitions

Transmission Operator (and Balancing Authority) - EKPC
Reliability Coordinator - TVA
Regional Reliability Organization – SERC

Overview

The Balancing Authority and the Reliability Coordinator have the responsibility and clear decision-making authority to take whatever actions are needed to ensure the reliability of its respective area and to exercise specific authority to alleviate capacity and energy emergencies. The Balancing Authority will implement its capacity and energy emergency plan, when required and as appropriate, to reduce risks to the interconnected system. The Balancing Authority experiencing an operating capacity or energy emergency will communicate its current and future system conditions to the Reliability Coordinator and neighboring Balancing Authorities.

When the Balancing Authority anticipates an operating capacity or energy emergency it will perform all actions necessary including bringing on all available generation, postponing equipment maintenance, scheduling interchange purchases in advance, and being prepared to reduce firm load. If the Balancing Authority is deficient it will only use the assistance provided by the Interconnection’s frequency bias for the time needed to implement corrective actions.

The Balancing Authority will not unilaterally adjust generation in an attempt to return Interconnection frequency to normal beyond that supplied through frequency bias action and Interchange Schedule changes. Such unilateral adjustment may overload transmission facilities. If the Balancing Authority cannot comply with the Control Performance and Disturbance Control Standards, then it will immediately implement remedies to do so.

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EAST KENTUCKY POWER COOPERATIVE, INC.

A Reliability Coordinator that has any Balancing Authority within its Reliability Coordinator Area experiencing a potential or actual Energy Emergency will initiate an Energy Emergency Alert as detailed in EOP-002-0 "Energy Emergency Alert Levels." The Reliability Coordinator will act to mitigate the emergency condition, including a request for emergency assistance if required.

Measures

The Transmission Operator (and Balancing Authority) has emergency plans and self-assessments available for review by the Regional Reliability Organization. The Regional Reliability Organization reviews and evaluates emergency plans every three years to ensure that the plans are complete and may elect to request self-certification of the Transmission Operator and Balancing Authority in years that the full review is not done.

Each Reliability Coordinator and Balancing Authority has and provides upon request evidence that includes job descriptions, signed agreements, authority letter signed by an appropriate officer of the company, or other equivalent evidence that confirms that it meets NERC requirements.

If the Reliability Coordinator or Balancing Authority implements its Capacity and Energy Emergency plan, that entity has and provides upon request evidence that includes operator logs, voice recordings or transcripts of voice recordings, electronic communications, computer printouts or other equivalent evidence that will be used to determine if the actions it took to relieve emergency conditions were in conformance with its Capacity and Energy Emergency Plan.

Insufficient Generating Capacity

The steps for mitigation of operating emergencies for insufficient generating capacity are:

1. Load all available generating capacity
2. Deploy all available operating reserve
3. Interrupt interruptible load and exports
4. Request emergency assistance from other Balancing Authorities
5. Declare an Energy Emergency through the Reliability Coordinator
6. Reduce load through procedures such as public appeals, voltage reductions, or curtailment of interruptible loads and firm loads

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EAST KENTUCKY POWER COOPERATIVE, INC.

Once the Balancing Authority has exhausted these steps or if these steps cannot be completed in sufficient time to resolve the emergency condition, the Balancing Authority shall:

1. Manually shed firm load without delay to return its ACE to zero
2. Request the Reliability Coordinator to declare an Energy Emergency Alert

All Emergency Electric Procedures consider:

1. Communication protocol
2. Controlling actions
3. Coordination with adjacent Transmission Operators and Balancing Authorities
4. Staffing levels

Elements addressed in Insufficient Generating Capacity Emergency Electric Procedures are:

1. Fuel supply and inventory - recognition of reasonable delays or problems in the delivery or production of fuel
2. Fuel switching - for units for which fuel supply shortages may occur
3. Environmental constraints - seek removal of environmental constraints for generating units
4. System energy use - reduction of the system's own energy use
5. Public appeals - through all media for voluntary load reductions and energy conservation
6. Load management - implementation of load management and voltage reductions
7. Optimize fuel supply - operation of generating sources to optimize the availability
8. Appeals to customers to use alternate fuels - appeals to large industrial and commercial customers to reduce non-essential energy use and maximize the use of customer-owned generation that rely on fuels other than the one in short supply
9. Interruptible loads - interrupt customer load to reduce capacity requirements or to conserve the fuel in short supply
10. Maximizing generator output and availability - operation of all generating sources to maximize output and availability
11. Notification of IPPs - cogeneration and other power producers, to maximize output and availability
12. Requests of government - to implement programs to achieve energy reductions
13. Load curtailment - mandatory load curtailment plan to use as a last resort
14. Notification of government agencies - as the various steps of the emergency plan are implemented

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EAST KENTUCKY POWER COOPERATIVE, INC.

15. Notifications to operating entities - as steps in emergency plan are implemented

Transmission System Operating Emergencies

The Transmission Operator (and Balancing Authority) develops, maintains, and implements a set of plans to mitigate operating emergencies. These plans are coordinated with other Transmission Operators, Balancing Authorities, and the Reliability Coordinator. Balancing Authorities have operating agreements with adjacent and remote Balancing Authorities that contain provisions for emergency assistance.

The Transmission Operator has an emergency load reduction plan for all identified Interconnection Reliability Operating Limits (IROLs). The plan includes the details on how the Transmission Operator will implement load reduction in sufficient amount and time to mitigate the IROL violation before system separation or collapse occurs. The Transmission Operator and Balancing Authority emergency plans include:

1. Communications protocols to be used during emergencies
2. A list of controlling actions to resolve the emergency
3. Load reduction, in sufficient quantity and within established timelines
4. Tasks to be coordinated with and among adjacent Transmission Operators and Balancing Authorities
5. Staffing levels for the emergency

The Transmission Operator (and Balancing Authority) annually reviews and updates each emergency plan and provides a copy of its updated emergency plans to the Reliability Coordinator and to neighboring Transmission Operators and Balancing Authorities.

The Transmission Operator (and Balancing Authority) coordinates its emergency plans with other Transmission Operators and Balancing Authorities as appropriate. This coordination includes the following steps:

1. Establish and maintain reliable communications between interconnected systems
2. Arrange new interchange agreements to provide for emergency capacity or energy transfers if existing agreements cannot be used
3. Coordinate transmission and generator maintenance schedules to maximize capacity or conserve the fuel in short supply
4. Arrange deliveries of electrical energy or fuel from remote systems through normal operating channels

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EAST KENTUCKY POWER COOPERATIVE, INC.

Load shedding

After taking all other remedial steps, the Transmission Operator and Balancing Authority, operating with insufficient generation or transmission capacity, will shed customer load rather than risk an uncontrolled failure of components or cascading outages of the Interconnection. Coordination of load shedding would take place between the Transmission Operator (and Balancing Authority) and other interconnected Transmission Operators and Balancing Authorities. Implementation of manual load shedding takes into consideration frequency, rate of frequency decay, voltage level, rate of voltage decay, and power flow levels. The Transmission Operator (and Balancing Authority) would implement load shedding in steps established to minimize the risk of further uncontrolled separation, loss of generation, or system shutdown.

After the Transmission Operator (and Balancing Authority) separates from the Interconnection, if there is insufficient generating capacity to restore system frequency following automatic underfrequency load shedding, the Transmission Operator (and Balancing Authority) would shed additional load. The Transmission Operator (and Balancing Authority) coordinates automatic load shedding throughout its area with underfrequency isolation of generating units, tripping of shunt capacitors, and other automatic actions that occur under abnormal frequency, voltage, or power flow conditions. Each Transmission Operator and/or Balancing Authority has plans for operator-controlled manual load shedding to respond to real-time emergencies.

System restoration

The Transmission Operator has a restoration plan to reestablish its electric system in a stable and orderly manner in the event of a partial or total shutdown of its system including necessary operating instructions and procedures to cover emergency conditions and the loss of vital telecommunications channels.

The Transmission Operator reviews and updates its restoration plan annually and whenever it makes changes in the power system network, and corrects deficiencies found during the simulated restoration exercises. The Transmission Operator coordinates its restoration plans with the Generator Owners and Balancing Authorities within its area, its Reliability Coordinator, and neighboring Transmission Operators and Balancing Authorities.

The Transmission Operator (and Balancing Authority) periodically tests its telecommunication facilities needed to implement the restoration plan and trains its

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operating personnel in the implementation of the restoration plan. This training includes simulated exercises and verification of the restoration procedure by actual testing and simulation.

During system restoration, affected Transmission Operators and Balancing Authorities work in conjunction with their Reliability Coordinator(s) to determine the extent and condition of the isolated area(s). The affected Transmission Operators and Balancing Authorities take the necessary actions to restore Bulk Electric System frequency to normal, including adjusting generation, placing additional generators on line, or load shedding.

The affected Balancing Authorities, working with their Reliability Coordinator(s), immediately review the Interchange Schedules between those Balancing Authority Areas or fragments of those Balancing Authority Areas within the separated area and make adjustments as needed to facilitate the restoration. The affected Balancing Authorities make all attempts to maintain the adjusted Interchange Schedules, whether generation control is manual or automatic. The affected Transmission Operators may resynchronize the isolated area(s) with the surrounding area(s) when the following conditions are met:

1. Voltage, frequency, and phase angle permit
2. The size of the area being reconnected and the capacity of the transmission lines effecting the reconnection and the number of synchronizing points across the system are considered adequate
3. Reliability Coordinator(s) and adjacent areas are notified and Reliability Coordinator approval is given
4. If required, load is shed in neighboring areas to permit successful interconnected system restoration

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Case No. _____ Dated _____

Special Contracts

Summary of Proposed Charges Under Electric Special Contracts

Large Special Contract	Demand Charge:		
	Firm Demand	\$8.93 per kW per month	(I)
	10-Min Interruptible Demand	\$3.63 per kW per month	(I)
	90-Min Interruptible Demand	\$4.93 per kW per month	(I)
	Energy Charge		
	On-Peak	\$0.032382 per kWh	(I)
	Off-Peak	\$0.031880 per kWh	(I)
Special Contract - Pumping Stations	Demand Charge		
	Per kW	\$1.75	
	Energy Charge		
	Off-Peak (May-Dec)	\$0.004440 per kWh	
	Off-Peak (Jan-Apr)	\$0.004460 per kWh	
Steam Service	Demand Charge		
	Per MMBTU	\$572.83	(I)
	Energy Charge		
	Per MMBTU	\$3.756	(I)

**QUALIFIED COGENERATION AND
SMALL POWER PRODUCTION FACILITIES
TARIFF**

East Kentucky Power Cooperative, Inc., is not proposing any changes to the Cogeneration tariff. Enclosed is a copy of the tariff for informational purposes.

P.S.C. KY NO. 6

CANCELS P.S.C. KY NO. 5

EAST KENTUCKY POWER COOPERATIVE, INC.

OF

WINCHESTER, KENTUCKY

RATES, RULES, AND REGULATIONS FOR PURCHASING

ELECTRIC POWER AND ENERGY

AT

VARIOUS LOCATIONS THROUGHOUT KENTUCKY

FROM

QUALIFIED COGENERATION AND

SMALL POWER PRODUCTION FACILITIES

FILED WITH THE PUBLIC SERVICE COMMISSION
OF KENTUCKY

ISSUED March 31, 2008

EFFECTIVE June 1, 2008

ISSUED BY EAST KENTUCKY POWER COOPERATIVE, INC.

BY _____

Robert M. Marshall
President and Chief Executive Officer

EAST KENTUCKY POWER COOPERATIVE, INC.

COGENERATION AND SMALL POWER PRODUCTION
POWER PURCHASE RATE SCHEDULE OVER 100 kW

AVAILABILITY

Available only to qualified cogeneration or small power production facilities with a design capacity of over 100 kW which have executed a contract with East Kentucky Power Cooperative and one of EKPC's member distribution systems for the purchase of electric power by East Kentucky Power Cooperative.

RATES

The rates set forth below shall be used as the basis for negotiating a final purchase rate with qualifying facilities pursuant to Section 7 of 807 KAR 5:054.

1. Capacity

- a. \$40.40 per kW per year is applicable if cogenerator or small power producer is dispatched by East Kentucky Power Cooperative.
- b. \$0.00614 per kWh is applicable if cogenerator or small power producer is not dispatched by East Kentucky Power Cooperative.

2. Energy – A base payment per kWh is listed below for a time-differentiated basis or a non-time differentiated basis for the specified years.

a. Time Differentiated Rates:

Year	Winter		Summer	
	On-Peak	Off-Peak	On-Peak	Off-Peak
2008	\$0.06032	\$0.04293	\$0.06637	\$0.03199
2009	\$0.05722	\$0.03881	\$0.05447	\$0.02094
2010	\$0.05647	\$0.03461	\$0.05069	\$0.02203
2011	\$0.06015	\$0.03899	\$0.06448	\$0.03069
2012	\$0.05875	\$0.03817	\$0.05737	\$0.02486

b. Non-Time Differentiated Rates:

Year	2008	2009	2010	2011	2012
Rate	\$0.05120	\$0.04428	\$0.04219	\$0.04933	\$0.04596

DATE OF ISSUE March 31, 2008

DATE EFFECTIVE June 1, 2008

ISSUED BY _____ TITLE President & Chief Executive Officer

Issued by authority of an Order of the Public Service Commission of Kentucky in
Case No. 2008-00128 Dated August 20, 2008

EAST KENTUCKY POWER COOPERATIVE, INC.

The on-peak and off-peak energy rates are applicable during the hours listed below for each season:

Winter (October - April)

On-Peak 7:00 a.m. - 12:00 noon
5:00 p.m. - 10:00 p.m.

Off-Peak 12:00 noon - 5:00 p.m.
10:00 p.m. - 7:00 a.m.

Summer (May - September)

On-Peak 10:00 a.m. - 10:00 p.m.

Off-Peak 10:00 p.m. - 10:00 a.m.

TERMS AND CONDITIONS

1. All power from a Qualifying Facility (QF) will be sold only to East Kentucky Power Cooperative.
2. Seller must provide good quality electric power within a reasonable range of voltage, frequency, flicker, harmonic currents, and power factor.
3. Qualifying Facility (QF) shall provide reasonable protection for EKPC and the member cooperative's system.
4. Qualifying Facility (QF) shall design, construct, install, own, operate, and maintain the Qualifying Facility in accordance with all applicable codes, laws, regulations, and generally accepted utility practices.
5. Qualifying Facility shall reimburse EKPC and its member cooperative for all costs incurred as a result of interconnecting with the QF, including operation, maintenance, administration, and billing.

DATE OF ISSUE March 31, 2008

DATE EFFECTIVE June 1, 2008

ISSUED BY _____ TITLE President & Chief Executive Officer

EAST KENTUCKY POWER COOPERATIVE, INC.

6. Qualifying Facility shall obtain insurance in the following minimum amounts for each occurrence:
 - a. Public Liability for Bodily Injury - \$1,000,000.00
 - b. Property Damage - \$500,000.00
7. Initial contract term shall be for a minimum of five years.
8. Qualifying Facilities proposing to supply as available (non-firm) electric power shall not be entitled to a capacity payment.
9. Qualifying cogeneration and small power production facilities must meet the definition set forth in 807 KAR 5:054 to be eligible for this tariff.
10. Updated rates will be filed with the Public Service Commission of Kentucky by March 31 of each year.

DATE OF ISSUE March 31, 2008

DATE EFFECTIVE June 1, 2008

ISSUED BY _____ TITLE President & Chief Executive Officer

Issued by authority of an Order of the Public Service Commission of Kentucky in
Case No. 2008-00128 Dated August 20, 2008

EAST KENTUCKY POWER COOPERATIVE, INC.

COGENERATION AND SMALL POWER PRODUCTION
POWER PURCHASE RATE SCHEDULE
LESS THAN 100 kW

AVAILABILITY

Available only to qualified cogeneration or small power production facilities with a design capacity of less than 100 kW which have executed a contract with East Kentucky Power Cooperative and one of EKPC's member distribution systems for the purchase of electric power by East Kentucky Power Cooperative.

RATES

1. Capacity

- a. \$40.40 per kW per year is applicable if cogenerator or small power producer is dispatched by East Kentucky Power Cooperative.
- b. \$0.00614 per kWh is applicable if cogenerator or small power producer is not dispatched by East Kentucky Power Cooperative.

2. Energy – A base payment per kWh is listed below for a time-differentiated basis or a non-time differentiated basis for the specified years.

a. Time Differentiated Rates:

Year	<u>Winter</u>		<u>Summer</u>	
	On-Peak	Off-Peak	On-Peak	Off-Peak
2008	\$0.06032	\$0.04293	\$0.06637	\$0.03199
2009	\$0.05722	\$0.03881	\$0.05447	\$0.02094
2010	\$0.05647	\$0.03461	\$0.05069	\$0.02203
2011	\$0.06015	\$0.03899	\$0.06448	\$0.03069
2012	\$0.05875	\$0.03817	\$0.05737	\$0.02486

b. Non-Time Differentiated Rates:

Year	2008	2009	2010	2011	2012
Rate	\$0.05120	\$0.04428	\$0.04219	\$0.04933	\$0.04596

DATE OF ISSUE March 31, 2008

DATE EFFECTIVE June 1, 2008

ISSUED BY _____ TITLE President & Chief Executive Officer

Issued by authority of an Order of the Public Service Commission of Kentucky in
Case No. 2008-00128 Dated August 20, 2008

EAST KENTUCKY POWER COOPERATIVE, INC.

The on-peak and off-peak energy rates are applicable during the hours listed below for each season:

Winter (October - April)

On-Peak 7:00 a.m. - 12:00 noon
5:00 p.m. - 10:00 p.m.

Off-Peak 12:00 noon - 5:00 p.m.
10:00 p.m. - 7:00 a.m.

Summer (May - September)

On-Peak 10:00 a.m. - 10:00 p.m.

Off-Peak 10:00 p.m. - 10:00 a.m.

TERMS AND CONDITIONS

1. All power from a Qualifying Facility (QF) will be sold only to East Kentucky Power Cooperative.
2. Seller must provide good quality electric power within a reasonable range of voltage, frequency, flicker, harmonic currents, and power factor.
3. Qualifying Facility (QF) shall provide reasonable protection for EKPC and the member cooperative's system.
4. Qualifying Facility (QF) shall design, construct, install, own, operate, and maintain the Qualifying Facility in accordance with all applicable codes, laws, regulations, and generally accepted utility practices.
5. Qualifying Facility shall reimburse EKPC and its member cooperative for all costs incurred as a result of interconnecting with the QF, including operation, maintenance, administration, and billing.

DATE OF ISSUE March 31, 2008

DATE EFFECTIVE June 1, 2008

ISSUED BY _____ TITLE President & Chief Executive Officer

Issued by authority of an Order of the Public Service Commission of Kentucky in
Case No. 2008-00128 Dated August 20, 2008

EAST KENTUCKY POWER COOPERATIVE, INC.

6. Qualifying Facility shall obtain insurance in the following minimum amounts for each occurrence:
 - a. Public Liability for Bodily Injury - \$1,000,000.00
 - b. Property Damage - \$500,000.00
7. Initial contract term shall be for a minimum of five years.
8. Qualifying Facilities proposing to supply as available (non-firm) electric power shall not be entitled to a capacity payment.
9. Qualifying cogeneration and small power production facilities must meet the definition set forth in 807 KAR 5:054 to be eligible for this tariff.
10. Updated rates will be filed with the Public Service Commission of Kentucky by March 31 of each year.

DATE OF ISSUE March 31, 2008

DATE EFFECTIVE June 1, 2008

ISSUED BY _____ TITLE President & Chief Executive Officer

Issued by authority of an Order of the Public Service Commission of Kentucky in
Case No. 2008-00128 Dated August 20, 2008

East Kentucky Power Cooperative, Inc.
Case No. 2008-00409
Fully Forecasted Test Period
Volume 1, Tab 7

Filing Requirement
807 KAR 5:001 Section 10(1)(b)(8)
Sponsoring Witness: Ann F. Wood

Description of Filing Requirement:

Proposed tariff changes shown either by providing present and proposed tariffs in comparative form or indicating additions by italicized inserts or underscoring and striking over deletions in a copy of the current tariff.

Response:

Proposed tariff changes are shown by indicating additions by italicized inserts and striking over deletions in a copy of the current tariff. See attached sheets, distinguished between Phase I and Phase II tariffs.

PHASE I

**PRESENT TARIFFS WITH PROPOSED
CHANGES**

P.S.C. KY NO. 32

CANCELS P.S.C. KY NO. 31

EAST KENTUCKY POWER COOPERATIVE, INC.

OF

WINCHESTER, KENTUCKY

RATES, RULES, AND REGULATIONS FOR FURNISHING

WHOLESALE POWER SERVICE

AT

VARIOUS LOCATIONS TO

RURAL ELECTRIC COOPERATIVE MEMBERS

THROUGHOUT KENTUCKY

FILED WITH THE PUBLIC SERVICE COMMISSION
OF KENTUCKY

ISSUED DECEMBER 20, 2007

EFFECTIVE FOR SERVICE RENDERED
ON AND AFTER DECEMBER 5, 2007

ISSUED BY EAST KENTUCKY POWER COOPERATIVE, INC.

BY _____

Robert M. Marshall
President and Chief Executive Officer

EAST KENTUCKY POWER COOPERATIVE, INC.

Wholesale Power Rate Schedule

Applicability

Applicable to all sections of this rate schedule and this rate schedule shall apply to each East Kentucky Power Cooperative, Inc. (hereinafter referred to as "EKPC" or the "Cooperative") load center separately.

Load Center Charges - Monthly

A. Metering Point Charge

- 1. Applicable to each metering point and to each substation
- 2. Charge: \$125.00 \$138

B. Substation Charge

- 1. Applicable to each substation based on its size:
- 2. Charges:

1,000 - 2,999 kVa substation	\$944.00	<i>\$1,041</i>
3,000 - 7,499 kVa substation	\$2,373.00	<i>\$2,617</i>
7,500 - 14,999 kVa substation	\$2,855.00	<i>\$3,149</i>
15,000 and over kVa substation	\$4,605.00	<i>\$5,079</i>

Minimum Monthly Charge

The minimum monthly charge shall be equal to the Load Center Charges plus the minimum monthly charges for Section B and Section C. Load Center Charges cover metering point and substation charge.

DATE OF ISSUE December 20, 2007 DATE EFFECTIVE: Service rendered on and after December 5, 2007

ISSUED BY _____ TITLE President & Chief Executive Officer

Issued by authority of an Order of the Public Service Commission of Kentucky in Case No. 2006-00472 Dated December 5, 2007

EAST KENTUCKY POWER COOPERATIVE, INC.

Fuel Adjustment

1. The fuel clause shall provide for periodic adjustment per kWh of sales when the unit cost of fuel $[F(m) / S(m)]$ is above or below the base unit cost of \$0.02638 per kWh $[F(b) / S(b)]$. The current monthly charges shall be increased or decreased by the product of the kWh furnished during the current month and the fuel adjustment rate for the preceding month where the fuel adjustment rate is defined below:

$$\text{Fuel Adjustment Rate} = \frac{F(m)}{S(m)} - \frac{F(b)}{S(b)}$$

Where F is the expense of fossil fuel in the base (b) and current (m) periods; and S is sales in the base (b) and current (m) periods, all defined below:

2. Fuel cost (F) shall be the most recent actual monthly cost of:
 - (a) Fossil fuel consumed in the utility's own plants, and the utility's share of fossil and nuclear fuel consumed in jointly owned or leased plants, plus the cost of fuel which would have been used in plants suffering forced generation and/or transmission outages, but less the cost of fuel related to substitute generation, plus
 - (b) The actual identifiable fossil and nuclear fuel costs associated with energy purchased for reasons other than identified in paragraph (c) below, but excluding the cost of fuel related to purchases to substitute the forced outages, plus
 - (c) The net energy cost of energy purchases, exclusive of capacity or demand charges (irrespective of the designation assigned to such transaction) when such energy is purchased on an economic dispatch basis. Included therein may be such costs as the charges for economy energy purchases and the charges as a result of scheduled outages, also such kinds of energy being purchased by the buyer to substitute for its own higher cost energy; and less

DATE OF ISSUE December 20, 2007 DATE EFFECTIVE: Service rendered on and after December 5, 2007

ISSUED BY _____ TITLE President & Chief Executive Officer

Issued by authority of an Order of the Public Service Commission of Kentucky in
Case No. 2007-00472 Dated December 5, 2007

EAST KENTUCKY POWER COOPERATIVE, INC.

Fuel Adjustment (con't.)

- (d) The cost of fossil fuel recovered through inter-system sales including the fuel costs related to economy energy sales and other energy sold on an economic dispatch basis.
- (e) All fuel costs shall be based on weighted average inventory costing.
- 3. Forced outages are all non-scheduled losses of generation or transmission which require (purchase of) substitute power for a continuous period in excess of six (6) hours. Where forced outages are not as a result of faulty equipment, faulty manufacture, faulty design, faulty installations, faulty operation, or faulty maintenance, but are Acts of God, riot, insurrection or acts of public enemy, the utility may, upon proper showing, with the approval of the Commission, include the fuel cost of substitute energy in the adjustment.
- 4. Sales (S) shall be kWh sold, excluding inter-system sales. Where for any reason, billed system sales cannot be coordinated with fuel costs for the billing period, sales may be equated to the sum of (i) generation, (ii) purchases, (iii) interchange in, less (iv) energy associated with pumped storage operations, less (v) inter-system sales referred to in subsection (2)(d) above, less (vi) total system losses. Utility-used energy shall not be excluded in the determination of sales (S).
- 5. The cost of fossil fuel shall include no items other than the invoice price of fuel less any cash or other discounts. The invoice price of fuel includes the cost of the fuel itself and necessary charges for transportation of the fuel from the point of acquisition to the unloading point, as listed in Account 151 of the FERC Uniform System of Accounts for Public Utilities and Licenses.

DATE OF ISSUE December 20, 2007 DATE EFFECTIVE: Service rendered on and after December 5, 2007

ISSUED BY _____ TITLE President & Chief Executive Officer

Issued by authority of an Order of the Public Service Commission of Kentucky in
Case No. 2007-00472 Dated December 5, 2007

EAST KENTUCKY POWER COOPERATIVE, INC.

Power Factor Adjustment

The member cooperative agrees to maintain a unity power factor as nearly as practicable at each load center at the time of the monthly peak demand for the load center. When the power factor is determined to be less than 90%, the monthly billing demand at the load center will be adjusted by multiplying the actual monthly billing demand by 90% and dividing this product by the actual power factor at the time of the monthly peak demand for the load center. For new load centers, the power factor penalty will not be applicable for the month of energization or the succeeding six (6) months. The demand rate applicable for power factor penalty billing is the lowest firm demand rate in Section A, B, C, E, or G.

Energy Curtailment and Outage Restoration Priorities

These tariffs are subject to the Energy Curtailment and Outage Restoration Priorities provisions of Administrative Case No. 353 of the Kentucky Public Service Commission. East Kentucky Power Cooperative's energy curtailment and restoration procedures are contained in Appendix I to these tariffs title Emergency Electric Procedures, East Kentucky Power Cooperative, Inc.; prepared April 1, 1994; revised February 17, 1995.

East Kentucky Power Cooperative will adhere to the curtailment of service requirements as set forth below and contained in Kentucky Revised Statutes (KRS) Section 278.214.

Curtailment of service by utility or generation and transmission cooperative. When a utility or generation and transmission cooperative engaged in the transmission of electricity experiences on its transmission facilities an emergency or other event that necessitates a curtailment or interruption of service, the utility or generation and transmission cooperative shall not curtail or interrupt retail electric service within its certified territory, or curtail or interrupt wholesale electric energy furnished to a member distribution cooperative for retail electric service within the cooperative's certified territory, except for customers who have agreed to receive interruptible service, until after service has been interrupted to all other customers whose interruption may relieve the emergency or other event.

DATE OF ISSUE December 20, 2007 DATE EFFECTIVE: Service rendered on and after December 5, 2007

ISSUED BY _____ TITLE President & Chief Executive Officer

Issued by authority of an Order of the Public Service Commission of Kentucky in
Case No. 2007-00472 Dated December 5, 2007

For All Counties Served
P.S.C. No. 32
Original Sheet No. 5
Canceling P.S.C. No. 31
Original Sheet No. 5

EAST KENTUCKY POWER COOPERATIVE, INC.

Section A

Availability

Available to all cooperative associations which are or shall be members of EKPC. The electric power and energy furnished hereunder shall be separately metered for each point of delivery.

Applicability

Applicable to all power usage at the load center not subject to the provisions of Sections B, C, and E of this tariff.

Monthly Rate - Per Load Center

Demand Charge per kW of billing demand	\$8.65	\$9.54
Energy Charge per kWh	\$0.033455	\$0.036901

Billing Demand

The billing demand (kilowatt demand) is based on EKPC's system peak demand (coincident peak) which 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.
May through September	10:00 a.m. to 10:00 p.m.

Billing demand applicable to this section is equal to the load center's contribution to EKPC's system peak demand minus the actual demands of Section B, Section C, and Section E participants coincident with EKPC's system peak demand.

DATE OF ISSUE December 20, 2007 DATE EFFECTIVE: Service rendered on and after December 5, 2007

ISSUED BY _____ TITLE President & Chief Executive Officer

Issued by authority of an Order of the Public Service Commission of Kentucky in
Case No. 2007-00472 Dated December 5, 2007

For All Counties Served
P.S.C. No. 32
Original Sheet No. 6
Canceling P.S.C. No. 31
Original Sheet No. 6

EAST KENTUCKY POWER COOPERATIVE, INC.

Section A (con't.)

Billing Energy

Billing energy applicable to this section is equal to the total energy provided at the load center minus the actual energy provided to Section B, Section C, and Section E participants.

DATE OF ISSUE December 20, 2007 DATE EFFECTIVE: Service rendered on and after December 5, 2007

ISSUED BY _____ TITLE President & Chief Executive Officer

Issued by authority of an Order of the Public Service Commission of Kentucky in
Case No. 2007-00472 Dated December 5, 2007

EAST KENTUCKY POWER COOPERATIVE, INC.

Section B

Availability

Available to all cooperative associations which are or shall be members of EKPC and which execute EKPC approved contracts with the ultimate consumers. The electric power and energy furnished hereunder shall be separately metered for each point of delivery.

Applicability

Applicable to cooperative associations and ultimate consumers willing to contract for demands of 500 kW or greater and a monthly minimum energy usage equal to or greater than 400 hours per kW of contract demand. Wholesale monthly minimum demand shall be agreed between the cooperative association and EKPC.

Monthly Rate

Demand Charge per kW of Minimum Demand	\$6.22	\$6.86
Demand Charge per kW of Billing Demand in Excess of Minimum Demand	\$8.65	\$9.54
Energy Charge per kWh	\$0.033455	\$0.036901

Billing Demand

The billing demand (kilowatt demand) shall be the minimum demand plus any excess demand. Excess demand occurs when the ultimate consumer's highest demand during the current month, coincident with EKPC's system peak (coincident peak), exceeds the minimum demand. EKPC's system 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.
May through September	10:00 a.m. to 10:00 p.m.

DATE OF ISSUE December 20, 2007 DATE EFFECTIVE: Service rendered on and after December 5, 2007

ISSUED BY _____ TITLE President & Chief Executive Officer

Issued by authority of an Order of the Public Service Commission of Kentucky in Case No. 2007-00472 Dated December 5, 2007

For All Counties Served
P.S.C. No. 32
Original Sheet No. 8
Canceling P.S.C. No. 31
Original Sheet No. 8

EAST KENTUCKY POWER COOPERATIVE, INC.

Section B (con't.)

Minimum Monthly Charge

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

- (a) The product of the minimum demand multiplied by the demand charge, plus
- (b) The product of the minimum demand multiplied by 400 hours and the energy charge per kWh minus the fuel base per kWh.

DATE OF ISSUE December 20, 2007 DATE EFFECTIVE: Service rendered on and after December 5, 2007

ISSUED BY _____ TITLE President & Chief Executive Officer

Issued by authority of an Order of the Public Service Commission of Kentucky in
Case No. 2007-00472 Dated December 5, 2007

For All Counties Served
P.S.C. No. 32
Original Sheet No. 9
Canceling P.S.C. No. 31
Original Sheet No. 9

EAST KENTUCKY POWER COOPERATIVE, INC.

Section C

Availability

Available to all cooperative associations which are or shall be members of EKPC and which execute EKPC approved contracts with the ultimate consumers. The electric power and energy furnished hereunder shall be separately metered for each point of delivery.

Applicability

Applicable to cooperative associations and ultimate consumers willing to contract for demand of 500 kW or greater and a monthly energy usage equal to or greater than 400 hours per kW of billing demand.

Monthly Rate

Demand Charge per kW of Billing Demand	\$6.22	\$6.86
Energy Charge per kWh	\$0.033455	\$0.036901

DATE OF ISSUE December 20, 2007 DATE EFFECTIVE: Service rendered on and after December 5, 2007

ISSUED BY _____ TITLE President & Chief Executive Officer

Issued by authority of an Order of the Public Service Commission of Kentucky in
Case No. 2007-00472 Dated December 5, 2007

EAST KENTUCKY POWER COOPERATIVE, INC.

Section C (con't.)

Billing Demand

The kilowatt demand shall be the greater of (a) or (b) listed below:

- (a) The contract demand
- (b) The ultimate consumer's highest demand during the current month or preceding eleven months coincident with EKPC's system peak demand. EKPC's system 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.
May through September	10:00 a.m. to 10:00 p.m.

Minimum Monthly Charge

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

- (a) The product of the billing demand multiplied by the demand charge, plus
- (b) The product of the billing demand multiplied by 400 hours and the energy charge per kWh minus the fuel base per kWh.

DATE OF ISSUE December 20, 2007 DATE EFFECTIVE: Service rendered on and after December 5, 2007

ISSUED BY _____ TITLE President & Chief Executive Officer

Issued by authority of an Order of the Public Service Commission of Kentucky in
Case No. 2007-00472 Dated December 5, 2007

For All Counties Served
P.S.C. No. 32
Original Sheet No. 11
Canceling P.S.C. No. 31
Original Sheet No. 11

EAST KENTUCKY POWER COOPERATIVE, INC.

Section D
Interruptible Service

Standard Rider

This Interruptible Rate is a rider to Rate Sections A, B, C, and E.

Applicable

In all territory served by EKPC.

Availability of Service

This schedule shall be made available at any load center, to any member cooperative where an ultimate "Customer" will contract for an interruptible demand of not less than 250 kW and not more than 20,000 kW, subject to a maximum number of hours of interruption per year and a notice period as listed below.

Monthly Rate

A monthly demand credit per kW is based on the following matrix:

T

<u>Notice Minutes</u>	<u>Annual Hours of Interruption</u>					
	<u>200</u>		<u>300</u>		<u>400</u>	
10	\$2.70	\$2.97	\$3.15	\$3.47	\$3.60	\$3.97
60	\$2.25	\$2.48	\$2.70	\$2.97	\$3.15	\$3.47

DATE OF ISSUE December 20, 2007 DATE EFFECTIVE: Service rendered on and after December 5, 2007

ISSUED BY _____ TITLE President & Chief Executive Officer

Issued by authority of an Order of the Public Service Commission of Kentucky in
Case No. 2007-00472 Dated December 5, 2007

EAST KENTUCKY POWER COOPERATIVE, INC.

Section D (con't.)

Determination of Measured Load - Billing Demand

The billing demand (kilowatt demand) is based on EKPC's system peak demand (coincident peak) which 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.
May through September	10:00 a.m. to 10:00 p.m.

The interruptible billing demand shall be equal to the amount by which the monthly billing demand exceeds the minimum billing demand as specified in the contract.

Conditions of Service for Customer Contract

1. The customer will, upon notification by the Cooperative, reduce his load being supplied by the Cooperative to the contract capacity level specified by the contract.
2. The Cooperative will endeavor to provide the Customer as much advance notice as possible of the interruption of service. However, the Customer shall interrupt service within the notice period as contracted.
3. Service will be furnished under the Cooperatives "General Rules and Regulations" or "Terms and Conditions" except as set out herein and/or provisions agreed to by written contract.
4. No responsibility of any kind shall attach to the Cooperative for, or on account of, any loss or damage caused by, or resulting from, any interruption or curtailment of this service.

DATE OF ISSUE December 20, 2007 DATE EFFECTIVE: Service rendered on and after December 5, 2007

ISSUED BY _____ TITLE President & Chief Executive Officer

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Case No. 2007-00472 Dated December 5, 2007

EAST KENTUCKY POWER COOPERATIVE, INC.

Section D (con't.)

5. The Customer shall own, operate, and maintain all necessary equipment for receiving electric energy and all telemetering and communications equipment, within the Customer's premises, required for interruptible service.
6. The minimum original contract period shall be one year and thereafter until terminated by giving at least six months previous written notice. The Cooperative may require a contract be executed for a longer initial term when deemed necessary by the size of the load and other conditions.
7. The Fuel Adjustment Clause, as specified in the General Wholesale Power Rate Schedule, is applicable.

Calculation of Monthly Bill

The monthly bill is calculated on the following basis:

- A. Sum of metering point charge and substation charge, plus
- B. Minimum billing demand in kW multiplied by the firm capacity rate, plus
- C. Interruptible billing demand in kW multiplied by interruptible rate, plus
- D. Energy usage in kWh multiplied by the energy rate.

Number and Duration of Interruptions

- A. Winter Season: There shall be no more than two (2) interruptions during any 24 hour calendar day. No interruption shall last more than six hours.
- B. Summer Season: There shall be no more than one (1) interruption during any 24 hour calendar day. No interruption shall last more than twelve hours.
- C. The maximum number of annual hours of interruption shall be in accordance with the customer contracted level of interruptible service.

DATE OF ISSUE December 20, 2007 DATE EFFECTIVE: Service rendered on and after December 5, 2007

ISSUED BY _____ TITLE President & Chief Executive Officer

Issued by authority of an Order of the Public Service Commission of Kentucky in
Case No. 2007-00472 Dated December 5, 2007

For All Counties Served
P.S.C. No. 32
Original Sheet No. 14
Canceling P.S.C. No. 31
Original Sheet No. 14

EAST KENTUCKY POWER COOPERATIVE, INC.

Section D (con't.)

Charge for Failure to Interrupt

If Customer fails to interrupt load as requested by the Cooperative, the Cooperative shall bill the uninterrupted load at a rate equal to five (5) times the applicable firm power demand charge for that billing month. Uninterrupted load is equal to actual load during requested interruption minus firm load.

DATE OF ISSUE December 20, 2007 DATE EFFECTIVE: Service rendered on and after December 5, 2007

ISSUED BY _____ TITLE President & Chief Executive Officer

Issued by authority of an Order of the Public Service Commission of Kentucky in
Case No. 2007-00472 Dated December 5, 2007

For All Counties Served
P.S.C. No. 32
Original Sheet No. 15
Canceling P.S.C. No. 31
Original Sheet No. 15

EAST KENTUCKY POWER COOPERATIVE, INC.

Section E

Availability

Available to all cooperative associations which are or shall be members of EKPC. The electric power and energy furnished hereunder shall be separately metered for each point of delivery.

Applicability

Applicable to all power usage at the load center not subject to the provisions of Section A, Section B, or Section C of this tariff.

Monthly Rate - Per Load Center

A cooperative association may select either Option 1 or Option 2 of this section of the tariff to apply to all load centers. The cooperative association must remain on a selected option for at least one (1) year and may change options, no more often than every twelve (12) months, after giving a minimum notice of two (2) months.

	<u>Option 1</u>		<u>Option 2</u>	
Demand Charge per kW of Billing Demand	\$6.92	\$7.63	\$5.22	\$5.76
Energy Charge per kWh				
On-Peak kWh	\$0.035406	\$0.039053	\$0.042470	\$0.046844
Off-Peak kWh	\$0.034904	\$0.038499	\$0.034904	\$0.038499

DATE OF ISSUE December 20, 2007 DATE EFFECTIVE: Service rendered on and after December 5, 2007

ISSUED BY _____ TITLE President & Chief Executive Officer

Issued by authority of an Order of the Public Service Commission of Kentucky in
Case No. 2007-00472 Dated December 5, 2007

EAST KENTUCKY POWER COOPERATIVE, INC.

Section E (con't.)

On-peak and off-peak hours are provided below:

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

Billing Demand

The billing demand (kilowatt demand) is based on EKPC's system peak demand (coincident peak) which 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.
May through September	10:00 a.m. to 10:00 p.m.

Billing demand applicable to this section is equal to the load center's contribution to EKPC's system peak demand minus the actual demands of Section A, Section B, and Section C participants coincident with EKPC's system peak demand.

Billing Energy

Billing energy applicable to this section is equal to the total energy provided at the load center minus the actual energy provided to Section A, Section B, and Section C participants.

DATE OF ISSUE December 20, 2007 DATE EFFECTIVE: Service rendered on and after December 5, 2007

ISSUED BY _____ TITLE President & Chief Executive Officer

Issued by authority of an Order of the Public Service Commission of Kentucky in
Case No. 2007-00472 Dated December 5, 2007

EAST KENTUCKY POWER COOPERATIVE, INC.

Section F

Voluntary Interruptible Service

Standard Rider

This Voluntary Interruptible Service is a rider to Rate Sections A, B, C, E, G and special contracts.

Applicable

In all territory served by EKPC.

No interruptible demand which is already under contract under any other Interruptible Rider is eligible for this service.

Availability of Service

This schedule shall be made available at any load center, to any member cooperative where an ultimate "Customer" is capable of interrupting at least 1,000 kW upon request and has contracted with the Member System to do so under a retail contract rider.

Conditions of Service

1. Any request for interruption under this Rider shall be made by EKPC through its Member Cooperative.
2. Each interruption will be strictly voluntary. The Member Cooperative may accept or decline the terms of the interruption offered by EKPC.
3. No responsibility of any kind shall attach to EKPC for, or on account of, any loss or damage caused by, or resulting from, any interruption or curtailment of this service.
4. The Customer shall agree by contract to own, operate, and maintain all necessary equipment for receiving electric energy and all telemetering and communications equipment, within the Customer's premises, required for interruptible service.
5. It is the Member Cooperative's responsibility to notify the Customer and execute an

DATE OF ISSUE December 20, 2007 DATE EFFECTIVE: Service rendered on and after December 5, 2007

ISSUED BY _____ TITLE President & Chief Executive Officer

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EAST KENTUCKY POWER COOPERATIVE, INC.

interruption request from EKPC. Therefore, EKPC and the Member Cooperative shall mutually agree upon the manner by which EKPC shall notify the Customer of a request for interruption. Such an agreement shall include the means by which EKPC shall communicate the interruption request (e.g. email, phone, pager, etc.) and the Customer's point of contact to receive such a request.

6. EKPC will attempt to provide as much advance notice as possible for requests for interruption. However, upon the Customer's acceptance of the Terms of Interruption the Customer's load shall be interrupted with as little as one (1) hour of advance notification.
7. EKPC reserves the right to require verification of a Customer's ability to interrupt its load.
8. The Member Cooperative is not eligible for the Interruption Credits for any interruption when the Customer's interruptible load is down for other reasons during the period of the requested interruption. Such down time would include any event outside of the Customer's normal operating circumstances such as planned or unplanned outages due to renovation, repair, vacation, refurbishment, renovation, strike, or force majeure.

Interruptible Customer Data Report

The Member Cooperative shall furnish to EKPC an Interruptible Customer Data Report for each of its eligible Customers. Such a report shall include such information as:

1. The maximum number of hours per day and the time of day that the Customer has the ability to interrupt.
2. The maximum number of days and the maximum number of consecutive days that the Customer has the ability to interrupt.
3. The maximum interruptible demand and the minimum interruptible demand by the Customer upon request.
4. The minimum price at which each Customer is willing to interrupt.

Demand and Energy Interruption

The Customer will agree by contract, within an agreed time after receiving notice, to comply to the extent possible with EKPC's request to interrupt load. EKPC is the sole judge of the need for

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interruption of load. EKPC is the sole judge of the amount of interruptible demand provided by the Customer, based on the following calculation:

The average of the integrated fifteen-minute demand for the two hours prior to the hour immediately preceding the call for interruption will be used as the basis for establishing the existing demand level. The hourly interruptible demands for each customer will be the difference between the existing demand level and the actual demand measured during each hour of the interruption period. The interrupted energy of each interruption period shall be the sum of the hourly interrupted demands. These types of interruptions will cover a period of no more than six hours.

For interruptions longer than six hours in duration, the Customer's average load usage for the same hours as the interruption hours in the two preceding business days prior to the day of notice will be used as the basis for determining the demand level for interruption. The average hourly usage for these business days, based on the average integrated fifteen minute demand intervals, minus the actual load during the interruption period will equal the amount of interruptible load. The interrupted energy of each interruption period shall be the sum of the hourly interrupted demands.

Terms of Interruption

For each interruption request, EKPC shall identify the Customer to be interrupted. EKPC shall inform the Member Cooperative or each Customer of an interruption request in accordance with the agreed upon method of notification. The Terms of Interruption shall include the following:

1. The time at which each interruption shall begin is to be established by EKPC. At least one (1) hour of advance notice of each request for interruption shall be provided by EKPC.
2. The duration in clock hours of the interruption request is to be established by EKPC.
3. The current price and the potential savings. This price will be determined by EKPC on a case by case basis and will be based on a percentage of the market price of power at the time of interruption.
4. The Member Cooperative shall specify or arrange for the Customer to specify:
 - a. The maximum demand in kW that will be interrupted.

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EAST KENTUCKY POWER COOPERATIVE, INC.

-
- b. The maximum firm demand that the Customer will purchase through the Member Cooperative during the interruption.

Interruption Credits

The interruption credit for each interruption period shall be equal to the interrupted energy MWh times an amount equal to 110% by which the quoted price for each interruption exceeds the Customer's regular tariff rate. The sum of the interruption credits for the billing month will be allocated as follows:

1. The Member Cooperative's account with EKPC will be credited in the amount of 10% of the credit to the Customer.
2. The interruption credit to the Customer shall be equal to the product of the interrupted energy multiplied by the interruption price for each interruption. This amount will be credited to the Member Cooperative's account with EKPC and passed along to the Customer.

Failure to Interrupt

For those Customers failing to interrupt a minimum of 80% of their agreed amount of interruptible load of 5,000 kW or greater, an excess energy charge will be applicable. This excess energy is equal to the difference of 80% of the interruptible load minus the interrupted load. Excess energy shall be charged to the Customer at a price equal to 125% of the interruption price plus the standard rate applicable to this load.

Term

The minimum original contract period shall be one (1) year and shall remain in effect thereafter until either party provides to the other at least thirty (30) days previous written notice.

Interruption Implementation Procedure

Voluntary interruptions will be implemented based on data developed from the Interruptible Customer Data Report. EKPC personnel will match the interruption scenario with the interruptible customers' profiles to determine interruption priority and sequence.

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ISSUED BY _____ TITLE President & Chief Executive Officer

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Original Sheet No. 18
Canceling P.S.C. No. 31
Original Sheet No. 18

EAST KENTUCKY POWER COOPERATIVE, INC.

Section G

SPECIAL ELECTRIC CONTRACT RATE
Applicable to Inland Container Corporation

Character of Service

Three-phase 60 Hertz alternating current as specified in the Agreement for Purchased Power.

Monthly Rate

Demand Charge per Billing kW	\$6.06	\$6.68
Energy Charge per ALL kWh	\$0.031690	\$0.034954

Determination of Billing Demand

The kilowatt demand shall be the greater of (a) or (b) listed below:

- (a) The contract demand
- (b) The ultimate consumer's highest demand during the current month or preceding eleven months coincident with EKPC's system peak demand. EKPC's system 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.
May through September	10:00 a.m. to 10:00 p.m.

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Original Sheet No. 19

EAST KENTUCKY POWER COOPERATIVE, INC.

Section G (con't.)

Minimum Monthly Charge

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

- (a) The metering and substation charge, plus
- (b) The product of the billing demand multiplied by the demand charge, plus
- (c) The product of \$0.007 multiplied by the product of the billing demand multiplied by 400 hours.

Power Factor Adjustment

Refer to EKPC General Wholesale Power Tariffs Power Factor Adjustment, Original Sheet 4.

Fuel Adjustment Clause

Refer to EKPC General Wholesale Power Tariffs Fuel Adjustment, Original Sheets 2-4.

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EAST KENTUCKY POWER COOPERATIVE, INC.

Section H

Wholesale Renewable Resource Power Service

Standard Rider

This Renewable Resource Power Service is a rider to Rate Sections A, B, C, and E. The purpose of this service is to provide Member Systems with a source of renewable resource generated power for resale to their Customers.

Applicable

In all territory served by EKPC.

Availability of Service

This service is contingent upon the available supply of energy generated from renewable resources which EKPC owns or controls, or such energy which EKPC has purchased from other wholesale suppliers.

This schedule shall be made available at any load center to any member cooperative where a retail "Customer" contracts for renewable resource power service in the following block amounts:

100 kWh

AND where retail "Customer" has contracted with the Member Cooperative Association to do so under a retail contract rider.

Eligibility

Any EKPC Member Cooperative Association that has completed and returned a "Pledge to Purchase Renewable Resource Power Service" application to EKPC will be eligible for this rider. This form will indicate the number of blocks that the Member Cooperative Association intends to purchase monthly as a firm purchase power commitment for a period of one year. All such Member Cooperative Associations will have executed an Agreement for the sale of renewable resource power with a retail consumer.

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ISSUED BY _____ TITLE President & Chief Executive Officer

For All Counties Served
P.S.C. No. 32
Original Sheet No. 21
Canceling P.S.C. No. 31
Original Sheet No. 21

EAST KENTUCKY POWER COOPERATIVE, INC.

Section H (con't.)

Monthly Rate

The monthly rate for this service will be a renewable power premium, i.e. added charge, for all renewable power purchased by the participating Member Cooperative Association. The renewable rate premium per block is as follows:

100 kWh block \$2.375 per block (\$0.02375 per kWh)

This power can be purchased only in the blocks and amounts listed above. These rates are in addition to the regular wholesale rate applicable to the Member Cooperative Association.

Billing and Minimum Charge:

Blocks of power sold under this tariff shall constitute the minimum amount of energy in kWh that the Member Cooperative Association may be billed for during a normal billing period.

Terms of Service and Payment:

This schedule shall be subject to all other terms of service and payment of the wholesale power tariff.

Fuel Adjustment Clause:

The fuel adjustment clause is not applicable to renewable resource power.

Special Terms:

When Member Cooperative Associations' contract for this type of power service, said Member Cooperative Associations will pay for all such power at the rates prescribed in this tariff for the complete contract period.

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Section DSM - 1

Touchstone Energy Manufactured Home Program

Purpose

The Touchstone Energy Manufactured Home Program is a conservation program that encourages the sale of more energy-efficient manufactured homes. It is based on the *Energy Star* standards for manufactured homes, a nationally recognized symbol of energy efficiency and quality developed and operated jointly by the U.S. Environmental Protection Agency (EPA) and the U.S. Department of Energy (DOE).

Availability

This program is available in all service territory served by EKPC.

Eligibility

To qualify as a Touchstone Energy Manufactured Home under EKPC's program, the participating manufactured home must be located in the service territory of a participating Member System and meet the *Energy Star* standards by including additional floor, wall and ceiling insulation, double pane windows and an electric heat pump.

Rebate

EKPC will provide an incentive for retail customers of our Member Systems to participate in this program by offering a one-time rebate. EKPC will rebate \$250 per certified manufactured home to the participating Member System. Rebates will be paid to the participating Member Systems upon written certification that the retail participant has met the *Energy Star* standards for newly constructed manufactured homes.

For customers who purchase a manufactured home which only includes a heat pump meeting *Energy Star* standards, EKPC will rebate \$150. For customers with inefficient electric heating systems, EKPC will rebate \$150 for replacing their existing furnace with a heat pump that meets minimum *Energy Star* Standards.

Annual Reports

EKPC will submit annual reports on the Program that contain the number of participants from each Member System, the annual costs, including the costs of the rebates, and the status of the rebate provision. EKPC will file the first report by March 31, 2004, and annually thereafter.

Term

The Touchstone Energy Manufactured Home Program will remain in effect through the end of 2009. If EKPC should decide to continue the entire program beyond 2009, an application for approval from the Kentucky Public Service Commission will be filed 6 months prior to the date of continuation.

DATE OF ISSUE March 17, 2008

DATE EFFECTIVE: Service rendered on or after February 28, 2008

ISSUED BY _____

TITLE President & Chief Executive Officer

Issued by authority of an Order of the Public Service Commission of Kentucky in
CASE NO. 2007-00266

DATED: February 28, 2008

EAST KENTUCKY POWER COOPERATIVE, INC.

Section DSM - 2

Touchstone Energy Home Program

Purpose

The Touchstone Energy Home Program is a conservation program that encourages the sale of more energy-efficient homes. It is based on *Energy Star* standards for homes, a nationally recognized symbol of energy efficiency and quality developed and operated jointly by the U.S. Environmental Protection Agency (EPA) and the U.S. Department of Energy (DOE).

Availability

This program is available in all service territory served by EKPC.

Eligibility

To qualify as a Touchstone Energy Home under EKPC's program, the participating home must be located in the service territory of a participating Member System and meet the *Energy Star* standards by including additional floor, wall and ceiling insulation, double pane windows and an electric heat pump.

Rebate

EKPC and its Member Systems will provide an incentive to retail customers to build or purchase a Touchstone Energy home. Member System Cooperatives may elect to offer a rebate of up to \$250 for each participant. EKPC will match the rebate offered by the member system cooperative up to a maximum of \$250, resulting in a maximum rebate of \$500 for each participant. Rebates will be paid to each participant upon written certification that the newly constructed home has met the *Energy Star* standards.

Annual Reports

EKPC will submit annual reports on the Program that contain the number of participants from each Member System, the annual costs, including the costs of the rebates, and the status of the rebate provision. EKPC will file the first report by June 30, 2005, and annually thereafter.

Term

The Touchstone Energy Home Program will remain in effect through 2009. If EKPC should decide to continue the entire program beyond 2009, an application for approval from the Kentucky Public Service Commission will be filed 6 months prior to the date of continuation.

DATE OF ISSUE December 20, 2007 DATE EFFECTIVE: Service rendered on and after December 5, 2007

ISSUED BY _____ TITLE President & Chief Executive Officer

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EAST KENTUCKY POWER COOPERATIVE, INC

RATE ES – ENVIRONMENTAL SURCHARGE

APPLICABILITY

Applicable to all sections of this rate schedule and this rate schedule shall apply to each Member System.

AVAILABILITY

This rate schedule shall apply to EKPC rate sections A, B, C, E, and G and all special contracts with rates subject to adjustment upon the approval of the Commission.

RATE

The Environmental Surcharge shall provide for monthly adjustments based on a percent of revenues equal to the difference between the environmental compliance costs in the base period and in the current period based on the following formula:

$$\text{CESF} = \text{E}(m) / \text{R}(m)$$

$$\text{MESF} = \text{CESF} - \text{BESF}$$

MESF = Monthly Environmental Surcharge Factor

CESF = Current Environmental Surcharge Factor

BESF = Base Environmental Surcharge Factor of 1.21%

where E(m) is the total of each approved environmental compliance plan revenue requirement of environmental costs for the current expense month and R(m) is the revenue for the current expense month as expressed below.

Definitions

(1) $\text{E}(m) = [(\text{RB}/12)(\text{RORB}) + \text{OE} - \text{BAS} + (\text{Over})\text{Under Recovery}$

where:

(a) RB is the Environmental Compliance Rate Base, defined as electric plant in service for applicable environmental projects adjusted for accumulated depreciation, CWIP net of AFUDC, cash working capital, spare parts and limestone inventory, emission allowance inventory;

(b) RORB is the Rate of Return on the Environmental Compliance Rate Base, designated as the average cost of debt for environmental compliance plan projects approved by the Commission plus application of a times-interest-earned ratio of 1.35;

DATE OF ISSUE September 29, 2008 DATE EFFECTIVE: Service rendered on and after November 1, 2008

ISSUED BY _____ TITLE President & Chief Executive Officer

Issued by authority of an Order of the Public Service Commission of Kentucky in
Case No. 2008-00115 Dated September 29, 2008

EAST KENTUCKY POWER COOPERATIVE, INC

-
- (c) OE is the Monthly Pollution Control Operating Expenses, defined as the average of the twelve month operating and maintenance expense; depreciation expense, property taxes, insurance expense, emission allowance expense, and consulting fees. O&M expense for the pollution-control related equipment at the Gilbert generating unit will be recovered by including an average of the monthly expense as the Unit begins operation;
- (d) BAS is the net proceeds from By-Products and Emission Allowance Sales, and;
- (e) (Over) or Under recovery amount as amortized from prior six-month period.

(2) Total E(m) is multiplied by the Member System Allocation Ratio to arrive at Net E(m). The Member System Allocation Ratio is based on the ratio of the 12-month total revenue from sales to Member Systems to which the Surcharge will be applied, ending with the current expense month, divided by the 12-month total revenue from sales to Member Systems and off-system sales.

(3) The revenue R(m) is the average monthly revenue, including base revenues and automatic adjustment clause revenues less Environmental Cost Recovery Surcharge revenues, for EKPC for the twelve months ending with the current expense month.

(4) The current expense month (m) shall be the second month preceding the month in which the Environmental Surcharge is billed.

DATE OF ISSUE September 29, 2008 DATE EFFECTIVE: Service rendered on and after November 1, 2008

ISSUED BY _____ TITLE President & Chief Executive Officer

Issued by authority of an Order of the Public Service Commission of Kentucky in
Case No. 2008-00115 Dated September 29, 2008

For All Counties Served
P.S.C. No. 32
First Revised Sheet No. 26
Canceling P.S.C. No. 32
Original Sheet No. 26

EAST KENTUCKY POWER COOPERATIVE, INC.

Section DSM - 3

Direct Load Control of Water Heaters Program

Direct Load Control of Air-Conditioners Program

Purpose

The Direct Load Control of Water Heaters and Air Conditioners will encourage the reduction in growth of peak demand, enabling the Company to utilize its system more efficiently and defer the construction of new generation.

Availability

Both the Direct Load Control of Water Heaters Program and the Direct Load Control of Air Conditioners Program are available to residential customers in the service territories of EKPC. Availability may be denied where, in the judgment of the Member System, installation of the load control equipment is impractical.

Eligibility

To qualify for these Programs, the participant must be located in the service territory of a participating Member System and have central air conditioning or heat pump units and/or 40-gallon (minimum) electric water heating units. The above appliances may be electrically cycled or interrupted in accordance with the rules of this Tariff.

Incentive - Direct Load Control of Water Heaters Program

EKPC and participating Member Systems will provide an incentive to the participants in this program. EKPC will reimburse the participating Member System \$10.00 per water heater annually. The participating Member System, in turn, will annually credit the residential power bill of the participant \$10.00 per water heater. The participant will receive this credit regardless of whether the water heater is cycled.

DATE OF ISSUE October 2, 2008 DATE EFFECTIVE: Service rendered on and after October 2, 2008

ISSUED BY _____ TITLE President & Chief Executive Officer

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EAST KENTUCKY POWER COOPERATIVE, INC.

Incentive - Direct Load Control of Air-Conditioners Program

EKPC and participating Member Systems will provide an incentive to the participants in this program. The customer may select one of two alternatives. One, EKPC will reimburse the participating Member System \$20.00 annually per air conditioner (\$5 per summer months, June, July, August, and September). The participating Member System will, in turn, credit the residential power bill of the participant \$20.00 per air conditioner (\$5 per summer months, June, July, August, and September). Two, alternatively, EKPC will provide and install at no cost one or more digital thermostats as needed for control purposes. The participant will receive one of these incentives regardless of whether the air conditioner or heat pump is controlled during any program month.

Time Period for the Direct Load Control of Water Heaters Program

A load control switch will be placed on the water heater and may be electrically interrupted for a maximum time period of four hours.

EKPC will cycle the water heaters only during the hours listed below.

<u>Months</u>	<u>Hours Applicable for Demand Billing - EST</u>
October through April	6:00 a.m. to 12:00 noon 4:00 p.m. to 10:00 p.m.
May through September	10:00 a.m. to 10:00 p.m.

Time Period for the Direct Load Control of Air Conditioners

A load control device (switch or thermostat) will be placed on each central air conditioning unit or heat pump that will allow the operating characteristics of the unit to be modified (by cycling the unit off for periods of time up to 7.5 minutes of each 15-minute interval, or by adjusting the temperature setting on the thermostat up to two degrees) to reduce demand on the system.

EKPC will control the air conditioning units and heat pumps only during its summer on-peak billing hours listed below.

<u>Months</u>	<u>Hours Applicable for Demand Billing - EST</u>
May through September	10:00 a.m. to 10:00 p.m.

DATE OF ISSUE October 2, 2008 DATE EFFECTIVE: Service rendered on and after October 2, 2008

ISSUED BY _____ TITLE President & Chief Executive Officer

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P.S.C. No. 32
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Original Sheet No. 28

EAST KENTUCKY POWER COOPERATIVE, INC.

Terms and Conditions

1. If a participant decides to withdraw from the program(s) or change to another load control option, the Member Systems will endeavor to implement the change as soon as possible.
2. Prior to the installation of load control devices, the Member Systems may inspect the participant's electrical equipment to insure good repair and working condition, but the Member Systems shall not be responsible for the repair or maintenance of the electrical equipment.
3. EKPC, on behalf of the Member Systems, will install, own, and maintain the load management devices controlling the participant's air conditioner, heat pump, or water heater. The participant must allow the Member System, or their representative, reasonable access to install, maintain, inspect, test and remove load control devices. Inability of the Member System to gain access to the load management device to perform any of the above activities for a period exceeding 30 days may, at the Member System's option, result in discontinuance of credits under this tariff until such time as the Member System is able to gain the required access.
4. Participants in the Pilot program from Big Sandy RECC and Blue Grass Energy will have the opportunity to participate in this program. Equipment already installed on the premises may be used as part of this program.

DATE OF ISSUE October 2, 2008 DATE EFFECTIVE: Service rendered on and after October 2, 2008

ISSUED BY _____ TITLE President & Chief Executive Officer

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INVOICE DATE:

EAST KENTUCKY POWER COOPERATIVE
P.O. BOX 707 WINCHESTER, KENTUCKY 40391

WHOLESALE POWER INVOICE
SUBSTATION CHARGES
MONTH, 19XX 20XX (T)

SUBSTATION	RATE CODE	BILLING NOTES	BILLING DEMAND	BILLING KWH	DEMAND CHARGE	ENERGY CHARGE	WHEELING OR SUBSTATION	FUEL ADJUSTMENT	TOTAL CHARGE
------------	-----------	---------------	----------------	-------------	---------------	---------------	------------------------	-----------------	--------------

CO-OP TOTALS

E.T.S. ****

** CONSUMER BILLED FROM A PRIOR DEMAND TOTAL DUE BY 20TH DAY OF MONTH

DATE OF ISSUE December 20, 2007 DATE EFFECTIVE: Service rendered on and after December 5, 2007

ISSUED BY _____ TITLE President & Chief Executive Officer

Issued by authority of an Order of the Public Service Commission of Kentucky in
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EAST KENTUCKY POWER COOPERATIVE, INC.

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P.O. BOX 707 WINCHESTER, KENTUCKY 40391

WHOLESALE POWER INVOICE
SUBSTATION DETAIL CHARGES
MONTH, ~~19XX~~ 20XX (T)

SUBSTATION	RATE CODE	BILLING NOTES	BILLING DEMAND	BILLING KWH	DEMAND CHARGE	ENERGY CHARGE	WHEELING OR SUBSTATION	FUEL ADJUSTMENT	TOTAL CHARGE
------------	-----------	---------------	----------------	-------------	---------------	---------------	------------------------	-----------------	--------------

CO-OP TOTALS
E.T.S.

CO-OP AMOUNT DUE

DATE OF ISSUE December 20, 2007 DATE EFFECTIVE: Service rendered on and after December 5, 2007

ISSUED BY _____ TITLE President & Chief Executive Officer

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INVOICE DATE:

EAST KENTUCKY POWER COOPERATIVE
P.O. BOX 707 WINCHESTER, KENTUCKY 40391

WHOLESALE POWER INVOICE
CO-OP TOTAL CHARGES

MONTH, ~~19XX~~ 20XY (T)

SUBSTATION	RATE CODE	BILLING NOTES	BILLING DEMAND	BILLING KWH	DEMAND CHARGE (\$\$)	ENERGY CHARGE (\$\$)	WHEELING OR SUBSTATION CHARGE (\$\$)	FUEL ADJUSTMENT (\$\$)	TOTAL CHARGE (\$\$)
------------	-----------	---------------	----------------	-------------	----------------------	----------------------	--------------------------------------	------------------------	---------------------

SCHEDULE A ADJ. TOTALS
SCHEDULE B ADJ. TOTALS
SCHEDULE C ADJ. TOTALS
SCHEDULE E ADJ. TOTALS STEP 1
SCHEDULE E ADJ. TOTALS STEP 2

SCHEDULE A TOTALS
SCHEDULE B TOTALS
SCHEDULE C TOTALS
SCHEDULE E TOTALS STEP 1
SCHEDULE E TOTALS STEP 2

E.T.S.
GRAND TOTALS

TOTAL AMOUNT DUE

** CONSUMER BILLED FROM A PRIOR DEMAND

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KWH-SCH. E STEP 1 31-85 (T)
KWH-SCH. E STEP 2 23-96 (T)
KWH-ETS 19-168 (T)
FUEL RATE 1-4000 (T)
OFFICE WHEELING 1-50 (T)

7-82-(T) EAST KENTUCKY POWER COOPERATIVE, INC.
5-39-(T) P.O. BOX 707 WINCHESTER, KENTUCKY 40391
STATISTICS FOR THE MONTH OF
7-82-(T)
5-39-(T)
4-34 (T)

KW-SCH. A
KW-SCH. B CONTRACT
EXCESS CONTRACT
KW-SCH. C
KW-SCH. E

KWH

KWH

KWH METER READINGS

SUBSTATION CONSTANT
KW KWH PRESENT PREV DIFF BILLING TOD HIGHEST CONTRACT BILLING ACTUAL CONTRACT
KWH KWH KWH KWH KWH KWH KWH KWH

SCHEDULE A STATISTIC TOTALS
SCHEDULE B STATISTIC TOTALS
SCHEDULE C STATISTIC TOTALS
SCHEDULE E STATISTIC TOTALS STEP 1
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GRAND TOTALS

DATE OF ISSUE December 20, 2007 DATE EFFECTIVE: Service rendered on and after December 5, 2007

ISSUED BY _____ TITLE President & Chief Executive Officer

Issued by authority of an Order of the Public Service Commission of Kentucky in
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For All Counties Served
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Original Sheet No. 33
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EAST KENTUCKY POWER COOPERATIVE, INC.

Fleming Mason RECC
P.O. Drawer 328
Flemingsburg, Kentucky 41041

EAST KENTUCKY POWER COOPERATIVE
P.O. BOX 707, WINCHESTER, KENTUCKY 40391

STEAM INVOICE
INLAND CONTAINER STATISTICS
DATE

Average Heat Rate	Billing Demand/MMBTU	TOD Demand/MMBTU	Highest Demand/MMBTU	Billing Energy/MMBTU
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DATE OF ISSUE December 20, 2007 DATE EFFECTIVE: Service rendered on and after December 5, 2007

ISSUED BY _____ TITLE President & Chief Executive Officer

Issued by authority of an Order of the Public Service Commission of Kentucky in
Case No. 2007-00472 Dated December 5, 2007

EAST KENTUCKY POWER COOPERATIVE, INC.

Fleming Mason RECC EAST KENTUCKY POWER COOPERATIVE DEMAND/MMBTU \$419,514-(T)
P.O. Drawer 328 P.O. BOX 707, WINCHESTER, KENTUCKY 40391 ENERGY/MMBTU 2,241 (T)
Flemingsburg, Kentucky 41041 FUEL ADJ./MMBTU
MINIMUM BILL \$100,000-(T)

STEAM INVOICE
INLAND CONTAINER DETAIL CHARGES
DATE

BILLING NOTES	BILLING DEMAND/	BILLING ENERGY/	BILLING MMBTU	DEMAND CHARGE	ENERGY CHARGE	FUEL ADJUSTMENT	TOTAL CHARGE

EDR DEMAND CREDIT

TOTAL DUE BY 20TH DAY OF THE MONTH

*Steam Measurement Adjustment Factor

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Case No. 2007-00472 Dated December 5, 2007

EAST KENTUCKY POWER COOPERATIVE, INC.

EKPC Emergency Electric Procedures

EKPC's Emergency Electric Procedures are based on the following NERC Emergency Operations Standards:

- EOP-001 Emergency Operations Planning
- EOP-002 Capacity and Energy Emergencies
- EOP-003 Load Shedding Plans
- EOP-005 System Restoration Plans

Definitions

Transmission Operator (and Balancing Authority) - EKPC
Reliability Coordinator - TVA
Regional Reliability Organization – SERC

Overview

The Balancing Authority and the Reliability Coordinator have the responsibility and clear decision-making authority to take whatever actions are needed to ensure the reliability of its respective area and to exercise specific authority to alleviate capacity and energy emergencies. The Balancing Authority will implement its capacity and energy emergency plan, when required and as appropriate, to reduce risks to the interconnected system. The Balancing Authority experiencing an operating capacity or energy emergency will communicate its current and future system conditions to the Reliability Coordinator and neighboring Balancing Authorities.

When the Balancing Authority anticipates an operating capacity or energy emergency it will perform all actions necessary including bringing on all available generation, postponing equipment maintenance, scheduling interchange purchases in advance, and being prepared to reduce firm load. If the Balancing Authority is deficient it will only use the assistance provided by the Interconnection's frequency bias for the time needed to implement corrective actions.

The Balancing Authority will not unilaterally adjust generation in an attempt to return Interconnection frequency to normal beyond that supplied through frequency bias action and Interchange Schedule changes. Such unilateral adjustment may overload transmission facilities. If the Balancing Authority cannot comply with the Control Performance and Disturbance Control Standards, then it will immediately implement remedies to do so.

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EAST KENTUCKY POWER COOPERATIVE, INC.

A Reliability Coordinator that has any Balancing Authority within its Reliability Coordinator Area experiencing a potential or actual Energy Emergency will initiate an Energy Emergency Alert as detailed in EOP-002-0 "Energy Emergency Alert Levels." The Reliability Coordinator will act to mitigate the emergency condition, including a request for emergency assistance if required.

Measures

The Transmission Operator (and Balancing Authority) has emergency plans and self-assessments available for review by the Regional Reliability Organization. The Regional Reliability Organization reviews and evaluates emergency plans every three years to ensure that the plans are complete and may elect to request self-certification of the Transmission Operator and Balancing Authority in years that the full review is not done.

Each Reliability Coordinator and Balancing Authority has and provides upon request evidence that includes job descriptions, signed agreements, authority letter signed by an appropriate officer of the company, or other equivalent evidence that confirms that it meets NERC requirements.

If the Reliability Coordinator or Balancing Authority implements its Capacity and Energy Emergency plan, that entity has and provides upon request evidence that includes operator logs, voice recordings or transcripts of voice recordings, electronic communications, computer printouts or other equivalent evidence that will be used to determine if the actions it took to relieve emergency conditions were in conformance with its Capacity and Energy Emergency Plan.

Insufficient Generating Capacity

The steps for mitigation of operating emergencies for insufficient generating capacity are:

1. Load all available generating capacity
2. Deploy all available operating reserve
3. Interrupt interruptible load and exports
4. Request emergency assistance from other Balancing Authorities
5. Declare an Energy Emergency through the Reliability Coordinator
6. Reduce load through procedures such as public appeals, voltage reductions, or curtailment of interruptible loads and firm loads

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Once the Balancing Authority has exhausted these steps or if these steps cannot be completed in sufficient time to resolve the emergency condition, the Balancing Authority shall:

1. Manually shed firm load without delay to return its ACE to zero
2. Request the Reliability Coordinator to declare an Energy Emergency Alert

All Emergency Electric Procedures consider:

1. Communication protocol
2. Controlling actions
3. Coordination with adjacent Transmission Operators and Balancing Authorities
4. Staffing levels

Elements addressed in Insufficient Generating Capacity Emergency Electric Procedures are:

1. Fuel supply and inventory - recognition of reasonable delays or problems in the delivery or production of fuel
2. Fuel switching - for units for which fuel supply shortages may occur
3. Environmental constraints - seek removal of environmental constraints for generating units
4. System energy use - reduction of the system's own energy use
5. Public appeals - through all media for voluntary load reductions and energy conservation
6. Load management - implementation of load management and voltage reductions
7. Optimize fuel supply - operation of generating sources to optimize the availability
8. Appeals to customers to use alternate fuels - appeals to large industrial and commercial customers to reduce non-essential energy use and maximize the use of customer-owned generation that rely on fuels other than the one in short supply
9. Interruptible loads - interrupt customer load to reduce capacity requirements or to conserve the fuel in short supply
10. Maximizing generator output and availability - operation of all generating sources to maximize output and availability
11. Notification of IPPs - cogeneration and other power producers, to maximize output and availability
12. Requests of government - to implement programs to achieve energy reductions
13. Load curtailment - mandatory load curtailment plan to use as a last resort
14. Notification of government agencies - as the various steps of the emergency plan are implemented

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15. Notifications to operating entities - as steps in emergency plan are implemented

Transmission System Operating Emergencies

The Transmission Operator (and Balancing Authority) develops, maintains, and implements a set of plans to mitigate operating emergencies. These plans are coordinated with other Transmission Operators, Balancing Authorities, and the Reliability Coordinator. Balancing Authorities have operating agreements with adjacent and remote Balancing Authorities that contain provisions for emergency assistance.

The Transmission Operator has an emergency load reduction plan for all identified Interconnection Reliability Operating Limits (IROLs). The plan includes the details on how the Transmission Operator will implement load reduction in sufficient amount and time to mitigate the IROL violation before system separation or collapse occurs. The Transmission Operator and Balancing Authority emergency plans include:

1. Communications protocols to be used during emergencies
2. A list of controlling actions to resolve the emergency
3. Load reduction, in sufficient quantity and within established timelines
4. Tasks to be coordinated with and among adjacent Transmission Operators and Balancing Authorities
5. Staffing levels for the emergency

The Transmission Operator (and Balancing Authority) annually reviews and updates each emergency plan and provides a copy of its updated emergency plans to the Reliability Coordinator and to neighboring Transmission Operators and Balancing Authorities.

The Transmission Operator (and Balancing Authority) coordinates its emergency plans with other Transmission Operators and Balancing Authorities as appropriate. This coordination includes the following steps:

1. Establish and maintain reliable communications between interconnected systems
2. Arrange new interchange agreements to provide for emergency capacity or energy transfers if existing agreements cannot be used
3. Coordinate transmission and generator maintenance schedules to maximize capacity or conserve the fuel in short supply
4. Arrange deliveries of electrical energy or fuel from remote systems through normal operating channels

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Load shedding

After taking all other remedial steps, the Transmission Operator and Balancing Authority, operating with insufficient generation or transmission capacity, will shed customer load rather than risk an uncontrolled failure of components or cascading outages of the Interconnection. Coordination of load shedding would take place between the Transmission Operator (and Balancing Authority) and other interconnected Transmission Operators and Balancing Authorities. Implementation of manual load shedding takes into consideration frequency, rate of frequency decay, voltage level, rate of voltage decay, and power flow levels. The Transmission Operator (and Balancing Authority) would implement load shedding in steps established to minimize the risk of further uncontrolled separation, loss of generation, or system shutdown.

After the Transmission Operator (and Balancing Authority) separates from the Interconnection, if there is insufficient generating capacity to restore system frequency following automatic underfrequency load shedding, the Transmission Operator (and Balancing Authority) would shed additional load. The Transmission Operator (and Balancing Authority) coordinates automatic load shedding throughout its area with underfrequency isolation of generating units, tripping of shunt capacitors, and other automatic actions that occur under abnormal frequency, voltage, or power flow conditions. Each Transmission Operator and/or Balancing Authority has plans for operator-controlled manual load shedding to respond to real-time emergencies.

System restoration

The Transmission Operator has a restoration plan to reestablish its electric system in a stable and orderly manner in the event of a partial or total shutdown of its system including necessary operating instructions and procedures to cover emergency conditions and the loss of vital telecommunications channels.

The Transmission Operator reviews and updates its restoration plan annually and whenever it makes changes in the power system network, and corrects deficiencies found during the simulated restoration exercises. The Transmission Operator coordinates its restoration plans with the Generator Owners and Balancing Authorities within its area, its Reliability Coordinator, and neighboring Transmission Operators and Balancing Authorities.

The Transmission Operator (and Balancing Authority) periodically tests its telecommunication facilities needed to implement the restoration plan and trains its

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EAST KENTUCKY POWER COOPERATIVE, INC.

operating personnel in the implementation of the restoration plan. This training includes simulated exercises and verification of the restoration procedure by actual testing and simulation.

During system restoration, affected Transmission Operators and Balancing Authorities work in conjunction with their Reliability Coordinator(s) to determine the extent and condition of the isolated area(s). The affected Transmission Operators and Balancing Authorities take the necessary actions to restore Bulk Electric System frequency to normal, including adjusting generation, placing additional generators on line, or load shedding.

The affected Balancing Authorities, working with their Reliability Coordinator(s), immediately review the Interchange Schedules between those Balancing Authority Areas or fragments of those Balancing Authority Areas within the separated area and make adjustments as needed to facilitate the restoration. The affected Balancing Authorities make all attempts to maintain the adjusted Interchange Schedules, whether generation control is manual or automatic. The affected Transmission Operators may resynchronize the isolated area(s) with the surrounding area(s) when the following conditions are met:

1. Voltage, frequency, and phase angle permit
2. The size of the area being reconnected and the capacity of the transmission lines effecting the reconnection and the number of synchronizing points across the system are considered adequate
3. Reliability Coordinator(s) and adjacent areas are notified and Reliability Coordinator approval is given
4. If required, load is shed in neighboring areas to permit successful interconnected system restoration

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Special Contracts

Summary of Present and Proposed Charges Under Electric Special Contracts

Large Special Contract	Demand Charge:		
	Firm Demand	\$6.06	<i>\$6.68 per kW per month</i>
	10-Min Interruptible Demand	\$2.46	<i>\$2.71 per kW per month</i>
	90-Min Interruptible Demand	\$3.36	<i>\$3.71 per kW per month</i>
	Energy Charge		
	On-Peak	\$0.033780	<i>\$0.037259 per kWh</i>
Off-Peak	\$0.030780	<i>\$0.033950 per kWh</i>	
Special Contract - Pumping Stations	Demand Charge		
	Per kW	\$1.75	\$1.75
	Energy Charge		
	Off-Peak (May-Dec)	\$0.004440	\$0.004440 per kWh
Off-Peak (Jan-Apr)	\$0.004460	\$0.004460 per kWh	
Steam Service	Demand Charge		
	Per MMBTU	\$500.49	\$552.04
	Energy Charge		
	Per MMBTU	\$3.577	\$3.945

**QUALIFIED COGENERATION AND
SMALL POWER PRODUCTION FACILITIES
TARIFF**

East Kentucky Power Cooperative, Inc., is not proposing any changes to the Cogeneration tariff. Enclosed is a copy of the tariff for informational purposes.

P.S.C. KY NO. 6

CANCELS P.S.C. KY NO. 5

EAST KENTUCKY POWER COOPERATIVE, INC.

OF

WINCHESTER, KENTUCKY

RATES, RULES, AND REGULATIONS FOR PURCHASING

ELECTRIC POWER AND ENERGY

AT

VARIOUS LOCATIONS THROUGHOUT KENTUCKY

FROM

QUALIFIED COGENERATION AND

SMALL POWER PRODUCTION FACILITIES

FILED WITH THE PUBLIC SERVICE COMMISSION
OF KENTUCKY

ISSUED March 31, 2008

EFFECTIVE June 1, 2008

ISSUED BY EAST KENTUCKY POWER COOPERATIVE, INC.

BY _____

Robert M. Marshall
President and Chief Executive Officer

EAST KENTUCKY POWER COOPERATIVE, INC.

COGENERATION AND SMALL POWER PRODUCTION
POWER PURCHASE RATE SCHEDULE OVER 100 kW

AVAILABILITY

Available only to qualified cogeneration or small power production facilities with a design capacity of over 100 kW which have executed a contract with East Kentucky Power Cooperative and one of EKPC's member distribution systems for the purchase of electric power by East Kentucky Power Cooperative.

RATES

The rates set forth below shall be used as the basis for negotiating a final purchase rate with qualifying facilities pursuant to Section 7 of 807 KAR 5:054.

1. Capacity

- a. \$40.40 per kW per year is applicable if cogenerator or small power producer is dispatched by East Kentucky Power Cooperative.
- b. \$0.00614 per kWh is applicable if cogenerator or small power producer is not dispatched by East Kentucky Power Cooperative.

2. Energy – A base payment per kWh is listed below for a time-differentiated basis or a non-time differentiated basis for the specified years.

a. Time Differentiated Rates:

Year	Winter		Summer	
	On-Peak	Off-Peak	On-Peak	Off-Peak
2008	\$0.06032	\$0.04293	\$0.06637	\$0.03199
2009	\$0.05722	\$0.03881	\$0.05447	\$0.02094
2010	\$0.05647	\$0.03461	\$0.05069	\$0.02203
2011	\$0.06015	\$0.03899	\$0.06448	\$0.03069
2012	\$0.05875	\$0.03817	\$0.05737	\$0.02486

b. Non-Time Differentiated Rates:

Year	2008	2009	2010	2011	2012
Rate	\$0.05120	\$0.04428	\$0.04219	\$0.04933	\$0.04596

DATE OF ISSUE March 31, 2008

DATE EFFECTIVE June 1, 2008

ISSUED BY _____ TITLE President & Chief Executive Officer

Issued by authority of an Order of the Public Service Commission of Kentucky in
Case No. 2008-00128 Dated August 20, 2008

EAST KENTUCKY POWER COOPERATIVE, INC.

The on-peak and off-peak energy rates are applicable during the hours listed below for each season:

Winter (October - April)

On-Peak 7:00 a.m. - 12:00 noon
5:00 p.m. - 10:00 p.m.

Off-Peak 12:00 noon - 5:00 p.m.
10:00 p.m. - 7:00 a.m.

Summer (May - September)

On-Peak 10:00 a.m. - 10:00 p.m.

Off-Peak 10:00 p.m. - 10:00 a.m.

TERMS AND CONDITIONS

1. All power from a Qualifying Facility (QF) will be sold only to East Kentucky Power Cooperative.
2. Seller must provide good quality electric power within a reasonable range of voltage, frequency, flicker, harmonic currents, and power factor.
3. Qualifying Facility (QF) shall provide reasonable protection for EKPC and the member cooperative's system.
4. Qualifying Facility (QF) shall design, construct, install, own, operate, and maintain the Qualifying Facility in accordance with all applicable codes, laws, regulations, and generally accepted utility practices.
5. Qualifying Facility shall reimburse EKPC and its member cooperative for all costs incurred as a result of interconnecting with the QF, including operation, maintenance, administration, and billing.

DATE OF ISSUE March 31, 2008

DATE EFFECTIVE June 1, 2008

ISSUED BY _____ TITLE President & Chief Executive Officer

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EAST KENTUCKY POWER COOPERATIVE, INC.

6. Qualifying Facility shall obtain insurance in the following minimum amounts for each occurrence:
 - a. Public Liability for Bodily Injury - \$1,000,000.00
 - b. Property Damage - \$500,000.00
7. Initial contract term shall be for a minimum of five years.
8. Qualifying Facilities proposing to supply as available (non-firm) electric power shall not be entitled to a capacity payment.
9. Qualifying cogeneration and small power production facilities must meet the definition set forth in 807 KAR 5:054 to be eligible for this tariff.
10. Updated rates will be filed with the Public Service Commission of Kentucky by March 31 of each year.

DATE OF ISSUE March 31, 2008

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ISSUED BY _____ TITLE President & Chief Executive Officer

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EAST KENTUCKY POWER COOPERATIVE, INC.

COGENERATION AND SMALL POWER PRODUCTION
POWER PURCHASE RATE SCHEDULE
LESS THAN 100 kW

AVAILABILITY

Available only to qualified cogeneration or small power production facilities with a design capacity of less than 100 kW which have executed a contract with East Kentucky Power Cooperative and one of EKPC's member distribution systems for the purchase of electric power by East Kentucky Power Cooperative.

RATES

1. Capacity

- a. \$40.40 per kW per year is applicable if cogenerator or small power producer is dispatched by East Kentucky Power Cooperative.
- b. \$0.00614 per kWh is applicable if cogenerator or small power producer is not dispatched by East Kentucky Power Cooperative.

2. Energy – A base payment per kWh is listed below for a time-differentiated basis or a non-time differentiated basis for the specified years.

a. Time Differentiated Rates:

Year	<u>Winter</u>		<u>Summer</u>	
	On-Peak	Off-Peak	On-Peak	Off-Peak
2008	\$0.06032	\$0.04293	\$0.06637	\$0.03199
2009	\$0.05722	\$0.03881	\$0.05447	\$0.02094
2010	\$0.05647	\$0.03461	\$0.05069	\$0.02203
2011	\$0.06015	\$0.03899	\$0.06448	\$0.03069
2012	\$0.05875	\$0.03817	\$0.05737	\$0.02486

b. Non-Time Differentiated Rates:

Year	2008	2009	2010	2011	2012
Rate	\$0.05120	\$0.04428	\$0.04219	\$0.04933	\$0.04596

DATE OF ISSUE March 31, 2008

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ISSUED BY _____ TITLE President & Chief Executive Officer

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EAST KENTUCKY POWER COOPERATIVE, INC.

The on-peak and off-peak energy rates are applicable during the hours listed below for each season:

Winter (October - April)

On-Peak 7:00 a.m. - 12:00 noon
5:00 p.m. - 10:00 p.m.

Off-Peak 12:00 noon - 5:00 p.m.
10:00 p.m. - 7:00 a.m.

Summer (May - September)

On-Peak 10:00 a.m. - 10:00 p.m.

Off-Peak 10:00 p.m. - 10:00 a.m.

TERMS AND CONDITIONS

1. All power from a Qualifying Facility (QF) will be sold only to East Kentucky Power Cooperative.
2. Seller must provide good quality electric power within a reasonable range of voltage, frequency, flicker, harmonic currents, and power factor.
3. Qualifying Facility (QF) shall provide reasonable protection for EKPC and the member cooperative's system.
4. Qualifying Facility (QF) shall design, construct, install, own, operate, and maintain the Qualifying Facility in accordance with all applicable codes, laws, regulations, and generally accepted utility practices.
5. Qualifying Facility shall reimburse EKPC and its member cooperative for all costs incurred as a result of interconnecting with the QF, including operation, maintenance, administration, and billing.

DATE OF ISSUE March 31, 2008

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ISSUED BY _____

TITLE President & Chief Executive Officer

EAST KENTUCKY POWER COOPERATIVE, INC.

6. Qualifying Facility shall obtain insurance in the following minimum amounts for each occurrence:
 - a. Public Liability for Bodily Injury - \$1,000,000.00
 - b. Property Damage - \$500,000.00
7. Initial contract term shall be for a minimum of five years.
8. Qualifying Facilities proposing to supply as available (non-firm) electric power shall not be entitled to a capacity payment.
9. Qualifying cogeneration and small power production facilities must meet the definition set forth in 807 KAR 5:054 to be eligible for this tariff.
10. Updated rates will be filed with the Public Service Commission of Kentucky by March 31 of each year.

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PHASE II

**PRESENT TARIFFS WITH PROPOSED
CHANGES**

P.S.C. KY NO. 32

CANCELS P.S.C. KY NO. 31

EAST KENTUCKY POWER COOPERATIVE, INC.

OF

WINCHESTER, KENTUCKY

RATES, RULES, AND REGULATIONS FOR FURNISHING

WHOLESALE POWER SERVICE

AT

VARIOUS LOCATIONS TO

RURAL ELECTRIC COOPERATIVE MEMBERS

THROUGHOUT KENTUCKY

FILED WITH THE PUBLIC SERVICE COMMISSION
OF KENTUCKY

ISSUED DECEMBER 20, 2007

EFFECTIVE FOR SERVICE RENDERED
ON AND AFTER DECEMBER 5, 2007

ISSUED BY EAST KENTUCKY POWER COOPERATIVE, INC.

BY _____

Robert M. Marshall
President and Chief Executive Officer

EAST KENTUCKY POWER COOPERATIVE, INC.

Wholesale Power Rate Schedule

Applicability

Applicable to all sections of this rate schedule and this rate schedule shall apply to each East Kentucky Power Cooperative, Inc. (hereinafter referred to as "EKPC" or the "Cooperative") load center separately.

Load Center Charges - Monthly

A. Metering Point Charge

- 1. Applicable to each metering point and to each substation
- 2. Charge: ~~\$125.00~~ \$230

B. Substation Charge

- 1. Applicable to each substation based on its size:
- 2. Charges:

1,000—2,999 kVa substation \$ 944.00	<i>1,000-4,999 kVa substation</i> \$ 1,168.00
3,000—7,499 kVa substation \$2,373.00	<i>5,000-9,999 kVa substation</i> \$ 3,087.00
7,500—14,999 kVa substation \$2,855.00	<i>10,000-14,999 kVa substation</i> \$ 4,265.00
15,000 and over kVa substation \$4,605.00	<i>15,000-29,999 kVa substation</i> \$ 9,220.00
	<i>30,000-50,999</i> \$14,488.00
	<i>>51,000 kVa substation</i> \$16,155.00

Minimum Monthly Charge

The minimum monthly charge shall be equal to the Load Center Charges plus the minimum monthly charges for Section B and Section C. Load Center Charges cover metering point and substation charge.

DATE OF ISSUE December 20, 2007 DATE EFFECTIVE: Service rendered on and after December 5, 2007

ISSUED BY _____ TITLE President & Chief Executive Officer

EAST KENTUCKY POWER COOPERATIVE, INC.

Fuel Adjustment

1. The fuel clause shall provide for periodic adjustment per kWh of sales when the unit cost of fuel [F(m) / S(m)] is above or below the base unit cost of \$0.02638 per kWh [F(b) / S(b)]. The current monthly charges shall be increased or decreased by the product of the kWh furnished during the current month and the fuel adjustment rate for the preceding month where the fuel adjustment rate is defined below:

$$\text{Fuel Adjustment Rate} = \frac{F(m)}{S(m)} - \frac{F(b)}{S(b)}$$

Where F is the expense of fossil fuel in the base (b) and current (m) periods; and S is sales in the base (b) and current (m) periods, all defined below:

2. Fuel cost (F) shall be the most recent actual monthly cost of:
 - (a) Fossil fuel consumed in the utility's own plants, and the utility's share of fossil and nuclear fuel consumed in jointly owned or leased plants, plus the cost of fuel which would have been used in plants suffering forced generation and/or transmission outages, but less the cost of fuel related to substitute generation, plus
 - (b) The actual identifiable fossil and nuclear fuel costs associated with energy purchased for reasons other than identified in paragraph (c) below, but excluding the cost of fuel related to purchases to substitute the forced outages, plus
 - (c) The net energy cost of energy purchases, exclusive of capacity or demand charges (irrespective of the designation assigned to such transaction) when such energy is purchased on an economic dispatch basis. Included therein may be such costs as the charges for economy energy purchases and the charges as a result of scheduled outages, also such kinds of energy being purchased by the buyer to substitute for its own higher cost energy; and less

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EAST KENTUCKY POWER COOPERATIVE, INC.

Fuel Adjustment (con't.)

- (d) The cost of fossil fuel recovered through inter-system sales including the fuel costs related to economy energy sales and other energy sold on an economic dispatch basis.
- (e) All fuel costs shall be based on weighted average inventory costing.
- 3. Forced outages are all non-scheduled losses of generation or transmission which require (purchase of) substitute power for a continuous period in excess of six (6) hours. Where forced outages are not as a result of faulty equipment, faulty manufacture, faulty design, faulty installations, faulty operation, or faulty maintenance, but are Acts of God, riot, insurrection or acts of public enemy, the utility may, upon proper showing, with the approval of the Commission, include the fuel cost of substitute energy in the adjustment.
- 4. Sales (S) shall be kWh sold, excluding inter-system sales. Where for any reason, billed system sales cannot be coordinated with fuel costs for the billing period, sales may be equated to the sum of (i) generation, (ii) purchases, (iii) interchange in, less (iv) energy associated with pumped storage operations, less (v) inter-system sales referred to in subsection (2)(d) above, less (vi) total system losses. Utility-used energy shall not be excluded in the determination of sales (S).
- 5. The cost of fossil fuel shall include no items other than the invoice price of fuel less any cash or other discounts. The invoice price of fuel includes the cost of the fuel itself and necessary charges for transportation of the fuel from the point of acquisition to the unloading point, as listed in Account 151 of the FERC Uniform System of Accounts for Public Utilities and Licenses.

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EAST KENTUCKY POWER COOPERATIVE, INC.

Power Factor Adjustment

The member cooperative agrees to maintain a unity power factor as nearly as practicable at each load center at the time of the monthly peak demand for the load center. When the power factor is determined to be less than 90%, the monthly billing demand at the load center will be adjusted by multiplying the actual monthly billing demand by 90% and dividing this product by the actual power factor at the time of the monthly peak demand for the load center. For new load centers, the power factor penalty will not be applicable for the month of energization or the succeeding six (6) months. The demand rate applicable for power factor penalty billing is the lowest firm demand rate in Section A, B, C, E, or G.

Energy Curtailment and Outage Restoration Priorities

These tariffs are subject to the Energy Curtailment and Outage Restoration Priorities provisions of Administrative Case No. 353 of the Kentucky Public Service Commission. East Kentucky Power Cooperative's energy curtailment and restoration procedures are contained in Appendix I to these tariffs title Emergency Electric Procedures, East Kentucky Power Cooperative, Inc.: prepared April 1, 1994; revised February 17, 1995.

East Kentucky Power Cooperative will adhere to the curtailment of service requirements as set forth below and contained in Kentucky Revised Statutes (KRS) Section 278.214.

Curtailment of service by utility or generation and transmission cooperative. When a utility or generation and transmission cooperative engaged in the transmission of electricity experiences on its transmission facilities an emergency or other event that necessitates a curtailment or interruption of service, the utility or generation and transmission cooperative shall not curtail or interrupt retail electric service within its certified territory, or curtail or interrupt wholesale electric energy furnished to a member distribution cooperative for retail electric service within the cooperative's certified territory, except for customers who have agreed to receive interruptible service, until after service has been interrupted to all other customers whose interruption may relieve the emergency or other event.

DATE OF ISSUE December 20, 2007 DATE EFFECTIVE: Service rendered on and after December 5, 2007

ISSUED BY _____ TITLE President & Chief Executive Officer

Issued by authority of an Order of the Public Service Commission of Kentucky in
Case No. 2007-00472 Dated December 5, 2007

For All Counties Served
P.S.C. No. 32
Original Sheet No. 5
Canceling P.S.C. No. 31
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EAST KENTUCKY POWER COOPERATIVE, INC.

Section A

Availability

Available to all cooperative associations which are or shall be members of EKPC. The electric power and energy furnished hereunder shall be separately metered for each point of delivery.

Applicability

Applicable to all power usage at the load center not subject to the provisions of Sections B, C, and E of this tariff.

Monthly Rate - Per Load Center

Demand Charge per kW of billing demand	\$8.65	\$12.35
Energy Charge per kWh	\$0.033455	\$0.032140

Billing Demand

The billing demand (kilowatt demand) is based on EKPC's system peak demand (coincident peak) which 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.
May through September	10:00 a.m. to 10:00 p.m.

Billing demand applicable to this section is equal to the load center's contribution to EKPC's system peak demand minus the actual demands of Section B, Section C, and Section E participants coincident with EKPC's system peak demand.

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EAST KENTUCKY POWER COOPERATIVE, INC.

Section A (con't.)

Billing Energy

Billing energy applicable to this section is equal to the total energy provided at the load center minus the actual energy provided to Section B, Section C, and Section E participants.

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EAST KENTUCKY POWER COOPERATIVE, INC.

Section B

Availability

Available to all cooperative associations which are or shall be members of EKPC and which execute EKPC approved contracts with the ultimate consumers. The electric power and energy furnished hereunder shall be separately metered for each point of delivery.

Applicability

Applicable to cooperative associations and ultimate consumers willing to contract for demands of 500 kW or greater and a monthly minimum energy usage equal to or greater than 400 hours per kW of contract demand. Wholesale monthly minimum demand shall be agreed between the cooperative association and EKPC.

Monthly Rate

Demand Charge per kW of Minimum Demand	\$6.22	\$9.92
Demand Charge per kW of Billing Demand in Excess of Minimum Demand	\$8.65	\$12.35
Energy Charge per kWh	\$0.033455	\$0.032140

Billing Demand

The billing demand (kilowatt demand) shall be the minimum demand plus any excess demand. Excess demand occurs when the ultimate consumer's highest demand during the current month, coincident with EKPC's system peak (coincident peak), exceeds the minimum demand. EKPC's system 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.
May through September	10:00 a.m. to 10:00 p.m.

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EAST KENTUCKY POWER COOPERATIVE, INC.

Section B (con't.)

Minimum Monthly Charge

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

- (a) The product of the minimum demand multiplied by the demand charge, plus
- (b) The product of the minimum demand multiplied by 400 hours and the energy charge per kWh minus the fuel base per kWh.

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EAST KENTUCKY POWER COOPERATIVE, INC.

Section C

Availability

Available to all cooperative associations which are or shall be members of EKPC and which execute EKPC approved contracts with the ultimate consumers. The electric power and energy furnished hereunder shall be separately metered for each point of delivery.

Applicability

Applicable to cooperative associations and ultimate consumers willing to contract for demand of 500 kW or greater and a monthly energy usage equal to or greater than 400 hours per kW of billing demand.

Monthly Rate

Demand Charge per kW of Billing Demand	\$6.22	\$9.92
Energy Charge per kWh	\$0.033455	\$0.032140

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EAST KENTUCKY POWER COOPERATIVE, INC.

Section C (con't.)

Billing Demand

The kilowatt demand shall be the greater of (a) or (b) listed below:

- (a) The contract demand
- (b) The ultimate consumer's highest demand during the current month or preceding eleven months coincident with EKPC's system peak demand. EKPC's system 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.
May through September	10:00 a.m. to 10:00 p.m.

Minimum Monthly Charge

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

- (a) The product of the billing demand multiplied by the demand charge, plus
- (b) The product of the billing demand multiplied by 400 hours and the energy charge per kWh minus the fuel base per kWh.

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EAST KENTUCKY POWER COOPERATIVE, INC.

Section D
Interruptible Service

Standard Rider

This Interruptible Rate is a rider to Rate Sections A, B, C, and E.

Applicable

In all territory served by EKPC.

Availability of Service

This schedule shall be made available at any load center, to any member cooperative where an ultimate "Customer" will contract for an interruptible demand of not less than 250 kW and not more than 20,000 kW, subject to a maximum number of hours of interruption per year and a notice period as listed below.

Monthly Rate

A monthly demand credit per kW is based on the following matrix:

T

<u>Notice Minutes</u>	<u>Annual Hours of Interruption</u>					
	<u>200</u>		<u>300</u>		<u>400</u>	
10	\$2.70	\$4.00	\$3.15	\$4.65	\$3.60	\$5.30
60	\$2.25	\$3.30	\$2.70	\$4.00	\$3.15	\$4.65

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EAST KENTUCKY POWER COOPERATIVE, INC.

Section D (con't.)

Determination of Measured Load - Billing Demand

The billing demand (kilowatt demand) is based on EKPC's system peak demand (coincident peak) which 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.
May through September	10:00 a.m. to 10:00 p.m.

The interruptible billing demand shall be equal to the amount by which the monthly billing demand exceeds the minimum billing demand as specified in the contract.

Conditions of Service for Customer Contract

1. The customer will, upon notification by the Cooperative, reduce his load being supplied by the Cooperative to the contract capacity level specified by the contract.
2. The Cooperative will endeavor to provide the Customer as much advance notice as possible of the interruption of service. However, the Customer shall interrupt service within the notice period as contracted.
3. Service will be furnished under the Cooperatives "General Rules and Regulations" or "Terms and Conditions" except as set out herein and/or provisions agreed to by written contract.
4. No responsibility of any kind shall attach to the Cooperative for, or on account of, any loss or damage caused by, or resulting from, any interruption or curtailment of this service.

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Section D (con't.)

5. The Customer shall own, operate, and maintain all necessary equipment for receiving electric energy and all telemetering and communications equipment, within the Customer's premises, required for interruptible service.
6. The minimum original contract period shall be one year and thereafter until terminated by giving at least six months previous written notice. The Cooperative may require a contract be executed for a longer initial term when deemed necessary by the size of the load and other conditions.
7. The Fuel Adjustment Clause, as specified in the General Wholesale Power Rate Schedule, is applicable.

Calculation of Monthly Bill

The monthly bill is calculated on the following basis:

- A. Sum of metering point charge and substation charge, plus
- B. Minimum billing demand in kW multiplied by the firm capacity rate, plus
- C. Interruptible billing demand in kW multiplied by interruptible rate, plus
- D. Energy usage in kWh multiplied by the energy rate.

Number and Duration of Interruptions

- A. Winter Season: There shall be no more than two (2) interruptions during any 24 hour calendar day. No interruption shall last more than six hours.
- B. Summer Season: There shall be no more than one (1) interruption during any 24 hour calendar day. No interruption shall last more than twelve hours.
- C. The maximum number of annual hours of interruption shall be in accordance with the customer contracted level of interruptible service.

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EAST KENTUCKY POWER COOPERATIVE, INC.

Section D (con't.)

Charge for Failure to Interrupt

If Customer fails to interrupt load as requested by the Cooperative, the Cooperative shall bill the uninterrupted load at a rate equal to five (5) times the applicable firm power demand charge for that billing month. Uninterrupted load is equal to actual load during requested interruption minus firm load.

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EAST KENTUCKY POWER COOPERATIVE, INC.

Section E

Availability

Available to all cooperative associations which are or shall be members of EKPC. The electric power and energy furnished hereunder shall be separately metered for each point of delivery.

Applicability

Applicable to all power usage at the load center not subject to the provisions of Section A, Section B, or Section C of this tariff.

Monthly Rate - Per Load Center

A cooperative association may select either Option 1 or Option 2 of this section of the tariff to apply to all load centers. The cooperative association must remain on a selected option for at least one (1) year and may change options, no more often than every twelve (12) months, after giving a minimum notice of two (2) months.

	<u>Option 1</u>		<u>Option 2</u>	
Demand Charge per kW of Billing Demand	\$6.92	\$10.10	\$5.22	\$10.10
Energy Charge per kWh				
On-Peak kWh	\$0.035406	\$0.032382	\$0.042470	\$0.032382
Off-Peak kWh	\$0.034904	\$0.031880	\$0.034904	\$0.031880

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Section E (con't.)

On-peak and off-peak hours are provided below:

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

Billing Demand

The billing demand (kilowatt demand) is based on EKPC's system peak demand (coincident peak) which 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.
May through September	10:00 a.m. to 10:00 p.m.

Billing demand applicable to this section is equal to the load center's contribution to EKPC's system peak demand minus the actual demands of Section A, Section B, and Section C participants coincident with EKPC's system peak demand.

Billing Energy

Billing energy applicable to this section is equal to the total energy provided at the load center minus the actual energy provided to Section A, Section B, and Section C participants.

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Section F

Voluntary Interruptible Service

Standard Rider

This Voluntary Interruptible Service is a rider to Rate Sections A, B, C, E, G and special contracts.

Applicable

In all territory served by EKPC.

No interruptible demand which is already under contract under any other Interruptible Rider is eligible for this service.

Availability of Service

This schedule shall be made available at any load center, to any member cooperative where an ultimate "Customer" is capable of interrupting at least 1,000 kW upon request and has contracted with the Member System to do so under a retail contract rider.

Conditions of Service

1. Any request for interruption under this Rider shall be made by EKPC through its Member Cooperative.
2. Each interruption will be strictly voluntary. The Member Cooperative may accept or decline the terms of the interruption offered by EKPC.
3. No responsibility of any kind shall attach to EKPC for, or on account of, any loss or damage caused by, or resulting from, any interruption or curtailment of this service.
4. The Customer shall agree by contract to own, operate, and maintain all necessary equipment for receiving electric energy and all telemetering and communications equipment, within the Customer's premises, required for interruptible service.
5. It is the Member Cooperative's responsibility to notify the Customer and execute an

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interruption request from EKPC. Therefore, EKPC and the Member Cooperative shall mutually agree upon the manner by which EKPC shall notify the Customer of a request for interruption. Such an agreement shall include the means by which EKPC shall communicate the interruption request (e.g. email, phone, pager, etc.) and the Customer's point of contact to receive such a request.

6. EKPC will attempt to provide as much advance notice as possible for requests for interruption. However, upon the Customer's acceptance of the Terms of Interruption the Customer's load shall be interrupted with as little as one (1) hour of advance notification.
7. EKPC reserves the right to require verification of a Customer's ability to interrupt its load.
8. The Member Cooperative is not eligible for the Interruption Credits for any interruption when the Customer's interruptible load is down for other reasons during the period of the requested interruption. Such down time would include any event outside of the Customer's normal operating circumstances such as planned or unplanned outages due to renovation, repair, vacation, refurbishment, renovation, strike, or force majeure.

Interruptible Customer Data Report

The Member Cooperative shall furnish to EKPC an Interruptible Customer Data Report for each of its eligible Customers. Such a report shall include such information as:

1. The maximum number of hours per day and the time of day that the Customer has the ability to interrupt.
2. The maximum number of days and the maximum number of consecutive days that the Customer has the ability to interrupt.
3. The maximum interruptible demand and the minimum interruptible demand by the Customer upon request.
4. The minimum price at which each Customer is willing to interrupt.

Demand and Energy Interruption

The Customer will agree by contract, within an agreed time after receiving notice, to comply to the extent possible with EKPC's request to interrupt load. EKPC is the sole judge of the need for

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interruption of load. EKPC is the sole judge of the amount of interruptible demand provided by the Customer, based on the following calculation:

The average of the integrated fifteen-minute demand for the two hours prior to the hour immediately preceding the call for interruption will be used as the basis for establishing the existing demand level. The hourly interruptible demands for each customer will be the difference between the existing demand level and the actual demand measured during each hour of the interruption period. The interrupted energy of each interruption period shall be the sum of the hourly interrupted demands. These types of interruptions will cover a period of no more than six hours.

For interruptions longer than six hours in duration, the Customer's average load usage for the same hours as the interruption hours in the two preceding business days prior to the day of notice will be used as the basis for determining the demand level for interruption. The average hourly usage for these business days, based on the average integrated fifteen minute demand intervals, minus the actual load during the interruption period will equal the amount of interruptible load. The interrupted energy of each interruption period shall be the sum of the hourly interrupted demands.

Terms of Interruption

For each interruption request, EKPC shall identify the Customer to be interrupted. EKPC shall inform the Member Cooperative or each Customer of an interruption request in accordance with the agreed upon method of notification. The Terms of Interruption shall include the following:

1. The time at which each interruption shall begin is to be established by EKPC. At least one (1) hour of advance notice of each request for interruption shall be provided by EKPC.
2. The duration in clock hours of the interruption request is to be established by EKPC.
3. The current price and the potential savings. This price will be determined by EKPC on a case by case basis and will be based on a percentage of the market price of power at the time of interruption.
4. The Member Cooperative shall specify or arrange for the Customer to specify:
 - a. The maximum demand in kW that will be interrupted.

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- b. The maximum firm demand that the Customer will purchase through the Member Cooperative during the interruption.

Interruption Credits

The interruption credit for each interruption period shall be equal to the interrupted energy MWh times an amount equal to 110% by which the quoted price for each interruption exceeds the Customer's regular tariff rate. The sum of the interruption credits for the billing month will be allocated as follows:

1. The Member Cooperative's account with EKPC will be credited in the amount of 10% of the credit to the Customer.
2. The interruption credit to the Customer shall be equal to the product of the interrupted energy multiplied by the interruption price for each interruption. This amount will be credited to the Member Cooperative's account with EKPC and passed along to the Customer.

Failure to Interrupt

For those Customers failing to interrupt a minimum of 80% of their agreed amount of interruptible load of 5,000 kW or greater, an excess energy charge will be applicable. This excess energy is equal to the difference of 80% of the interruptible load minus the interrupted load. Excess energy shall be charged to the Customer at a price equal to 125% of the interruption price plus the standard rate applicable to this load.

Term

The minimum original contract period shall be one (1) year and shall remain in effect thereafter until either party provides to the other at least thirty (30) days previous written notice.

Interruption Implementation Procedure

Voluntary interruptions will be implemented based on data developed from the Interruptible Customer Data Report. EKPC personnel will match the interruption scenario with the interruptible customers' profiles to determine interruption priority and sequence.

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EAST KENTUCKY POWER COOPERATIVE, INC.

Section G

SPECIAL ELECTRIC CONTRACT RATE
Applicable to Inland Container Corporation

Character of Service

Three-phase 60 Hertz alternating current as specified in the Agreement for Purchased Power.

Monthly Rate

Demand Charge per Billing kW	\$6.06	\$8.93
Energy Charge per ALL kWh	\$0.031690	\$0.032140

Determination of Billing Demand

The kilowatt demand shall be the greater of (a) or (b) listed below:

- (a) The contract demand
- (b) The ultimate consumer's highest demand during the current month or preceding eleven months coincident with EKPC's system peak demand. EKPC's system 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.
May through September	10:00 a.m. to 10:00 p.m.

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EAST KENTUCKY POWER COOPERATIVE, INC.

Section G (con't.)

Minimum Monthly Charge

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

- (a) The metering and substation charge, plus
- (b) The product of the billing demand multiplied by the demand charge, plus
- (c) The product of \$0.007 multiplied by the product of the billing demand multiplied by 400 hours.

Power Factor Adjustment

Refer to EKPC General Wholesale Power Tariffs Power Factor Adjustment, Original Sheet 4.

Fuel Adjustment Clause

Refer to EKPC General Wholesale Power Tariffs Fuel Adjustment, Original Sheets 2-4.

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Section H

Wholesale Renewable Resource Power Service

Standard Rider

This Renewable Resource Power Service is a rider to Rate Sections A, B, C, and E. The purpose of this service is to provide Member Systems with a source of renewable resource generated power for resale to their Customers.

Applicable

In all territory served by EKPC.

Availability of Service

This service is contingent upon the available supply of energy generated from renewable resources which EKPC owns or controls, or such energy which EKPC has purchased from other wholesale suppliers.

This schedule shall be made available at any load center to any member cooperative where a retail "Customer" contracts for renewable resource power service in the following block amounts:

100 kWh

AND where retail "Customer" has contracted with the Member Cooperative Association to do so under a retail contract rider.

Eligibility

Any EKPC Member Cooperative Association that has completed and returned a "Pledge to Purchase Renewable Resource Power Service" application to EKPC will be eligible for this rider. This form will indicate the number of blocks that the Member Cooperative Association intends to purchase monthly as a firm purchase power commitment for a period of one year. All such Member Cooperative Associations will have executed an Agreement for the sale of renewable resource power with a retail consumer.

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Original Sheet No. 21

EAST KENTUCKY POWER COOPERATIVE, INC.

Section H (con't.)

Monthly Rate

The monthly rate for this service will be a renewable power premium, i.e. added charge, for all renewable power purchased by the participating Member Cooperative Association. The renewable rate premium per block is as follows:

100 kWh block	\$2.375	per block (\$0.02375 per kWh)
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This power can be purchased only in the blocks and amounts listed above. These rates are in addition to the regular wholesale rate applicable to the Member Cooperative Association.

Billing and Minimum Charge:

Blocks of power sold under this tariff shall constitute the minimum amount of energy in kWh that the Member Cooperative Association may be billed for during a normal billing period.

Terms of Service and Payment:

This schedule shall be subject to all other terms of service and payment of the wholesale power tariff.

Fuel Adjustment Clause:

The fuel adjustment clause is not applicable to renewable resource power.

Special Terms:

When Member Cooperative Associations' contract for this type of power service, said Member Cooperative Associations will pay for all such power at the rates prescribed in this tariff for the complete contract period.

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Section DSM - 1

Touchstone Energy Manufactured Home Program

Purpose

The Touchstone Energy Manufactured Home Program is a conservation program that encourages the sale of more energy-efficient manufactured homes. It is based on the *Energy Star* standards for manufactured homes, a nationally recognized symbol of energy efficiency and quality developed and operated jointly by the U.S. Environmental Protection Agency (EPA) and the U.S. Department of Energy (DOE).

Availability

This program is available in all service territory served by EKPC.

Eligibility

To qualify as a Touchstone Energy Manufactured Home under EKPC's program, the participating manufactured home must be located in the service territory of a participating Member System and meet the *Energy Star* standards by including additional floor, wall and ceiling insulation, double pane windows and an electric heat pump.

Rebate

EKPC will provide an incentive for retail customers of our Member Systems to participate in this program by offering a one-time rebate. EKPC will rebate \$250 per certified manufactured home to the participating Member System. Rebates will be paid to the participating Member Systems upon written certification that the retail participant has met the *Energy Star* standards for newly constructed manufactured homes.

For customers who purchase a manufactured home which only includes a heat pump meeting Energy Star standards, EKPC will rebate \$150. For customers with inefficient electric heating systems, EKPC will rebate \$150 for replacing their existing furnace with a heat pump that meets minimum Energy Star Standards.

Annual Reports

EKPC will submit annual reports on the Program that contain the number of participants from each Member System, the annual costs, including the costs of the rebates, and the status of the rebate provision. EKPC will file the first report by March 31, 2004, and annually thereafter.

Term

The Touchstone Energy Manufactured Home Program will remain in effect through the end of 2009. If EKPC should decide to continue the entire program beyond 2009, an application for approval from the Kentucky Public Service Commission will be filed 6 months prior to the date of continuation.

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TITLE President & Chief Executive Officer

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EAST KENTUCKY POWER COOPERATIVE, INC.

Section DSM - 2

Touchstone Energy Home Program

Purpose

The Touchstone Energy Home Program is a conservation program that encourages the sale of more energy-efficient homes. It is based on *Energy Star* standards for homes, a nationally recognized symbol of energy efficiency and quality developed and operated jointly by the U.S. Environmental Protection Agency (EPA) and the U.S. Department of Energy (DOE).

Availability

This program is available in all service territory served by EKPC.

Eligibility

To qualify as a Touchstone Energy Home under EKPC's program, the participating home must be located in the service territory of a participating Member System and meet the *Energy Star* standards by including additional floor, wall and ceiling insulation, double pane windows and an electric heat pump.

Rebate

EKPC and its Member Systems will provide an incentive to retail customers to build or purchase a Touchstone Energy home. Member System Cooperatives may elect to offer a rebate of up to \$250 for each participant. EKPC will match the rebate offered by the member system cooperative up to a maximum of \$250, resulting in a maximum rebate of \$500 for each participant. Rebates will be paid to each participant upon written certification that the newly constructed home has met the *Energy Star* standards.

Annual Reports

EKPC will submit annual reports on the Program that contain the number of participants from each Member System, the annual costs, including the costs of the rebates, and the status of the rebate provision. EKPC will file the first report by June 30, 2005, and annually thereafter.

Term

The Touchstone Energy Home Program will remain in effect through 2009. If EKPC should decide to continue the entire program beyond 2009, an application for approval from the Kentucky Public Service Commission will be filed 6 months prior to the date of continuation.

DATE OF ISSUE December 20, 2007 DATE EFFECTIVE: Service rendered on and after December 5, 2007

ISSUED BY _____ TITLE President & Chief Executive Officer

Issued by authority of an Order of the Public Service Commission of Kentucky in
Case No. 2007-00472 Dated December 5, 2007

EAST KENTUCKY POWER COOPERATIVE, INC

RATE ES – ENVIRONMENTAL SURCHARGE

APPLICABILITY

Applicable to all sections of this rate schedule and this rate schedule shall apply to each Member System.

AVAILABILITY

This rate schedule shall apply to EKPC rate sections A, B, C, E, and G and all special contracts with rates subject to adjustment upon the approval of the Commission.

RATE

The Environmental Surcharge shall provide for monthly adjustments based on a percent of revenues equal to the difference between the environmental compliance costs in the base period and in the current period based on the following formula:

$$\text{CESF} = \text{E(m)} / \text{R(m)}$$

$$\text{MESF} = \text{CESF} - \text{BESF}$$

MESF = Monthly Environmental Surcharge Factor

CESF = Current Environmental Surcharge Factor

BESF = Base Environmental Surcharge Factor of 1.21%

where E(m) is the total of each approved environmental compliance plan revenue requirement of environmental costs for the current expense month and R(m) is the revenue for the current expense month as expressed below.

Definitions

$$(1) \text{ E(m)} = [(\text{RB}/12)(\text{RORB}) + \text{OE} - \text{BAS} + (\text{Over})\text{Under Recovery}$$

where:

(a) RB is the Environmental Compliance Rate Base, defined as electric plant in service for applicable environmental projects adjusted for accumulated depreciation, CWIP net of AFUDC, cash working capital, spare parts and limestone inventory, emission allowance inventory;

(b) RORB is the Rate of Return on the Environmental Compliance Rate Base, designated as the average cost of debt for environmental compliance plan projects approved by the Commission plus application of a times-interest-earned ratio of 1.35;

DATE OF ISSUE September 29, 2008 DATE EFFECTIVE: Service rendered on and after November 1, 2008

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EAST KENTUCKY POWER COOPERATIVE, INC

- (c) OE is the Monthly Pollution Control Operating Expenses, defined as the average of the twelve month operating and maintenance expense; depreciation expense, property taxes, insurance expense, emission allowance expense, and consulting fees. O&M expense for the pollution-control related equipment at the Gilbert generating unit will be recovered by including an average of the monthly expense as the Unit begins operation;
- (d) BAS is the net proceeds from By-Products and Emission Allowance Sales, and;
- (e) (Over) or Under recovery amount as amortized from prior six-month period.

(2) Total E(m) is multiplied by the Member System Allocation Ratio to arrive at Net E(m). The Member System Allocation Ratio is based on the ratio of the 12-month total revenue from sales to Member Systems to which the Surcharge will be applied, ending with the current expense month, divided by the 12-month total revenue from sales to Member Systems and off-system sales.

(3) The revenue R(m) is the average monthly revenue, including base revenues and automatic adjustment clause revenues less Environmental Cost Recovery Surcharge revenues, for EKPC for the twelve months ending with the current expense month.

(4) The current expense month (m) shall be the second month preceding the month in which the Environmental Surcharge is billed.

DATE OF ISSUE September 29, 2008 DATE EFFECTIVE: Service rendered on and after November 1, 2008

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Case No. 2008-00115 Dated September 29, 2008

For All Counties Served
P.S.C. No. 32
First Revised Sheet No. 26
Canceling P.S.C. No. 32
Original Sheet No. 26

EAST KENTUCKY POWER COOPERATIVE, INC.

Section DSM - 3

Direct Load Control of Water Heaters Program

Direct Load Control of Air-Conditioners Program

Purpose

The Direct Load Control of Water Heaters and Air Conditioners will encourage the reduction in growth of peak demand, enabling the Company to utilize its system more efficiently and defer the construction of new generation.

Availability

Both the Direct Load Control of Water Heaters Program and the Direct Load Control of Air Conditioners Program are available to residential customers in the service territories of EKPC. Availability may be denied where, in the judgment of the Member System, installation of the load control equipment is impractical.

Eligibility

To qualify for these Programs, the participant must be located in the service territory of a participating Member System and have central air conditioning or heat pump units and/or 40-gallon (minimum) electric water heating units. The above appliances may be electrically cycled or interrupted in accordance with the rules of this Tariff.

Incentive - Direct Load Control of Water Heaters Program

EKPC and participating Member Systems will provide an incentive to the participants in this program. EKPC will reimburse the participating Member System \$10.00 per water heater annually. The participating Member System, in turn, will annually credit the residential power bill of the participant \$10.00 per water heater. The participant will receive this credit regardless of whether the water heater is cycled.

DATE OF ISSUE October 2, 2008 DATE EFFECTIVE: Service rendered on and after October 2, 2008

ISSUED BY _____ TITLE President & Chief Executive Officer

Issued by authority of an Order of the Public Service Commission of Kentucky in
Case No. 2008-00161 Dated October 2, 2008

EAST KENTUCKY POWER COOPERATIVE, INC.

Incentive - Direct Load Control of Air-Conditioners Program

EKPC and participating Member Systems will provide an incentive to the participants in this program. The customer may select one of two alternatives. One, EKPC will reimburse the participating Member System \$20.00 annually per air conditioner (\$5 per summer months, June, July, August, and September). The participating Member System will, in turn, credit the residential power bill of the participant \$20.00 per air conditioner (\$5 per summer months, June, July, August, and September). Two, alternatively, EKPC will provide and install at no cost one or more digital thermostats as needed for control purposes. The participant will receive one of these incentives regardless of whether the air conditioner or heat pump is controlled during any program month.

Time Period for the Direct Load Control of Water Heaters Program

A load control switch will be placed on the water heater and may be electrically interrupted for a maximum time period of four hours.

EKPC will cycle the water heaters only during the hours listed below.

<u>Months</u>	<u>Hours Applicable for Demand Billing - EST</u>
October through April	6:00 a.m. to 12:00 noon 4:00 p.m. to 10:00 p.m.
May through September	10:00 a.m. to 10:00 p.m.

Time Period for the Direct Load Control of Air Conditioners

A load control device (switch or thermostat) will be placed on each central air conditioning unit or heat pump that will allow the operating characteristics of the unit to be modified (by cycling the unit off for periods of time up to 7.5 minutes of each 15-minute interval, or by adjusting the temperature setting on the thermostat up to two degrees) to reduce demand on the system.

EKPC will control the air conditioning units and heat pumps only during its summer on-peak billing hours listed below.

<u>Months</u>	<u>Hours Applicable for Demand Billing - EST</u>
May through September	10:00 a.m. to 10:00 p.m.

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EAST KENTUCKY POWER COOPERATIVE, INC.

Terms and Conditions

1. If a participant decides to withdraw from the program(s) or change to another load control option, the Member Systems will endeavor to implement the change as soon as possible.
2. Prior to the installation of load control devices, the Member Systems may inspect the participant's electrical equipment to insure good repair and working condition, but the Member Systems shall not be responsible for the repair or maintenance of the electrical equipment.
3. EKPC, on behalf of the Member Systems, will install, own, and maintain the load management devices controlling the participant's air conditioner, heat pump, or water heater. The participant must allow the Member System, or their representative, reasonable access to install, maintain, inspect, test and remove load control devices. Inability of the Member System to gain access to the load management device to perform any of the above activities for a period exceeding 30 days may, at the Member System's option, result in discontinuance of credits under this tariff until such time as the Member System is able to gain the required access.
4. Participants in the Pilot program from Big Sandy RECC and Blue Grass Energy will have the opportunity to participate in this program. Equipment already installed on the premises may be used as part of this program.

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For All Counties Served
P.S.C. No. 32
Original Sheet No. 29
Canceling P.S. C. No. 31
Original Sheet No. 29

EAST KENTUCKY POWER COOPERATIVE, INC.

PAGE - 1
INVOICE DATE:

EAST KENTUCKY POWER COOPERATIVE
P.O. BOX 707 WINCHESTER, KENTUCKY 40391

WHOLESALE POWER INVOICE
SUBSTATION CHARGES
MONTH, 19XX-20XX (T)

SUBSTATION	RATE CODE	BILLING NOTES	BILLING DEMAND	BILLING KWH	DEMAND CHARGE	ENERGY CHARGE	WHEELING OR SUBSTATION	FUEL ADJUSTMENT	TOTAL CHARGE
------------	-----------	---------------	----------------	-------------	---------------	---------------	------------------------	-----------------	--------------

CO-OP TOTALS

E.T.S. *****

** CONSUMER BILLED FROM A PRIOR DEMAND TOTAL DUE BY 20TH DAY OF MONTH

DATE OF ISSUE December 20, 2007 DATE EFFECTIVE: Service rendered on and after December 5, 2007

ISSUED BY _____ TITLE President & Chief Executive Officer

Issued by authority of an Order of the Public Service Commission of Kentucky in
Case No. 2007-00472 Dated December 5, 2007

EAST KENTUCKY POWER COOPERATIVE, INC.

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INVOICE DATE:

EAST KENTUCKY POWER COOPERATIVE
P.O. BOX 707 WINCHESTER, KENTUCKY 40391

WHOLESALE POWER INVOICE
SUBSTATION DETAIL CHARGES
MONTH, ~~19XX~~ 20XX (T)

SUBSTATION	RATE CODE	BILLING NOTES	BILLING DEMAND	BILLING KWH	DEMAND CHARGE	ENERGY CHARGE	WHEELING OR SUBSTATION	FUEL ADJUSTMENT	TOTAL CHARGE
------------	-----------	---------------	----------------	-------------	---------------	---------------	------------------------	-----------------	--------------

CO-OP TOTALS
E.T.S. *****
CO-OP AMOUNT DUE

DATE OF ISSUE December 20, 2007 DATE EFFECTIVE: Service rendered on and after December 5, 2007

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EAST KENTUCKY POWER COOPERATIVE, INC.

For All Counties Served
 P.S.C. No. 32
 Original Sheet No. 31
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 INVOICE DATE:

EAST KENTUCKY POWER COOPERATIVE
 P.O. BOX 707 WINCHESTER, KENTUCKY 40391

WHOLESALE POWER INVOICE
 CO-OP TOTAL CHARGES

MONTH, 19XX 20XX (T)

SUBSTATION	RATE CODE	BILLING NOTES	BILLING DEMAND	BILLING KWH	DEMAND CHARGE (\$\$)	ENERGY CHARGE (\$\$)	WHEELING OR SUBSTATION CHARGE (\$\$)	FUEL ADJUSTMENT (\$\$)	TOTAL CHARGE (\$\$)
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SCHEDULE A ADJ. TOTALS
 SCHEDULE B ADJ. TOTALS
 SCHEDULE C ADJ. TOTALS
 SCHEDULE E ADJ. TOTALS STEP 1
 SCHEDULE E ADJ. TOTALS STEP 2
 SCHEDULE A TOTALS
 SCHEDULE B TOTALS
 SCHEDULE C TOTALS
 SCHEDULE E TOTALS STEP 1
 SCHEDULE E TOTALS STEP 2

E.T.S.
 GRAND TOTALS

TOTAL AMOUNT DUE

** CONSUMER BILLED FROM A PRIOR DEMAND

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EAST KENTUCKY POWER COOPERATIVE, INC.

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KW-SCH. B CONTRACT 7-82 (T) EAST KENTUCKY POWER COOPERATIVE, INC.
EXCESS CONTRACT 5-39 (T) P.O. BOX 707 WINCHESTER, KENTUCKY 40391
KW-SCH. C 7-82 (T) STATISTICS FOR THE MONTH OF
KW-SCH. E 5-39 (T)
4-34 (T)

KW-SCH. A 7-82 (T)
KW-SCH. B CONTRACT 5-39 (T)
EXCESS CONTRACT 7-82 (T)
KW-SCH. C 5-39 (T)
KW-SCH. E 4-34 (T)

KWH METER READINGS
KWH B&C
KWH E STEP 1
KWH E STEP 2
KWH-ETS
FUEL RATE
OFFICE WHEELING

CONSTANT KWH
PRESENT
PREV
DIFF
BILLING DEMAND
TOD DEMAND
HIGHEST DEMAND
CONTRACT DEMAND
ACTUAL CONTRACT
KWH KWH KWH KWH

SUBSTATION
KW KWH
PRESENT
PREV
DIFF
BILLING DEMAND
TOD DEMAND
HIGHEST DEMAND
CONTRACT DEMAND
ACTUAL CONTRACT
KWH KWH KWH KWH

SCHEDULE A STATISTIC TOTALS
SCHEDULE B STATISTIC TOTALS
SCHEDULE C STATISTIC TOTALS
SCHEDULE E STATISTIC TOTALS STEP 1
SCHEDULE E STATISTIC TOTALS STEP 2
E.T.S.

GRAND TOTALS

DATE OF ISSUE December 20, 2007 DATE EFFECTIVE: Service rendered on and after December 5, 2007

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For All Counties Served
P.S.C. No. 32
Original Sheet No. 33
Canceling P.S. C. No. 31
Original Sheet No. 33

EAST KENTUCKY POWER COOPERATIVE, INC.

EAST KENTUCKY POWER COOPERATIVE
P.O. BOX 707, WINCHESTER, KENTUCKY 40391

Fleming Mason RECC
P.O. Drawer 328
Flemingsburg, Kentucky 41041

STEAM INVOICE
INLAND CONTAINER STATISTICS
DATE

Average Heat Rate	Billing Demand/MMBTU	TOD Demand/MMBTU	Highest Demand/MMBTU	Billing Energy/MMBTU
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EAST KENTUCKY POWER COOPERATIVE, INC.

Fleming Mason RECC EAST KENTUCKY POWER COOPERATIVE DEMAND/MMBTU \$449,544 (T)
P.O. Drawer 328 P.O. BOX 707, WINCHESTER, KENTUCKY 40391 ENERGY/MMBTU \$2,244-(T)
Flemingsburg, Kentucky 41041 FUEL ADJ./MMBTU
MINIMUM BILL \$100,000-(T)

STEAM INVOICE
INLAND CONTAINER DETAIL CHARGES
DATE

BILLING NOTES	BILLING DEMAND/MMBTU	BILLING ENERGY/MMBTU	DEMAND CHARGE	ENERGY CHARGE	FUEL ADJUSTMENT	TOTAL CHARGE
------------------	-------------------------	-------------------------	------------------	------------------	--------------------	-----------------

EDR DEMAND CREDIT

TOTAL DUE BY 20TH DAY OF THE MONTH

*Steam Measurement Adjustment Factor

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EKPC Emergency Electric Procedures

EKPC’s Emergency Electric Procedures are based on the following NERC Emergency Operations Standards:

- EOP-001 Emergency Operations Planning
- EOP-002 Capacity and Energy Emergencies
- EOP-003 Load Shedding Plans
- EOP-005 System Restoration Plans

Definitions

Transmission Operator (and Balancing Authority) - EKPC
Reliability Coordinator - TVA
Regional Reliability Organization – SERC

Overview

The Balancing Authority and the Reliability Coordinator have the responsibility and clear decision-making authority to take whatever actions are needed to ensure the reliability of its respective area and to exercise specific authority to alleviate capacity and energy emergencies. The Balancing Authority will implement its capacity and energy emergency plan, when required and as appropriate, to reduce risks to the interconnected system. The Balancing Authority experiencing an operating capacity or energy emergency will communicate its current and future system conditions to the Reliability Coordinator and neighboring Balancing Authorities.

When the Balancing Authority anticipates an operating capacity or energy emergency it will perform all actions necessary including bringing on all available generation, postponing equipment maintenance, scheduling interchange purchases in advance, and being prepared to reduce firm load. If the Balancing Authority is deficient it will only use the assistance provided by the Interconnection’s frequency bias for the time needed to implement corrective actions.

The Balancing Authority will not unilaterally adjust generation in an attempt to return Interconnection frequency to normal beyond that supplied through frequency bias action and Interchange Schedule changes. Such unilateral adjustment may overload transmission facilities. If the Balancing Authority cannot comply with the Control Performance and Disturbance Control Standards, then it will immediately implement remedies to do so.

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A Reliability Coordinator that has any Balancing Authority within its Reliability Coordinator Area experiencing a potential or actual Energy Emergency will initiate an Energy Emergency Alert as detailed in EOP-002-0 "Energy Emergency Alert Levels." The Reliability Coordinator will act to mitigate the emergency condition, including a request for emergency assistance if required.

Measures

The Transmission Operator (and Balancing Authority) has emergency plans and self-assessments available for review by the Regional Reliability Organization. The Regional Reliability Organization reviews and evaluates emergency plans every three years to ensure that the plans are complete and may elect to request self-certification of the Transmission Operator and Balancing Authority in years that the full review is not done.

Each Reliability Coordinator and Balancing Authority has and provides upon request evidence that includes job descriptions, signed agreements, authority letter signed by an appropriate officer of the company, or other equivalent evidence that confirms that it meets NERC requirements.

If the Reliability Coordinator or Balancing Authority implements its Capacity and Energy Emergency plan, that entity has and provides upon request evidence that includes operator logs, voice recordings or transcripts of voice recordings, electronic communications, computer printouts or other equivalent evidence that will be used to determine if the actions it took to relieve emergency conditions were in conformance with its Capacity and Energy Emergency Plan.

Insufficient Generating Capacity

The steps for mitigation of operating emergencies for insufficient generating capacity are:

1. Load all available generating capacity
2. Deploy all available operating reserve
3. Interrupt interruptible load and exports
4. Request emergency assistance from other Balancing Authorities
5. Declare an Energy Emergency through the Reliability Coordinator
6. Reduce load through procedures such as public appeals, voltage reductions, or curtailment of interruptible loads and firm loads

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Once the Balancing Authority has exhausted these steps or if these steps cannot be completed in sufficient time to resolve the emergency condition, the Balancing Authority shall:

1. Manually shed firm load without delay to return its ACE to zero
2. Request the Reliability Coordinator to declare an Energy Emergency Alert

All Emergency Electric Procedures consider:

1. Communication protocol
2. Controlling actions
3. Coordination with adjacent Transmission Operators and Balancing Authorities
4. Staffing levels

Elements addressed in Insufficient Generating Capacity Emergency Electric Procedures are:

1. Fuel supply and inventory - recognition of reasonable delays or problems in the delivery or production of fuel
2. Fuel switching - for units for which fuel supply shortages may occur
3. Environmental constraints - seek removal of environmental constraints for generating units
4. System energy use - reduction of the system's own energy use
5. Public appeals - through all media for voluntary load reductions and energy conservation
6. Load management - implementation of load management and voltage reductions
7. Optimize fuel supply - operation of generating sources to optimize the availability
8. Appeals to customers to use alternate fuels - appeals to large industrial and commercial customers to reduce non-essential energy use and maximize the use of customer-owned generation that rely on fuels other than the one in short supply
9. Interruptible loads - interrupt customer load to reduce capacity requirements or to conserve the fuel in short supply
10. Maximizing generator output and availability - operation of all generating sources to maximize output and availability
11. Notification of IPPs - cogeneration and other power producers, to maximize output and availability
12. Requests of government - to implement programs to achieve energy reductions
13. Load curtailment - mandatory load curtailment plan to use as a last resort
14. Notification of government agencies - as the various steps of the emergency plan are implemented

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15. Notifications to operating entities - as steps in emergency plan are implemented

Transmission System Operating Emergencies

The Transmission Operator (and Balancing Authority) develops, maintains, and implements a set of plans to mitigate operating emergencies. These plans are coordinated with other Transmission Operators, Balancing Authorities, and the Reliability Coordinator. Balancing Authorities have operating agreements with adjacent and remote Balancing Authorities that contain provisions for emergency assistance.

The Transmission Operator has an emergency load reduction plan for all identified Interconnection Reliability Operating Limits (IROLs). The plan includes the details on how the Transmission Operator will implement load reduction in sufficient amount and time to mitigate the IROL violation before system separation or collapse occurs. The Transmission Operator and Balancing Authority emergency plans include:

1. Communications protocols to be used during emergencies
2. A list of controlling actions to resolve the emergency
3. Load reduction, in sufficient quantity and within established timelines
4. Tasks to be coordinated with and among adjacent Transmission Operators and Balancing Authorities
5. Staffing levels for the emergency

The Transmission Operator (and Balancing Authority) annually reviews and updates each emergency plan and provides a copy of its updated emergency plans to the Reliability Coordinator and to neighboring Transmission Operators and Balancing Authorities.

The Transmission Operator (and Balancing Authority) coordinates its emergency plans with other Transmission Operators and Balancing Authorities as appropriate. This coordination includes the following steps:

1. Establish and maintain reliable communications between interconnected systems
2. Arrange new interchange agreements to provide for emergency capacity or energy transfers if existing agreements cannot be used
3. Coordinate transmission and generator maintenance schedules to maximize capacity or conserve the fuel in short supply
4. Arrange deliveries of electrical energy or fuel from remote systems through normal operating channels

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Load shedding

After taking all other remedial steps, the Transmission Operator and Balancing Authority, operating with insufficient generation or transmission capacity, will shed customer load rather than risk an uncontrolled failure of components or cascading outages of the Interconnection. Coordination of load shedding would take place between the Transmission Operator (and Balancing Authority) and other interconnected Transmission Operators and Balancing Authorities. Implementation of manual load shedding takes into consideration frequency, rate of frequency decay, voltage level, rate of voltage decay, and power flow levels. The Transmission Operator (and Balancing Authority) would implement load shedding in steps established to minimize the risk of further uncontrolled separation, loss of generation, or system shutdown.

After the Transmission Operator (and Balancing Authority) separates from the Interconnection, if there is insufficient generating capacity to restore system frequency following automatic underfrequency load shedding, the Transmission Operator (and Balancing Authority) would shed additional load. The Transmission Operator (and Balancing Authority) coordinates automatic load shedding throughout its area with underfrequency isolation of generating units, tripping of shunt capacitors, and other automatic actions that occur under abnormal frequency, voltage, or power flow conditions. Each Transmission Operator and/or Balancing Authority has plans for operator-controlled manual load shedding to respond to real-time emergencies.

System restoration

The Transmission Operator has a restoration plan to reestablish its electric system in a stable and orderly manner in the event of a partial or total shutdown of its system including necessary operating instructions and procedures to cover emergency conditions and the loss of vital telecommunications channels.

The Transmission Operator reviews and updates its restoration plan annually and whenever it makes changes in the power system network, and corrects deficiencies found during the simulated restoration exercises. The Transmission Operator coordinates its restoration plans with the Generator Owners and Balancing Authorities within its area, its Reliability Coordinator, and neighboring Transmission Operators and Balancing Authorities.

The Transmission Operator (and Balancing Authority) periodically tests its telecommunication facilities needed to implement the restoration plan and trains its

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EAST KENTUCKY POWER COOPERATIVE, INC.

operating personnel in the implementation of the restoration plan. This training includes simulated exercises and verification of the restoration procedure by actual testing and simulation.

During system restoration, affected Transmission Operators and Balancing Authorities work in conjunction with their Reliability Coordinator(s) to determine the extent and condition of the isolated area(s). The affected Transmission Operators and Balancing Authorities take the necessary actions to restore Bulk Electric System frequency to normal, including adjusting generation, placing additional generators on line, or load shedding.

The affected Balancing Authorities, working with their Reliability Coordinator(s), immediately review the Interchange Schedules between those Balancing Authority Areas or fragments of those Balancing Authority Areas within the separated area and make adjustments as needed to facilitate the restoration. The affected Balancing Authorities make all attempts to maintain the adjusted Interchange Schedules, whether generation control is manual or automatic. The affected Transmission Operators may resynchronize the isolated area(s) with the surrounding area(s) when the following conditions are met:

1. Voltage, frequency, and phase angle permit
2. The size of the area being reconnected and the capacity of the transmission lines effecting the reconnection and the number of synchronizing points across the system are considered adequate
3. Reliability Coordinator(s) and adjacent areas are notified and Reliability Coordinator approval is given
4. If required, load is shed in neighboring areas to permit successful interconnected system restoration

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Case No. _____ Dated _____

Special Contracts

Summary of Present and Proposed Charges Under Electric Special Contracts

Large Special Contract	Demand Charge:		
	Firm Demand	\$6.06	<i>\$8.93 per kW per month</i>
	10-Min Interruptible Demand	\$2.46	<i>\$3.63 per kW per month</i>
	90-Min Interruptible Demand	\$3.36	<i>\$4.93 per kW per month</i>
	Energy Charge		
	On-Peak	\$0.033780	<i>\$0.032382 per kWh</i>
	Off-Peak	\$0.030780	<i>\$0.031880 per kWh</i>
Special Contract - Pumping Stations	Demand Charge		
	Per kW	\$1.75	\$1.75
	Energy Charge		
	Off-Peak (May-Dec)	\$0.004440	\$0.004440 per kWh
	Off-Peak (Jan-Apr)	\$0.004460	\$0.004460 per kWh
Steam Service	Demand Charge		
	Per MMBTU	\$500.49	\$572.83
	Energy Charge		
	Per MMBTU	\$3.577	\$3.756

**QUALIFIED COGENERATION AND
SMALL POWER PRODUCTION FACILITIES
TARIFF**

East Kentucky Power Cooperative, Inc., is not proposing any changes to the Cogeneration tariff. Enclosed is a copy of the tariff for informational purposes.

P.S.C. KY NO. 6

CANCELS P.S.C. KY NO. 5

EAST KENTUCKY POWER COOPERATIVE, INC.
OF
WINCHESTER, KENTUCKY

RATES, RULES, AND REGULATIONS FOR PURCHASING
ELECTRIC POWER AND ENERGY
AT
VARIOUS LOCATIONS THROUGHOUT KENTUCKY
FROM
QUALIFIED COGENERATION AND
SMALL POWER PRODUCTION FACILITIES

FILED WITH THE PUBLIC SERVICE COMMISSION
OF KENTUCKY

ISSUED March 31, 2008

EFFECTIVE June 1, 2008

ISSUED BY EAST KENTUCKY POWER COOPERATIVE, INC.

BY _____

Robert M. Marshall
President and Chief Executive Officer

EAST KENTUCKY POWER COOPERATIVE, INC.

COGENERATION AND SMALL POWER PRODUCTION
POWER PURCHASE RATE SCHEDULE OVER 100 kW

AVAILABILITY

Available only to qualified cogeneration or small power production facilities with a design capacity of over 100 kW which have executed a contract with East Kentucky Power Cooperative and one of EKPC's member distribution systems for the purchase of electric power by East Kentucky Power Cooperative.

RATES

The rates set forth below shall be used as the basis for negotiating a final purchase rate with qualifying facilities pursuant to Section 7 of 807 KAR 5:054.

1. Capacity

- a. \$40.40 per kW per year is applicable if cogenerator or small power producer is dispatched by East Kentucky Power Cooperative.
- b. \$0.00614 per kWh is applicable if cogenerator or small power producer is not dispatched by East Kentucky Power Cooperative.

2. Energy – A base payment per kWh is listed below for a time-differentiated basis or a non-time differentiated basis for the specified years.

a. Time Differentiated Rates:

Year	Winter		Summer	
	On-Peak	Off-Peak	On-Peak	Off-Peak
2008	\$0.06032	\$0.04293	\$0.06637	\$0.03199
2009	\$0.05722	\$0.03881	\$0.05447	\$0.02094
2010	\$0.05647	\$0.03461	\$0.05069	\$0.02203
2011	\$0.06015	\$0.03899	\$0.06448	\$0.03069
2012	\$0.05875	\$0.03817	\$0.05737	\$0.02486

b. Non-Time Differentiated Rates:

Year	2008	2009	2010	2011	2012
Rate	\$0.05120	\$0.04428	\$0.04219	\$0.04933	\$0.04596

DATE OF ISSUE March 31, 2008

DATE EFFECTIVE June 1, 2008

ISSUED BY _____ TITLE President & Chief Executive Officer

Issued by authority of an Order of the Public Service Commission of Kentucky in
Case No. 2008-00128 Dated August 20, 2008

EAST KENTUCKY POWER COOPERATIVE, INC.

The on-peak and off-peak energy rates are applicable during the hours listed below for each season:

Winter (October - April)

On-Peak 7:00 a.m. - 12:00 noon
5:00 p.m. - 10:00 p.m.

Off-Peak 12:00 noon - 5:00 p.m.
10:00 p.m. - 7:00 a.m.

Summer (May - September)

On-Peak 10:00 a.m. - 10:00 p.m.

Off-Peak 10:00 p.m. - 10:00 a.m.

TERMS AND CONDITIONS

1. All power from a Qualifying Facility (QF) will be sold only to East Kentucky Power Cooperative.
2. Seller must provide good quality electric power within a reasonable range of voltage, frequency, flicker, harmonic currents, and power factor.
3. Qualifying Facility (QF) shall provide reasonable protection for EKPC and the member cooperative's system.
4. Qualifying Facility (QF) shall design, construct, install, own, operate, and maintain the Qualifying Facility in accordance with all applicable codes, laws, regulations, and generally accepted utility practices.
5. Qualifying Facility shall reimburse EKPC and its member cooperative for all costs incurred as a result of interconnecting with the QF, including operation, maintenance, administration, and billing.

DATE OF ISSUE March 31, 2008

DATE EFFECTIVE June 1, 2008

ISSUED BY _____

TITLE President & Chief Executive Officer

Issued by authority of an Order of the Public Service Commission of Kentucky in
Case No. 2008-00128 Dated August 20, 2008

EAST KENTUCKY POWER COOPERATIVE, INC.

6. Qualifying Facility shall obtain insurance in the following minimum amounts for each occurrence:
 - a. Public Liability for Bodily Injury - \$1,000,000.00
 - b. Property Damage - \$500,000.00
7. Initial contract term shall be for a minimum of five years.
8. Qualifying Facilities proposing to supply as available (non-firm) electric power shall not be entitled to a capacity payment.
9. Qualifying cogeneration and small power production facilities must meet the definition set forth in 807 KAR 5:054 to be eligible for this tariff.
10. Updated rates will be filed with the Public Service Commission of Kentucky by March 31 of each year.

DATE OF ISSUE March 31, 2008

DATE EFFECTIVE June 1, 2008

ISSUED BY _____

TITLE President & Chief Executive Officer

Issued by authority of an Order of the Public Service Commission of Kentucky in
Case No. 2008-00128 Dated August 20, 2008

EAST KENTUCKY POWER COOPERATIVE, INC.

COGENERATION AND SMALL POWER PRODUCTION
POWER PURCHASE RATE SCHEDULE
LESS THAN 100 kW

AVAILABILITY

Available only to qualified cogeneration or small power production facilities with a design capacity of less than 100 kW which have executed a contract with East Kentucky Power Cooperative and one of EKPC's member distribution systems for the purchase of electric power by East Kentucky Power Cooperative.

RATES

1. Capacity

- a. \$40.40 per kW per year is applicable if cogenerator or small power producer is dispatched by East Kentucky Power Cooperative.
- b. \$0.00614 per kWh is applicable if cogenerator or small power producer is not dispatched by East Kentucky Power Cooperative.

2. Energy – A base payment per kWh is listed below for a time-differentiated basis or a non-time differentiated basis for the specified years.

a. Time Differentiated Rates:

Year	Winter		Summer	
	On-Peak	Off-Peak	On-Peak	Off-Peak
2008	\$0.06032	\$0.04293	\$0.06637	\$0.03199
2009	\$0.05722	\$0.03881	\$0.05447	\$0.02094
2010	\$0.05647	\$0.03461	\$0.05069	\$0.02203
2011	\$0.06015	\$0.03899	\$0.06448	\$0.03069
2012	\$0.05875	\$0.03817	\$0.05737	\$0.02486

b. Non-Time Differentiated Rates:

Year	2008	2009	2010	2011	2012
Rate	\$0.05120	\$0.04428	\$0.04219	\$0.04933	\$0.04596

DATE OF ISSUE March 31, 2008

DATE EFFECTIVE June 1, 2008

ISSUED BY _____ TITLE President & Chief Executive Officer

Issued by authority of an Order of the Public Service Commission of Kentucky in
Case No. 2008-00128 Dated August 20, 2008

EAST KENTUCKY POWER COOPERATIVE, INC.

The on-peak and off-peak energy rates are applicable during the hours listed below for each season:

Winter (October - April)

On-Peak 7:00 a.m. - 12:00 noon
5:00 p.m. - 10:00 p.m.

Off-Peak 12:00 noon - 5:00 p.m.
10:00 p.m. - 7:00 a.m.

Summer (May - September)

On-Peak 10:00 a.m. - 10:00 p.m.

Off-Peak 10:00 p.m. - 10:00 a.m.

TERMS AND CONDITIONS

1. All power from a Qualifying Facility (QF) will be sold only to East Kentucky Power Cooperative.
2. Seller must provide good quality electric power within a reasonable range of voltage, frequency, flicker, harmonic currents, and power factor.
3. Qualifying Facility (QF) shall provide reasonable protection for EKPC and the member cooperative's system.
4. Qualifying Facility (QF) shall design, construct, install, own, operate, and maintain the Qualifying Facility in accordance with all applicable codes, laws, regulations, and generally accepted utility practices.
5. Qualifying Facility shall reimburse EKPC and its member cooperative for all costs incurred as a result of interconnecting with the QF, including operation, maintenance, administration, and billing.

DATE OF ISSUE March 31, 2008

DATE EFFECTIVE June 1, 2008

ISSUED BY _____

TITLE President & Chief Executive Officer

EAST KENTUCKY POWER COOPERATIVE, INC.

6. Qualifying Facility shall obtain insurance in the following minimum amounts for each occurrence:
 - a. Public Liability for Bodily Injury - \$1,000,000.00
 - b. Property Damage - \$500,000.00
7. Initial contract term shall be for a minimum of five years.
8. Qualifying Facilities proposing to supply as available (non-firm) electric power shall not be entitled to a capacity payment.
9. Qualifying cogeneration and small power production facilities must meet the definition set forth in 807 KAR 5:054 to be eligible for this tariff.
10. Updated rates will be filed with the Public Service Commission of Kentucky by March 31 of each year.

DATE OF ISSUE March 31, 2008

DATE EFFECTIVE June 1, 2008

ISSUED BY _____ TITLE President & Chief Executive Officer

Issued by authority of an Order of the Public Service Commission of Kentucky in
Case No. 2008-00128 Dated August 20, 2008

East Kentucky Power Cooperative, Inc.
Case No. 2008-00409
Fully Forecasted Test Period
Volume 1, Tab 8

Filing Requirement
807 KAR 5:001 Section 10(1)(b)(9)
Sponsoring Witness: Ann F. Wood

Description of Filing Requirement:

Statement that notice given, see subsections (3) and (4) of 807 KAR 5:001, Section 10 with copy.

Response:

See response to Section 10(4)(e) under Tab 15.

East Kentucky Power Cooperative, Inc.
Case No. 2008-00409
Fully Forecasted Test Period
Volume 1, Tab 9

Filing Requirement
807 KAR 5:001 Section 10(2)
Sponsoring Witness: Ann F. Wood

Description of Filing Requirement:

If gross annual revenues exceed \$1,000,000 written notice of intent filed at least four (4) weeks prior to application. Notice shall state whether the application will be supported by historical or a fully forecasted test period.

Response:

EKPC states that it provided written notice of intent to file a wholesale rate adjustment at least four (4) weeks prior to filing this Application, and that this notice of intent stated that the Application would be supported by a fully forecasted test period.

Please see page 2 of this response.

September 30, 2008

HAND DELIVERED

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

Re: Rate Application Notice of Intent

Dear Ms. Stumbo:

East Kentucky Power Cooperative, Inc., ("EKPC") hereby gives notice to the Public Service Commission (the "Commission"), pursuant to 807 KAR 5:001 Section 10 (2), of its intent to file a wholesale rate application on or after October 31, 2008. This rate application will be supported by a fully forecasted test period, as provided in 807 KAR 5:001 Sections 10 (8)- (10).

EKPC also gives notice to the Commission on behalf of its member distribution systems, Big Sandy RECC, Blue Grass Energy Cooperative, Clark Energy Cooperative, Cumberland Valley Electric, Farmers RECC, Fleming-Mason Energy Cooperative, Grayson RECC, Inter-County Energy Cooperative, Jackson Energy Cooperative, Licking Valley RECC, Nolin RECC, Owen Electric Cooperative, Salt River Electric Cooperative, Shelby Energy Cooperative, South Kentucky RECC, and Taylor County RECC, of their intent to file, on or after October 31, 2008, for the pass-through to their retail customers of any wholesale rate increase granted to EKPC, either through the filing of notices and proposed tariffs pursuant to 807 KAR 5:007 and KRS §278.455, or through the filing of applications for general adjustments in rates, pursuant to 807 KAR 5:001 Section 10.

Very truly yours,



Charles A. Lile
Corporate Counsel

Cc: Dennis G. Howard, II, Esq.- Office of Attorney General

East Kentucky Power Cooperative, Inc.
Case No. 2008-00409
Fully Forecasted Test Period
Volume 1, Tab 10

Filing Requirement
807 KAR 5:001 Section 10(3)
Sponsoring Witness: Ann F. Wood

Description of Filing Requirement:

Form of notice to customers. Every utility filing an application pursuant to this section shall notify all affected customers in the manner prescribed herein. The notice shall include the following information:

- (a) Amount of change requested in dollar amounts and percentage for each customer classification to which the proposed rate change will apply.*
- (b) Present and proposed rates for each customer class to which change would apply*
- (c) Electric, gas, water and sewer utilities – effect upon average bill for each customer class to which change will apply.*
- (d) Local exchange companies - include effect upon average bill for each customer class for change in basic local service.*
- (e) A statement that the rates contained in this notice are the rates proposed by East Kentucky Power Cooperative; however, the Public Service Commission may order rates to be charged that differ from the proposed rates contained in this notice.*
- (f) A statement that any corporation, association, or person with a substantial interest in the matter may, by written request, within thirty (30) days after publication or mailing of this notice of the proposed rate changes request to intervene; intervention may be granted beyond the thirty (30) day period for good cause shown.*
- (g) A statement that any person who has been granted intervention by the Commission may obtain copies of the rate application and any other filings made by the utility by contacting the utility through a name and address and phone number stated in this notice.*
- (h) A statement that any person may examine the rate application and any other filings made by the utility at the main office of the utility or at the Commission's office indicating the addresses and telephone numbers of both the utility and the Commission.*
- (i) The Commission may grant a utility with annual gross revenues greater than \$1,000,000, upon written request, permission to use an abbreviated form of published notice of the proposed rates provided the notice includes a coupon which may be used to obtain all of the information required herein.*

Response:

The Notice to Customers is included on pages 2 through 8 of this response.

**NOTICE OF PROPOSED ADJUSTMENT TO
WHOLESALE POWER TARIFFS**

In accordance with the requirements of the Public Service Commission of the Commonwealth of Kentucky as set forth in 807 KAR 5:001, Section 10 (3), of the Rules and Regulations of the Public Service Commission, notice is hereby given to the member cooperatives of East Kentucky Power Cooperative, Inc. of a proposed wholesale rate adjustment. An Application for an Adjustment to Wholesale Power Tariffs will be filed with the Public Service Commission on October 31, 2008, Case No. 2008-00409.

The Phase I rate adjustment, with a requested effective date of December 1, 2008, will result in an increase in wholesale power costs to the member systems and will result in an increase in revenue of **\$67,858,922** or **7.77%** for East Kentucky Power Cooperative, Inc. The amount and percent of increase by rate class are listed below:

PHASE I RATES

<u>RATE SCHEDULE</u>	<u>INCREASE IN DOLLARS</u>	<u>PERCENTAGE INCREASE</u>
SECTION A	NA	NA
SECTION E	\$55,330,720	7.92%
SECTION B	4,457,951	7.73%
SECTION C	1,811,240	7.76%
SECTION G	1,506,943	7.65%
INLAND STEAM	1,015,386	7.55%
LARGE SPECIAL CONTRACT	3,736,682	7.54%
PUMPING STATIONS	0	0%
TOTAL	\$67,858,922	7.77%

Listed below are the present and proposed monthly rates for each rate schedule:

<u>RATE SCHEDULE</u>	<u>PRESENT</u>	<u>PROPOSED</u>
SECTION A		
Demand Charge per kW of Billing Demand	\$8.65	\$9.54
Energy Charge per kWh	0.033455	0.036901
SECTION E1		
Demand Charge per kW of Billing Demand	\$6.92	\$7.63
On-Peak Energy Charge per kWh	0.035406	0.039053
Off-Peak Energy Charge per kWh	0.034904	0.038499

<u>RATE SCHEDULE</u>	<u>PRESENT</u>	<u>PROPOSED</u>
<i>SECTION E2</i>		
Demand Charge per kW of		
Billing Demand	\$5.22	\$5.76
On-Peak Energy Charge per kWh	.042470	.046844
Off-Peak Energy Charge per kWh	.034904	.038499
<i>SECTION B</i>		
Demand Charge per kW of		
Minimum Demand	\$6.22	\$6.86
Demand Charge per kW of Billing		
Demand in Excess of Minimum		
Demand	\$8.65	\$9.54
Energy Charge per kWh	0.033455	0.036901
<i>SECTION C</i>		
Demand Charge per kW of Billing		
Demand	\$6.22	\$6.86
Energy Charge per kWh	0.033455	0.036901
<i>SECTION D—INTERRUPTIBLE DEMAND CREDITS PER KW</i>		
10-Minute Interruptible		
200 Hours	\$2.70	\$2.97
300 Hours	\$3.15	\$3.47
400 Hours	\$3.60	\$3.97
60-Minute Interruptible		
200 Hours	\$2.25	\$2.48
300 Hours	\$2.70	\$2.97
400 Hours	\$3.15	\$3.47
<i>SECTION G</i>		
Demand Charge per Billing kW	\$6.06	\$6.68
Energy Charge per All kWh	0.031690	0.034954
<i>INLAND –STEAM</i>		
Demand Charge per MMBTU	\$500.49	\$552.04
Energy Charge per MMBTU	\$ 3.577	\$ 3.945
<i>LARGE SPECIAL CONTRACT</i>		
Demand Charge (Firm)	\$6.06	\$6.68
Demand Charge for 10-Minute		
Interruptible	2.46	2.71
Demand Charge for 90-Minute		
Interruptible	3.36	3.71
Energy Charge per kWh On-Peak	0.033780	0.037259
Energy Charge per kWh Off-Peak	0.030780	0.033950

LOAD CENTER CHARGES

Metering Point Charge	\$125	\$138
Substation Charges:		
1,000 – 2,999 kVA Substation	\$944	\$1,041
3,000 – 7,499 kVA Substation	\$2,373	\$2,617
7,500 – 14,999 kVA Substation	\$2,855	\$3,149
15,000 and Larger kVA Substation	\$4,605	\$5,079

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

<u>RATE SCHEDULE</u>	<u>INCREASE IN AVERAGE MONTHLY BILL PER CUSTOMER</u>	<u>PERCENTAGE INCREASE</u>
SECTION A	NA	NA
SECTION E	\$288,181	7.92%
SECTION B	\$ 41,277	7.73%
SECTION C	\$ 25,156	7.76%
SECTION G	\$ 62,789	7.65%
INLAND STEAM	\$ 84,616	7.55%
GALLATIN STEEL	\$311,390	7.54%

The Phase II rate adjustment, which is a change in rate design and NOT an additional rate increase over the Phase I rate adjustment, with a requested effective date one year after the effective date of the Phase I rates, will represent an increase in wholesale power costs to the member systems and will represent an increase in revenue of \$67,699,051 or 7.75% for East Kentucky Power Cooperative, Inc., compared to the present wholesale rates. The overall Phase II rate adjustment is slightly lower than the Phase I rate adjustment, due to the calculations of the rate design changes. The amount and percent of Phase II rate adjustment by rate class are listed below:

PHASE II RATES

<u>RATE SCHEDULE</u>	<u>INCREASE IN DOLLARS</u>	<u>PERCENTAGE INCREASE</u>
SECTION A	NA	NA
SECTION E	\$55,345,926	7.92%
SECTION B	4,635,408	8.03%
SECTION C	2,168,710	9.29%
SECTION G	1,858,583	9.43%
INLAND STEAM	673,053	5.01%
LARGE SPECIAL CONTRACT	3,017,371	6.09%
PUMPING STATIONS	0	0%
TOTAL	\$67,699,051	7.75%

Listed below are the present and proposed monthly rates for each rate schedule:

<u>RATE SCHEDULE</u>	<u>PRESENT</u>	<u>PROPOSED</u>
<i>SECTION A</i>		
Demand Charge per kW of Billing Demand	\$8.65	\$12.35
Energy Charge per kWh	0.033455	0.032140
<i>SECTION E1</i>		
Demand Charge per kW of Billing Demand	\$6.92	\$10.10
On-Peak Energy Charge per kWh	0.035406	0.032382
Off-Peak Energy Charge per kWh	0.034904	0.031880

<u>RATE SCHEDULE</u>	<u>PRESENT</u>	<u>PROPOSED</u>
<i>SECTION E2</i>		
Demand Charge per kW of Billing Demand	\$5.22	\$10.10
On-Peak Energy Charge per kWh	.042470	0.032382
Off-Peak Energy Charge per kWh	.034904	0.031880
<i>SECTION B</i>		
Demand Charge per kW of Minimum Demand	\$6.22	\$9.92
Demand Charge per kW of Billing Demand in Excess of Minimum Demand	\$8.65	\$12.35
Energy Charge per kWh	0.033455	0.032140
<i>SECTION C</i>		
Demand Charge per kW of Billing Demand	\$6.22	\$9.92
Energy Charge per kWh	0.033455	0.032140
<i>SECTION D—INTERRUPTIBLE DEMAND CREDITS PER KW</i>		
10-Minute Interruptible		
200 Hours	\$2.70	\$4.00
300 Hours	\$3.15	\$4.65
400 Hours	\$3.60	\$5.30
60-Minute Interruptible		
200 Hours	\$2.25	\$3.30
300 Hours	\$2.70	\$4.00
400 Hours	\$3.15	\$4.65
<i>SECTION G</i>		
Demand Charge per Billing kW	\$6.06	\$8.93
Energy Charge per All kWh	0.031690	0.032140
<i>INLAND –STEAM</i>		
Demand Charge per MMBTU	\$500.49	\$572.83
Energy Charge per MMBTU	\$ 3.577	\$ 3.756
<i>LARGE SPECIAL CONTRACT</i>		
Demand Charge (Firm)	\$6.06	\$8.93
Demand Charge for 10-Minute Interruptible	2.46	3.63
Demand Charge for 90-Minute Interruptible	3.36	4.93
Energy Charge per kWh On-Peak	0.033780	0.032382
Energy Charge per kWh Off-Peak	0.030780	0.031880

LOAD CENTER CHARGES

Metering Point Charge	\$125		\$230
Substation Charges:			
1,000 – 2,999 kVA Substation	\$944	1,000 – 4,999 kVA Substation	\$1,168
3,000 – 7,499 kVA Substation	\$2,373	5,000 – 9,999 kVA Substation	\$3,087
7,500 – 14,999 kVA Substation	\$2,855	10,000 – 14,999 kVA Substation	\$4,265
15,000 and Larger kVA Substation	\$4,605	15,000 – 29,999 kVA Substation	\$9,220
		30,000 – 50,999 kVA Substation	\$14,488
		> 51,000 kVA Substation	\$16,155

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

<u>RATE SCHEDULE</u>	<u>INCREASE IN AVERAGE MONTHLY BILL PER CUSTOMER</u>	<u>PERCENTAGE INCREASE</u>
SECTION A	NA	NA
SECTION E	\$288,260	7.92%
SECTION B	\$ 42,920	8.03%
SECTION C	\$ 30,121	9.29%
SECTION G	\$ 77,441	9.43%
INLAND STEAM	\$ 56,088	5.01%
GALLATIN STEEL	\$251,448	6.09%

The rates contained in this notice are the rates proposed by East Kentucky Power Cooperative, Inc. However, the Public Service Commission may order rates to be charged that differ from the proposed rates contained in this notice

Any corporation, association, or person with a substantial interest in the matter may, by written request, within thirty (30) days after mailing of this notice of the proposed rate changes, request to intervene. The motion shall be submitted to the Public Service Commission, 211 Sower Boulevard, P.O. Box 615, Frankfort, Kentucky 40602, and shall set forth the grounds for the request including the status and interest of the party. Intervention may be granted beyond the thirty (30) day period for good cause shown.

Any person who has been granted intervention by the Public Service Commission may obtain copies of the rate application and any other filings made by East Kentucky Power Cooperative, Inc. by contacting:

Charles Lile
East Kentucky Power Cooperative, Inc.
4775 Lexington Road
P.O. Box 707
Winchester, Kentucky 40392-0707
Phone: (859) 744-4812

Any person may examine the rate application and any other filings made by East Kentucky Power Cooperative, Inc. at the main office at the above address or by contacting the Public Service Commission Office at the following address:

Kentucky Public Service Commission
211 Sower Boulevard
P.O. Box 615
Frankfort, Kentucky 40602
Phone: (502) 564-39400

East Kentucky Power Cooperative, Inc.
Case No. 2008-00409
Fully Forecasted Test Period
Volume 1, Tab 11

Filing Requirement
807 KAR 5:001 Section 10(4)(a)
Sponsoring Witness: Ann F. Wood

Description of Filing Requirement:

Manner of notification. Sewer utilities shall give the required typewritten notice by mail to all of their customers pursuant to KRS 278.185.

Response:

This filing requirement is not applicable to EKPC.

East Kentucky Power Cooperative, Inc.
Case No. 2008-00409
Fully Forecasted Test Period
Volume 1, Tab 12

Filing Requirement
807 KAR 5:001 Section 10(4)(b)
Sponsoring Witness: Ann F. Wood

Description of Filing Requirement:

Manner of notification. If applicant has 20 customers or less, written notice of proposed rate changes and estimated amount of increase per customer class shall be mailed to each customer no later than date of application.

Response:

Please see response to Filing Requirement 807 KAR 5:001 Section 10 (3), filed under tab 10.

East Kentucky Power Cooperative, Inc.
Case No. 2008-00409
Fully Forecasted Test Period
Volume 1, Tab 13

Filing Requirement
807 KAR 5:001 Section 10(4)(c)
Sponsoring Witness: Ann F. Wood

Description of Filing Requirement:

Except for sewer utilities, applicants with more than twenty (20) customers affected by the proposed general rate adjustment shall give the required notice by one (1) of the following methods: 1. A typewritten notice mailed to all customers no later than the date the application is filed with the Commission; 2. Publishing the notice in a trade publication or newsletter which is mailed to all customers no later than the date on which the application is filed with the Commission; or 3. Publishing the notice once a week for three (3) weeks in a prominent manner in a newspaper of general circulation in the utility's service area, the first publication to be made within seven (7) days of the filing of the application with the Commission.

Response:

This filing requirement is not applicable to EKPC, as EKPC has fewer than twenty customers affected by the proposed general rate adjustment.

East Kentucky Power Cooperative, Inc.
Case No. 2008-00409
Fully Forecasted Test Period
Volume 1, Tab 14

Filing Requirement
807 KAR 5:001 Section 10(4)(d)
Sponsoring Witness: Ann F. Wood

Description of Filing Requirement:

If the notice is published, an affidavit from the publisher verifying the notice was published, including the dates of the publication with an attached copy of the published notice, shall be filed with the Commission no later than forty-five (45) days of the filed date of the application.

Response:

This filing requirement is not applicable to EKPC. Please see Filing Requirement 807 KAR 5:001 Section 10 (4) (e) under tab 15.

East Kentucky Power Cooperative, Inc.
Case No. 2008-00409
Fully Forecasted Test Period
Volume 1, Tab 15

Filing Requirement
807 KAR 5:001 Section 10(4)(e)
Sponsoring Witness: Ann F. Wood

Description of Filing Requirement:

If the notice is mailed, a written statement signed by the utility's chief officer in charge of Kentucky operations verifying the notice was mailed shall be filed with the Commission no later than thirty (30) days of the filed date of the application.

Response:

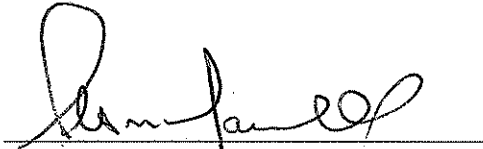
A written statement signed by EKPC's Chief Executive Officer verifying that notice was mailed is included on page 2 of this response.

EAST KENTUCKY POWER COOPERATIVE

CASE NO. 2008-00409

NOTICE TO MEMBER COOPERATIVES

In accordance with 807 KAR 5:001 Section 10(4)(e), EKPC does hereby verify that this notice of a proposed wholesale rate adjustment was mailed to all member cooperatives on October 16, 2008.

A handwritten signature in black ink, appearing to read "Robert M. Marshall", is written over a horizontal line.

Robert M. Marshall
President and Chief Executive Officer

East Kentucky Power Cooperative, Inc.
Case No. 2008-00409
Fully Forecasted Test Period
Volume 1, Tab 16

Filing Requirement
807 KAR 5:001 Section 10(4)(f)
Sponsoring Witness: Ann F. Wood

Description of Filing Requirement:

All utilities, in addition to the above notification, shall post a sample copy of the required notification at their place of business no later than the date on which the application is filed which shall remain posted until the Commission has finally determined the utility's rates.

Response:

EKPC has complied with 807 KAR 5:001, Section 10(4)(f) by posting its Notice at its place of business on October 16, 2008, and said Notice will remain posted until the Commission has finally determined the utility's rates. This Notice to Member Cooperatives is included at Tab 10.

East Kentucky Power Cooperative, Inc.
Case No. 2008-00409
Fully Forecasted Test Period
Volume 1, Tab 17

Filing Requirement
807 KAR 5:001 Section 10(4)(g)
Sponsoring Witness: Ann F. Wood

Description of Filing Requirement:

Compliance with this subsection shall constitute compliance with 807 KAR 5:051, Section 2.

Response:

No response is required.

**East Kentucky Power Cooperative, Inc.
Case No. 2008-00409
Fully Forecasted Test Period
Volume 1, Tab 18**

**Filing Requirement
807 KAR 5:001 Section 10(5)
Sponsoring Witness: Ann F. Wood**

Description of Filing Requirement:

Notice of hearing scheduled by the commission upon application by a utility for a general adjustment in rates shall be advertised by the utility by newspaper publication in the areas that will be affected in compliance with KRS 424.300.

Response:

EKPC will advertise notice of hearing in compliance with KRS 424.300.

East Kentucky Power Cooperative, Inc.
Case No. 2008-00409
Fully Forecasted Test Period
Volume 1, Tab 19

Filing Requirement
807 KAR 5:001 Section 10(8)(a)
Sponsoring Witness: Frank J. Oliva and Ann F. Wood

Description of Filing Requirement:

Financial data for forecasted period presented as pro forma adjustments to base period.

Response:

Financial data for the forecasted period presented as adjustments to the base period is included on page 2 of this response.

The pro-forma adjustments are included in Exhibit 2 to Mr. Seelye's testimony under tab 23.

EAST KENTUCKY POWER COOPERATIVE, INC.
Base Period with Adjustments to Forecast Period

	Financial Data Base Period	Adjustments	Financial Data Forecast Period
STATEMENT OF OPERATIONS			
Electric Energy Revenues			
Power Sales-Member Coops - Basic Rate	\$ 636,519,889	\$ 22,835,865	\$ 659,355,754
Power Sales-Member Coops - Fuel Clause	83,194,154	14,423,486	97,617,640
Power Sales-Member Coops - Environmental Surcharge	45,073,262	59,651,907	104,725,169
Power Sales-Member Coops - Steam	12,473,326	(673,289)	11,800,037
Power Sales - Off System	5,613,361	4,373,645	9,987,006
Wheeling Revenue	909,686	1,479,437	2,389,123
Other Operating Revenue - Income	1,551,020	(1,151,977)	399,043
Total Operating Revenue & Patronage Capital	785,334,697	100,939,075	886,273,772
Operation Expenses			
Production Costs Excludes Fuel	59,066,563	10,400,977	69,467,540
Fuel	300,197,333	126,740,152	426,937,485
Other Power Supply	171,843,522	(94,656,305)	77,187,217
Transmission	29,744,561	(1,760,157)	27,984,404
Distribution	1,142,688	(121,062)	1,021,626
Customer Accounts	-	-	-
Customer Service & Information	1,613,679	150,911	1,764,590
Sales	27,377	(17,377)	10,000
Administration and General	24,034,746	2,640,583	26,675,329
Total Operation Expenses	587,670,469	43,377,722	631,048,191
Maintenance Expenses			
Production	60,049,328	(11,374,997)	48,674,331
Transmission Expense	4,199,830	639,215	4,839,045
Distribution Expense	1,179,088	(191,252)	987,836
General Plant	1,054,946	190,845	1,245,791
Total Maintenance Expenses	66,483,192	(10,736,189)	55,747,003
Fixed Costs			
Depreciation/Amortization	43,848,730	29,709,581	73,558,311
Taxes	800	-	800
Interest on Long-Term Debt	119,047,285	16,736,602	135,783,887
Interest During Construction	-	-	-
Other Interest Expense	44,553	(4,554)	39,999
Other Deductions	1,105,591	1,258,115	2,363,706
Total Fixed Costs	164,046,958	47,699,745	211,746,703
Total Cost of Electric Service	818,200,620	80,341,277	898,541,897
Operating Margins	(32,865,922)	20,597,797	(12,268,125)
Non-Operating Items			
Interest Income	5,548,698	(1,541,509)	4,007,189
Allowance for Funds used for Construction	39,718,159	(39,718,159)	-
Other Non-Operating Income	19,189	(47,101)	(27,912)
Other Capital Credits/Patronage Dividends	55,021	194,979	250,000
Total Non-Operating Items	45,341,067	(41,111,790)	4,229,277
Net Patronage Capital & Margins(Deficits)	\$ 12,475,145	\$ (20,513,993)	\$ (8,038,848)

East Kentucky Power Cooperative, Inc.
Case No. 2008-00409
Fully Forecasted Test Period
Volume 1, Tab 20

Filing Requirement
807 KAR 5:001 Section 10(8)(b)
Sponsoring Witness: William Steven Seelye

Description of Filing Requirement:

Forecasted adjustments shall be limited to the 12 months immediately following the suspension period

Response:

EKPC notes that forecasted adjustments shall be limited to the 12 months immediately following the suspension period.

East Kentucky Power Cooperative, Inc.
Case No. 2008-00409
Fully Forecasted Test Period
Volume 1, Tab 21

Filing Requirement
807 KAR 5:001 Section 10(8)(c)
Sponsoring Witness: William Steven Seelye

Description of Filing Requirement:

Capitalization and net investment rate base shall be based on a 13 month average for the forecasted period.

Response:

Capitalization and net investment rate base are based on a 13-month average for the forecasted period.

East Kentucky Power Cooperative, Inc.
Case No. 2008-00409
Fully Forecasted Test Period
Volume 1, Tab 22

Filing Requirement
807 KAR 5:001 Section 10(8)(f)
Sponsoring Witness: Ann F. Wood

Description of Filing Requirement:

The utility shall provide a reconciliation of the rate base and capital used to determine its revenue requirements.

Response:

A reconciliation of the rate base and capital is on page 2 of this response. It should be noted, however, that a Times Interest Earned Ratio ("TIER") was utilized to determine EKPC's revenue requirement in this proceeding rather than a rate of return on rate base or total capitalization.

**Reconciliation of Capitalization to Rate Base
Forecasted Test Year**

	Gross Rate Base 13-month average	Environmental Surcharge Impacts	Net Rate Base 13-month average
Capitalization			
Members' Equity	\$ 210,957,458		\$ 210,957,458
Long-Term Debt	2,689,352,692		2,689,352,692
Environmental Surcharge Portion		\$ (641,210,985)	(641,210,985)
Total Capitalization as Filed	<u>\$ 2,900,310,150</u>	<u>\$ (641,210,985)</u>	<u>\$ 2,259,099,165</u>
Assets forecasted not included in rate base:			
Property and Investments	\$ (51,339,081)		\$ (51,339,081)
Other Assets	(3,234,530)		(3,234,530)
Cash and Investments	(55,163,385)		(55,163,385)
Accounts Receivable	(77,108,041)		(77,108,041)
Other Current Assets	(3,705,681)		(3,705,681)
Subtotal	<u>(190,550,719)</u>		<u>(190,550,719)</u>
Liabilities forecasted not included in rate base:			
Current Liabilities	90,597,070		90,597,070
Other Liabilities	66,168,166		66,168,166
Subtotal	<u>156,765,236</u>		<u>156,765,236</u>
Assets in rate base, not forecasted:			
Cash Working Capital--13 month	<u>26,985,673</u>	<u>\$ (3,377,102)</u>	<u>23,608,571</u>
Subtotal	(6,799,810)	(3,377,102)	(10,176,912)
Rounding	(6,439)		(6,439)
Total Rate Base	<u>\$ 2,893,503,901</u>	<u>\$ (644,588,087)</u>	<u>\$ 2,248,915,814</u>