

SHELBY RURAL ELECTRIC COOPERATIVE CORPORATION

OF

SHELBYVILLE, KENTUCKY 40066

Rates, Rules and Regulations for Furnishing

AT

Counties of: Shelby, Henry, Trimble, Carroll, Owen, Franklin,

Oldham, Jefferson, Spencer, and Anderson

Filed with PUBLIC SERVICE COMMISSION OF KENTUCKY

ISSUED June 24, 19 92

EFFECTIVE July 24, 1992

PUBLIC SERVICE COMMISSION
OF KENTUCKY
EFFECTIVE

JUL 24 1992

ISSUED BY Shelby Rural Electric Coop. Corp.
(Name of Utility)

PURSUANT TO 807 KAR 5:011.
SECTION 9 (1)

BY Thomas Barker, Jr.
Thomas Barker, Jr.

BY: [Signature]
PUBLIC SERVICE COMMISSION MANAGER

President and General Manager

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C/O/92

Shelby Rural Electric Cooperative Corporation

Shelbyville PUBLIC SERVICE COMMISSION
OF KENTUCKY
EFFECTIVE

JUL 24 1992

RULES AND REGULATIONS

PURSUANT TO 807 KAR 5:011,
SECTION 9 (1)

1. SCOPE *Thomas Barker*
PUBLIC SERVICE COMMISSION MANAGER

This schedule of Rules and Regulations is hereby made a part of all contracts for electric service received from Shelby Rural Electric Cooperative Corporation, hereinafter referred to as the Cooperative, and applies to all service received, whether such service is based upon a contract, agreement, signed application, or otherwise. No employee or director of the Cooperative is permitted to make an exception to rates and rules. Regulations are on file at the Cooperative's office and can be obtained there from Cooperative personnel. All Rules and Regulations shall be in effect so long as they do not conflict with Public Service Commission Rules and Regulations.

2. REVISIONS

These Rules and Regulations may be revised, amended, supplemented, or otherwise changed from time to time after approval by Shelby Rural Electric Cooperative Corporation's Board of Directors and the Public Service Commission. Such changes, when effective, shall have the same force as the present Rules and Regulations. The member shall be informed of any changes as soon as possible, after adoption by the Board of Directors, through the Cooperative's monthly newsletter or direct mailing.

3. SERVICE AREA

The Cooperative furnishes electric power supplied in portions of Shelby, Henry, Trimble, Carroll, Oldham, Franklin, Owen, Spencer, Anderson, and Jefferson Counties.

4. AVAILABILITY

Available to all members of the Cooperative as specified in the tariff sheets and classifications of service.

5. AVAILABILITY OF SERVICE TO DELINQUENT MEMBERS

If an application is received by a person residing with a delinquent member at the premises where power was supplied to the delinquent member, the application will be denied on the grounds that the applicant is applying as the agent of the delinquent member.

PUBLIC SERVICE COMMISSION
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DATE OF ISSUE June 24, 1992
Month Day Year

DATE EFFECTIVE July 24, 1992
Month Day Year

ISSUED BY Thomas Barker Jr
Name of Officer

President & General Manager Shelbyville, KY 40066
Title Address

PURSUANT TO 807 KAR 5:011,
SECTION 9 (1)
PUBLIC SERVICE COMMISSION MANAGER

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C/O/92

Shelby Rural Electric Cooperative Corporation

Shelby ~~PUBLIC SERVICE COMMISSION~~
PUBLIC SERVICE COMMISSION
OF KENTUCKY
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PURSUANT TO 807 KAR 5.011,

SECTION 9 (1)

6. RIGHT OF ACCESS
BY: Thomas Baker
PUBLIC SERVICE COMMISSION MANAGER

Each member shall, at the time of application, provide the Cooperative with permits or shall sign right-of-way easements furnished by said Cooperative. The Cooperative shall at all reasonable hours have access to meters, service connections, and other property owned by it and located on the consumer's premises for purposes of placing, locating, building, constructing, operating, replacing, rebuilding, relocating, repairing, improving, enlarging, extending, and maintaining on, over, or under such lands and premises, or removing therefrom its electrical distribution system, new or existing lines, wires, poles, anchors, and other necessary parts.

Any employee of the Cooperative whose duties require him to enter the consumer's premises shall wear a distinguishing uniform or insignia, identifying him as an employee of the Cooperative, or carry on his/her person a badge or other identification which will identify him as an employee of the Cooperative, the same to be shown upon request.

7. NO PREJUDICE OF RIGHTS

Failure by the Cooperative to enforce any of the terms of these Rules and Regulations shall not be deemed as a waiver of the right to do so.

8. APPLICATION FOR ELECTRIC SERVICE

Each prospective member and/or spouse desiring electric service will be required to sign the Cooperative's form of "Application for Membership and Electric Service." Also, where applicable, the prospective consumer must sign a contract pertaining to their particular service. The prospective consumer must provide the Cooperative with all necessary electrical permits and fully executed right-of-way easements for his property, and all necessary load information at the time of application for service. The consumer may be required to furnish his/her Social Security number, phone number, permanent address, place of employment, and name of spouse.

9. MEMBERSHIP FEE

The membership fee in the Cooperative shall be twenty-five dollars (\$25.00). No member may hold more than one membership in the Cooperative. Discontinuance of service will automatically terminate the membership, and the membership fee will be refunded or applied against any unpaid bills of the member. Membership fees are not transferable from one member to another.

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ISSUED BY Thomas Baker President & General Manager Shelbyville, KY 40066
Name of Officer Title Address

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Shelby Rural Electric Cooperative Corporation
Shelbyville, Kentucky

PUBLIC SERVICE COMMISSION
OF KENTUCKY
EFFECTIVE

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RULES AND REGULATIONS

10. PURSUANT TO 807 KAR 5:011,
CONTINUITY OF SERVICE
SECTION 9 (1)

The Cooperative shall use reasonable diligence to provide a constant and uninterrupted supply of electrical power and energy, but if such a supply should fail or be interrupted or become defective through an act of God, or the public enemy, or by accident, strikes or labor troubles, or by action of the elements, or other permits needed, or for any other cause beyond the reasonable control of the Cooperative, the Cooperative shall not be liable.

11. NON-STANDARD SERVICE

The member or consumer shall pay the cost of any special installation necessary to meet his requirements for service at other than standard voltage, or for the supply of closer voltage regulation than required by standard practices.

12. BILLING

The Cooperative's billing period and billing procedures are as specified in the applicable rate schedule/tariff for electric service. Failure to receive the bill will not release the consumer from payment obligation.

13. DEPOSITS

The Cooperative may require a minimum cash deposit or other guaranty to secure payment of bills except for consumers qualifying for service reconnection pursuant to 807 KAR 5:006, Section 15, Winter Hardship Reconnection. Service may be refused or discontinued for failure to pay the requested deposit. Interest, as prescribed by KRS 278.460, will be paid annually either by refund or credit to the consumer's bill, except that no refund or credit will be made if the consumer's bill is delinquent on the anniversary date of the deposit.

The deposit may be waived upon a consumer's showing of satisfactory credit or payment history, and required deposits will be returned after one (1) year if the consumer has established a satisfactory payment record for that period. If a deposit has been waived or returned and the consumer fails to maintain a satisfactory payment record, a deposit may then be required. The Cooperative may require a deposit in addition to the initial deposit if the consumer's classification of service changes or if there is a substantial change in usage. Upon termination of service, the deposit, any principal amounts, and any interest earned and owing will be credited to the final bill with any remainder refunded to the consumer.

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ISSUED BY Thomas Barker President & General Manager Shelbyville, KY 40065
Name of Officer Title Address

Handwritten initials/signature

Shelby Rural Electric Cooperative Corporation

Shelbyville, KY
PUBLIC SERVICE COMMISSION
OF KENTUCKY
EFFECTIVE

JUL 24 1992

RULES AND REGULATIONS

PURSUANT TO 807 KAR 5011,
SECTION 9 (1)

13. DEPOSITS (continued)

BY: Thomas Barker, Jr.
PUBLIC SERVICE COMMISSION MANAGER

Residential/Commercial consumer's deposit shall be based upon actual usage of the consumer at the same or similar premises for the most recent 12-month period, if such information is available. If usage information is not available, the deposit will be based on the average bills of similar consumers and premises in the system. The deposit amount shall not exceed 2/12 of the consumer's actual or estimated annual bill where bills are rendered monthly.

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

1. Previous payment history with the Cooperative. If the consumer has no previous history with the Cooperative, statements from other utilities, banks, etc. may be presented by the consumer as evidence of good credit.
2. Whether the consumer has an established income or line of credit.
3. Length of time the consumer has resided or been located in the area.
4. Whether the consumer owns property in the area.
5. Whether the consumer has filed bankruptcy proceedings within the last seven years.
6. Whether another consumer with a good payment history is willing to sign as a guarantor for an amount equal to the required deposit.

If a deposit is held longer than 18 months, the deposit will be recalculated at the consumer's request based on the consumer's actual usage. If the deposit on account differs from the recalculated amount by more than \$10.00 for a residential consumer or 10% for a non-residential consumer, the Cooperative may collect any underpayment and shall refund any overpayment by check or credit to the consumer's bill. No refund will be made if the consumer's bill is delinquent at the time of the recalculation.

14. LEVELIZED (BUDGET) BILLING

Levelized/Budget Billing is available to all residential consumers who sign an agreement for such billing during the months of April, May, June, or July. Anyone not doing so during these months must wait until the following April.

The Levelized Payment Plan for each account is determined by:

1. A. Totaling the past 12 months' charges including all taxes, security light charges, if any.

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Name of Officer Title Address

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Shelby Rural Electric Cooperative Corporation
Shelbyville, KY
PUBLIC SERVICE COMMISSION
OF KENTUCKY
EFFECTIVE

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PURSUANT TO 807 KAR 5:011,
SECTION 9 (1)

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14. LEVELIZED BILLING (continued)

BY: *Thomas Baker*
PUBLIC SERVICE COMMISSION MANAGER

1. Dividing this total by twelve (12). This amount will then be the monthly payment for the account.
 - C. Each month the 12th month is dropped and the current month added, keeping a 12 month current average, thereby never having a catchup month.
2. Consumer agrees to provide meter reading regularly so each monthly bill will reflect the actual amount of electricity used and the status of the member's account, including the current amount to be paid.
3. Consumer agrees to make monthly payments when due and provide monthly meter readings on time or the agreement will be voided and the total balance, if any, will be due and payable.
4. The agreement remains in effect until cancelled by the consumer or the Cooperative or by the member's failure to furnish meter readings or payments as outlined above.

15. PARTIAL PAYMENT PLAN

Consumers who are unable to pay their bills may come to the office during regular office hours and make arrangements for a partial payment plan and retention of service. The consumer must appear in person within forty-eight (48) hours from the time the serviceman has arrived at the consumer's premises for collection of his bill or disconnection of his service.

The agreement must be in writing and be signed by the consumer. The minimum amount that the consumer will be allowed to pay and retain service is one-fourth (1/4) of the delinquent amount, which must be paid at the time the agreement is made. The remainder of his past-due account may be paid by equal monthly installments over a period of time not to exceed six (6) months from the date the agreement is made. However, the consumer will be allowed to make a greater initial payment and pay the balance in less than six (6) months period. In addition to the monthly installments for the past-due amount, the consumer must also pay the current month's bill.

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ISSUED BY Thomas Baker president & General Manager Shelbyville, KY 40066
 Name of Officer Title Address

Shelby Rural Electric Cooperative Corporation
Shelbyville, KY

PUBLIC SERVICE COMMISSION
OF KENTUCKY
EFFECTIVE

JUL 24 1992

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RULES AND REGULATIONS

16. CERTIFICATE OF NEED FROM DEPARTMENT FOR SOCIAL INSURANCE

BY: *[Signature]*
Upon written certification from one of the Kentucky Department for Social Insurance offices, a consumer who is eligible for energy assistance under the Department's guidelines or is certified as being in genuine financial need, defined as any household with gross income at or below 130% of the poverty level, and who has been given a ten (10) day notice for nonpayment of his electric bill rendered between November 1 and March 31, and who presents such notice to the Department for Social Insurance, shall be allowed thirty (30) days in addition to such ten (10) day period in which to negotiate a partial payment plan with Shelby RECC provided such certification is delivered to Shelby RECC during the initial ten (10) day notice period by the applicant in person, by his or her agent, by mail, or by telephone call from an employee of the Department of Social Insurance. The thirty (30) day period shall begin to run at the end of the tenth day of the ten (10) day period.

When the consumer exhibits good faith by offering to make a present payment commensurate with his or her ability to do so and by agreeing to a repayment schedule which would permit the consumer to become current in the payment of his or her electric bill as soon as possible but no later than October 15, Shelby RECC will accept such partial payment plan. Shelby RECC will also inform the consumer by an insert in the ten (10) day notice the telephone number and address of the nearest office of the Kentucky Cabinet for Human Resources, Department of Social Insurance.

17. LOCATION OF METERS

Meters shall be easily accessible for reading, testing, and making necessary adjustments and repairs and shall be located at site designated by Shelby RECC personnel.

18. MONITORING OF CONSUMER USAGE

The Cooperative utilizes two computer programs to flag unusual deviations in a consumer's usage on consumer read accounts. KWH readings are also compared to the previous month's reading to assume that the new reading is at least greater than the previous reading. Any extremely large variations are also marked at this time.

The computer programs used to monitor unusual deviations are:

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ISSUED BY Thomas Barker Jr President & General Manager Shelbyville, KY 40065
Name of Officer Title Address

Shelby Public Service Commission
Public Service Commission
of Kentucky
Shelbyville, Kentucky
Cooperative Corporation

FOR All Territory Served

P.S.C. Ky. No. 6

Original Sheet No. 7

Cancelling P.S.C. Ky. No. 5

Sheet No. _____

JUL 24 1992
PURSUANT TO 807 KAR 5:011.
SECTION 9 (1)
Thomas Barker
PUBLIC SERVICE COMMISSION MANAGER

RULES AND REGULATIONS

18. MONITORING OF CONSUMER USAGE (continued)

- A. Data Entry Exception History: Immediately upon completion of data entry of new kWh readings, an exception listing appears which flags any readings that do not conform to previously set standards. Those standards are:
 1. Attempt to enter a five digit reading to an account where only a four dial meter is installed.
 2. A reading which would generate a bill for over 8,000 kWh for an account with a four dial meter and over 15,000 kWh for an account with a five dial meter.
 3. A reading which is lower than the previous month's reading.
- B. High-Low Exception Report: Before the monthly bill calculation, a high-low exception report is run which flags any readings which would generate a bill for usage 100% higher or 50% lower than the average of the three preceding months or the corresponding month one year ago.

If an unusual deviation cannot be readily determined, such as keypunch error, the source document (meter reading card, etc.) is checked to determine cause for exception listing.

If the cause for unusual deviation cannot be identified from available documents, a meter reader is dispatched to obtain a new reading. This reading is then compared to the reading previously entered to determine variance.

19. RECONNECTION CHARGE

When service has been disconnected for other than non-payment of a delinquent bill and the Cooperative is requested to reconnect at the same location, a twenty-five dollars (\$25.00) reconnect fee will be charged for connection during regular working hours. If reconnected during other than regular working hours, a fifty dollars (\$50.00) reconnect fee will be charged.

20. TURN-ON CHARGE

A turn-on charge of twenty-five dollars (\$25.00) may be assessed for a new service turn on, seasonal turn on, or temporary service. A turn-on charge shall not be made for initial installation of service where a tap-fee is applicable.

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ISSUED BY Thomas Barker Jr President & General Manager Shelbyville, KY 40066
Name of Officer Title Address

4/19/97

FOR All Territory Served

P.S.C. Ky. No. 6

Original Sheet No. 8

Cancelling P.S.C. Ky. No. 5

Sheet No.

Shelby Rural Electric Cooperative Corporation
Shelbyville, Kentucky

PUBLIC SERVICE COMMISSION
OF KENTUCKY
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SECTION 9 (1)

RULES AND REGULATIONS

BY: Thomas Barker
PUBLIC SERVICE COMMISSION MANAGER

21. COLLECTION OF DELINQUENT ACCOUNTS

Should it become necessary for the Cooperative to send a serviceman to the consumer's premises for collection of a delinquent account, there will be a service call charge of \$25.00 assessed if service is terminated, the bill is paid in the course of the trip, or payment arrangements are made. The charge can only be made once in a billing period. The charge will be due and payable at the time such delinquent account is collected.

22. CHECKS RETURNED - UNHONORED BY BANK

When a check received in payment of a consumer's account is returned unpaid by the bank for any reason, the Cooperative will notify such consumer by form letter, notice of returned check, stating the amount of the check and reason for its return. Returned checks will then be considered the same as a delinquent account, and if payment in full is not received for the check within ten (10) business days after notice, service to the consumer will be discontinued twenty-seven (27) days after mailing date of the original bill for which such returned check was intended to pay, as prescribed under the section of Rules #21 and #25 dealing with unpaid accounts. A \$10.00 service charge shall be added to all returned unhonored checks.

The Cooperative shall have the right to refuse to accept checks in payment of an account from any consumer that has demonstrated poor credit risk by having two (2) or more checks returned unpaid from a bank for any reason.

The Cooperative shall not accept a check to pay for and redeem another check or accept a two-party check for cash or payment of an account.

23. TAMPERING

If the meters or other property belonging to the Cooperative are tampered or interfered with, the consumer being supplied through such equipment shall pay the amount which the Cooperative may estimate is due for service rendered, but not registered on the Cooperative's meter and for such replacement and repairs as are necessary, as well as for costs of inspection, investigation, and protective installations.

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ISSUED BY Thomas Barker President & General Manager Shelbyville, KY 40066
Name of Officer Title Address

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PUBLIC SERVICE COMMISSION
OF KENTUCKY
EFFECTIVE

Shelby Rural Electric Cooperative Corporation
Shelbyville, Kentucky

Name of Issuing Corporation

APR 30 1997

PURSUANT TO 807 KAR 5.011,
RULES AND REGULATIONS SECTION 9(4)
BY: Stephan Bell
SECRETARY OF THE COMMISSION

19. MONITORING OF CONSUMER USAGE (continued)

- B. High-Low Exception Report: Before the monthly bill calculations, a high-low exception report is run which flags any readings which would generate a bill for usage 50% higher or 50% lower than the average of the three preceding months or the corresponding month one year ago.

If an unusual deviation cannot be readily determined, such as a keypunch error, the source document is checked to determine cause for exception listing.

If the cause for unusual deviation cannot be identified from available documents, a meter reader is dispatched to obtain a new reading. This reading is then compared to the reading previously entered to determine variance.

20. RECONNECTION CHARGE

- (T) When service has been disconnected for other than non-payment of a delinquent bill and the Cooperative is requested to reconnect at the same location, a fifty dollar (\$50.00) reconnect fee will be charged if reconnected outside regular working hours.

21. COLLECTION OF DELINQUENT ACCOUNTS

- (T) Should it become necessary for the Cooperative to send a representative to the consumer's premises for collection of a delinquent account there may be a service call charge of twenty-five dollars (\$25.00) assessed if service is terminated, the bill is paid in the course of the trip, or payment arrangements are made. The charge can only be made once in a billing period. The charge will be due and payable at the time such delinquent account is collected.
- (T) In the event a member is disconnected for non-payment of a delinquent account and requests reconnection during regular working hours, a fifty dollar (\$50.00) service call charge shall be collected. After regular working hours, the service call charge will be seventy-five dollars (\$75.00).

DATE OF ISSUE April 30, 1997 EFFECTIVE DATE April 30, 1997

ISSUED BY Dudley Batten, Jr. President & General Mgr. Shelbyville, KY 40065
Name of Officer Title Address

Handwritten initials/signature

FOR All Territory Served

P.S.C. Ky. No. 6

Original Sheet No. 9

Cancelling P.S.C. Ky. No. 5

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Shelby Rural Electric Cooperative Corporation
Shelbyville, Kentucky

PUBLIC SERVICE COMMISSION
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24. NOTICE OF PROBLEMS
BY: Thomas Basher
PUBLIC SERVICE COMMISSION MANAGER

The consumer shall give immediate notice at the office of the Cooperative of any interruption or irregularities or unsatisfactory service and of any defects known to the consumer.

The Cooperative may, as it deems necessary, suspend supply of electrical energy to any consumer or consumers for the purpose of making repairs, changes, or improvements upon any part of its system.

25. DISCONTINUANCE AND REFUSAL OR TERMINATION OF SERVICE

Any member desiring service discontinued or changed from one address to another shall give the Cooperative three (3) days' notice, in person, writing, or telephone, provided such notice does not violate contractual obligations or tariff provisions. The consumer shall not be responsible for charges for service beyond the three (3) day notice period if the consumer provides reasonable access to the meter during the notice period. If the consumer notifies the utility of his request for termination by telephone, the burden of proof is on the consumer to prove that service termination was requested if a dispute arises.

The Cooperative may refuse or discontinue to serve an applicant or consumer under the following conditions:

- A. For noncompliance with its Rules and Regulations. However, the Cooperative shall not discontinue or refuse service to any consumer or applicant for violation of its Rules and Regulations without first having made reasonable effort to induce the consumer or applicant to comply with the Rules and Regulations as filed with the Public Service Commission. After such effort on the part of the Cooperative, service may be disconnected or refused only after the member shall have been given at least ten (10) days written notice of such intention, mailed to his/her last known address.
- B. When a dangerous condition is found to exist on the member's or applicant's premises, the service shall be discontinued without notice or refused, provided that the Cooperative notify the consumer or applicant immediately of the reasons for the discontinuance or refusal and the corrective action to be taken by them before service can be installed or restored.

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ISSUED BY Thomas Basher President & General Manager Shelbyville, KY 40066
Name of Officer Title Address

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Shelby Rural Electric Cooperative Corporation

Original Sheet No. 10

Shelbyville, Kentucky

Cancelling P.S.C. Ky. No. 5

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25. DISCONTINUANCE AND REFUSAL OR TERMINATION OF SERVICE (continued)

C. When a consumer or applicant refuses or neglects to provide reasonable access to the premises for the purposes of installation, operation, meter reading, maintenance, or removal of the Cooperative's property, the Cooperative may discontinue or refuse service only after the consumer or applicant shall have been given at least fifteen (15) days written notice of such intention.

D. The Cooperative shall not furnish service to any applicant when such applicant is indebted to the Cooperative for service furnished until such applicant shall have paid such indebtedness.

E. The Cooperative may refuse or discontinue service to a member or applicant if the consumer or applicant does not comply with state, county, or other codes, rules, and regulations applying to such service.

F. THE COOPERATIVE MAY DISCONTINUE SERVICE UNDER THE FOLLOWING CONDITIONS:

For non-payment of bills. However, the Cooperative shall not discontinue service to any member for non-payment of bills (including delayed charges) without first having made reasonable effort to induce the member to pay same. The consumer shall be given at least ten (10) days written notice, but the cut-off shall not be effective for twenty-seven (27) days after the mailing date of the original bill. Such termination notice shall be exclusive of and separate from the original bill. If, prior to discontinuance of service, there is delivered to the Cooperative office or to its employees empowered to discontinue service, payment of the amount in arrears, the discontinuance of service shall not be made, or where a written certificate is filed signed by a physician, a registered nurse, or a public health officer, stating that in the opinion of the person making the certification, discontinuance of service will aggravate an existing illness or infirmity on the affected premises, service shall not be discontinued until the affected resident can make other living arrangements or until thirty (30) days elapse from the time of the Cooperative's notification to the member in writing of the existence of local, state, and federal programs providing for the payment of the Cooperative bills under certain conditions and of the offices to contact for such possible assistance. The written notice for any discontinuance of service shall advise the consumer of his rights and his rights to dispute the reasons for such discontinuance.

DATE OF ISSUE June 24, 1992
Month Day Year

DATE EFFECTIVE June 24, 1992
Month Day Year

ISSUED BY Thomas Barker Jr
Name of Officer

President & General Manager Shelbyville, KY 40066
Title Address

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FOR All Territory Served

P.S.C. Ky. No. 6

Shelby Rural Electric Cooperative Corporation
Shelbyville, Kentucky

Original Sheet No. 11

Cancelling P.S.C. Ky. No. 5

Sheet No.

PUBLIC SERVICE COMMISSION
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EFFECTIVE

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RULES AND REGULATIONS

PURSUANT TO 807 KAR 5:011,
SECTION 9 (1)

26.

INSPECTIONS
BY: *Thomas Barker*
PUBLIC SERVICE COMMISSION MANAGER

In keeping with 815 KAR 7:020 (16b), Shelby Rural Electric Cooperative Corporation shall not initiate new permanent electric service until the required certificate of approval has been issued by a certified electrical inspector, as required by local or state laws.

27.

TEMPORARY SERVICE

A member or consumer requesting temporary service may be required to pay all cost of construction, removing, connecting, and disconnecting service. Construction contractors, sawmills, oil wells, carnivals, fairs, camp meetings, etc., after making application for service, will be provided service after they pay an advance fee equal to the reasonable cost of constructing and removing such facilities along with a deposit for estimated kWh usage.

Upon termination of temporary service, the payment paid on estimated usage will be adjusted to actual usage and either a refund or additional billing will be issued to such temporary member or customer.

Temporary service used for such construction may only be utilized for a period not to exceed six (6) months after which time the service will be disconnected unless a written extension of time is obtained from the Cooperative.

28.

CONSUMER'S LIABILITY

The consumer shall assume full responsibility for service upon his premises at and from the point of delivery thereof, and for wires, apparatus, devices, and appurtenances thereon used in connection with service. Consumer shall indemnify, hold harmless and defend the Cooperative against all claims, demands, cost or expense for loss, damage, or injury to persons or property in any manner directly or indirectly arising from, connected with, or growing out of the transmission or use of current by consumer at or on the consumer's side of point of delivery.

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ISSUED BY	<i>Thomas Barker</i>	President & General Manager	Shelbyville, KY 40066
	Name of Officer	Title	Address

4/2/92

Shelby Rural Electric Cooperative Corporation
Shelbyville, KY

PUBLIC SERVICE COMMISSION
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EFFECTIVE

JUL 24 1992

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SECTION 9(1)

29. PROTECTION OF THE COOPERATIVE EQUIPMENT

The consumer shall protect the equipment of the Cooperative on his premises and shall not interfere with or alter or permit interference with or alteration of the Cooperative's meter or other property except by duly authorized representatives of the Cooperative.

For any loss or damage to the property of the Cooperative due to or caused by or arising from carelessness, neglect, vandalism, or misuses by the consumer or other unauthorized persons, the cost of the necessary replacement and repairs shall be paid for by the consumer. After proper negotiations with the Cooperative and if unable to reach an agreement, a court of law having jurisdiction over the parties shall determine the cost.

30. POINT OF DELIVERY

- 1. A. Approval shall be obtained from the Cooperative as to the proper location for a service entrance.
- B. Service entrances will be located on the exterior of the building nearest to the Cooperative's lines. Members desiring service entrances on any building at a location other than that closest to the Cooperative's lines, the additional estimated cost of such special construction as may be found necessary shall be borne by the member, and such cost shall be paid in advance before service can be connected.
- C. New service entrances, both overhead and underground, shall be installed in accordance with applicable codes, and the Cooperative shall not connect until the required certificate of approval has been issued by the required certified electrical inspector.
- 2. Point of service (or delivery) shall be that point where the facilities of the Cooperative join the member's facilities, irrespective of the location of the meter, and will normally be at the weatherhead on overhead lines and at the meter base on underground service. All wiring and equipment beyond this point of service shall be supplied and maintained by the member. The member will, however, notify the Cooperative of any proposed changes in his equipment or wiring which will materially increase or decrease his load so the Cooperative may check its equipment to make certain it will accommodate the member's load requirements.

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ISSUED BY Thomas Barker, Jr President & General Manager Shelbyville, KY 40061
Name of Officer Title Address

Shelby Rural Electric Cooperative Corporation

Shelbyville, Kentucky

**PUBLIC SERVICE COMMISSION
OF KENTUCKY
EFFECTIVE**

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PURSUANT TO 807 KAR 5:011.
SECTION 9 (1)

35. ~~FRAUDULENT USE~~
BY: *[Signature]*
PUBLIC SERVICE COMMISSION MANAGER

When the Cooperative has discovered evidence that by fraudulent or illegal means, a consumer has obtained unauthorized service or has diverted the service for unauthorized use or has obtained same without being properly measured, the service to the consumer may be disconnected immediately and without notice. Within 24 hours after such termination, the utility shall send written notification to the consumer of the reasons for termination or refusal of service and of the consumer's right to challenge the termination by filing complaint with the Commission-807 KAR 5:006, Section 14(1)(g). The Cooperative shall not be required to restore service until said Cooperative has been reimbursed for the estimated amount of service rendered and the cost incurred by fraudulent use.

It shall be the duty of the Cooperative before making service connections to a new consumer to ascertain the condition of the meter and service facilities for such consumer in order that prior fraudulent use of the facilities, if any, will not be attributed to the new consumer, and the new consumer shall be afforded the opportunity to be present at such inspection. The Cooperative shall not be required to render service to such consumer until all defects in the consumer-owned portion of the service, if any, have been corrected.

36. METER POLE

The Cooperative may, upon request, serve a meter pole to be wired by the consumer. The electrical load should be sufficient to justify at least a 200 amp service. A fused disconnect must be installed on the load side of the meter base. The meter pole and all equipment on said pole, exclusive of the meter and meter base, shall be installed and owned by the consumer. This pole shall be located by the Cooperative and the service must comply with the applicable codes and be inspected as required by state and local laws.

37. LINE EXTENSION TO MOBILE HOMES

- A. All extensions up to 150 feet from the nearest facilities shall be made without charge, except for the \$25.00 membership fee required of all consumers. The membership fee is refundable upon disconnection of service, after all bills against the account are paid.
- B. In counties requiring mobile home zoning, the consumer shall provide a certificate of approval from the county for the mobile home before construction begins.

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ISSUED BY	<i>Thomas Barker</i>	President & General Manager	Shelbyville, KY 40066
	Name of Officer	Title	Address

[Handwritten initials]

Shelby Rural Electric Cooperative Corporation
Shelbyville, Kentucky

PUBLIC SERVICE COMMISSION
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37. LINE EXTENSION TO MOBILE HOMES (continued)

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C. BY: [Signature]
PUBLIC SERVICE COMMISSION MANAGER

required fee charges and advances shall be paid before construction begins, and mobile home must be set in place before service can be extended.

- D. The consumer shall install his own meter pole and it shall meet the requirements of the applicable codes.
- E. Extensions greater than 150 feet from the nearest facility and up to 300 feet shall be made, provided the consumer shall pay the utility a consumer advance or construction fee of \$50.00 plus the \$25.00 membership fee required by all consumers. The \$50.00 advance shall be refunded at the end of one year if the service to the mobile home continues for the length of time.
- F. For extensions greater than 300 feet and less than 1,000 feet from the nearest facility, the utility will charge an advance of \$50.00 plus the cost of construction for the portion of service beyond 300 feet, up to 1,000 feet plus the \$25.00 membership fee.
 - 1. This advance shall be refunded to the consumer over a four year period in equal amounts for each year the service is continued, and the refund advance date begins with the billing date. The consumer advance for construction, of fifty dollars (\$50.00), shall be added to the first of four (4) refunds.
 - 2. If the service is disconnected for a period of sixty (60) days or should the mobile home be removed and another not take its place or be replaced by a permanent structure, the remainder of the advance shall be forfeited.
 - 3. No refunds shall be made to any consumer who did not make the advance originally.
 - 4. The member may elect to clear the right-of-way to reduce his cost of connection.
- G. For extensions greater than 1,000 feet the provisions, as stated in Part F, apply to the first 1,000 feet. For that portion of the line over 1,000 feet, the utility will charge the consumer the cost of construction for that portion of service beyond 1,000 feet. The deposit for that portion over 1,000 feet is subject to refund as follows:

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ISSUED BY Thomas Barber President & General Manager Shelbyville, KY 40066
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37. LINE EXTENSION TO MOBILE HOMES (continued)

- G. Each year for a period of not less than ten (10) years, which shall be the refund period, that portion over 1,000 feet, [39(B)] will apply.
- H. All mobile homes' meter pole shall be wired and inspected according to the applicable codes and shall be wired and inspected at the expense of the consumer.
- I. Any consumer who puts up a mobile home line extension deposit and replaces his mobile home with a permanent residence which is connected directly to the line for which the deposit was made, shall be refunded his deposit upon terms and conditions of the normal member service extension policy for permanent residences.

38. RELOCATION OF LINES

When the Cooperative is requested or required to relocate its facilities for any reason, any expense involved will be paid by the firm, person, or persons requesting the relocation, unless one or more of the following conditions are met:

- A. The relocation is made for the convenience of the Cooperative.
- B. The relocation will result in a substantial improvement in the Cooperative's facilities or their relocation.
- C. That the relocation is associated with other regularly scheduled conversion or construction work and can be done at the same time.

39. A. NORMAL MEMBER SERVICE EXTENSIONS

An extension of one thousand (1,000) feet or less shall be made by Shelby RECC to its existing distribution line without charge for a prospective member who shall apply for and agree to use the service for one year or more and provides guarantee for such service. The "service drop" to the house from the distribution line at the last pole shall not be included in the foregoing measurements. This distribution line extension shall be limited to service where installed transformer capacity does not exceed 25 KVA. Any extensions to a consumer who may require polyphase service or whose installed transformer capacity will exceed 25 KVA will be required to pay in advance additional cost of construction which exceeds that for a single phase line where the installed transformer capacity does not exceed 25 KVA.

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FOR All Territory Served

P.S.C. Ky. No. 6

Original Sheet No. 17

Cancelling P.S.C. Ky. No. 5

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Shelby Rural Electric Cooperative Corporation

Shelbyville, Kentucky

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39. PURSUANT TO 807 KAR 5:011.
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When an extension of Shelby RECC's line to serve a member or a group of members amounts to more than 1,000 feet per member, the total cost of the excessive footage over 1,000 feet per member shall be deposited by the applicant or applicants based on the average estimated cost per foot of the total extension.

- 2. Each member receiving service under such extension will be reimbursed under the following plan:

Each year for a period of not less than 10 years, which for the purpose of this rule shall be the refund period, the Cooperative shall refund to the member or members who paid for the excess footage the cost of 1,000 feet of the extension in place for each additional member connected during the year whose service line is directly connected to the extension installed and not to extensions or laterals therefrom, but in no case shall the total amount refunded exceed the amount paid the Cooperative. After the end of the refund period, no refund will be required to be made. For additional consumers connected to an extension or lateral from the distribution line, the Cooperative shall refund to any consumer who paid for excessive footage the cost of 1,000 feet of line less the length of the lateral or extension.

- 3. An applicant desiring an extension to a proposed real estate subdivision may be required to pay the entire cost of the extension. Each year for a period of not less than 10 years, the Cooperative shall refund to the applicant who paid for the extension, a sum equivalent to the cost of 1,000 feet of the extension installed for each additional member connected during the year; but in no case shall the total amount refunded exceed the amount paid to the Cooperative. After the end of the refund period from the completion of the extension, no refund will be required to be made.
- 4. The member may elect to clear the right-of-way to reduce his cost of connection.

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	Month Day Year		Month Day Year

ISSUED BY	<u>Thomas Barker</u>	President & General Manager	Shelbyville, KY 40066
	Name of Officer	Title	Address

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FOR All Territory Served

P.S.C. Ky. No. 6

Original Sheet No. 18

Cancelling P.S.C. Ky. No. 5

Sheet No.

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PURSUANT TO 807 KAR 5.011,
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40. UNDERGROUND ELECTRIC SERVICE

BY: Public Service Commission
The purpose of this policy is to formulate Shelby Rural Electric Cooperative's requirements for underground electrical service for individuals and subdivisions, the application of which will insure adequate service and safety to all persons engaged in the construction, maintenance, operation, and use of underground facilities and to the public in general.

- A. Applicability - This policy shall only apply to underground electrical supply facilities used in connection with electric distribution within the definitions set out herein.
- B. Definitions - The following words and terms, when used in this policy, shall have the meaning indicated:

Applicant - The developer, builder, or other person, partnership, association, corporation, or governmental agency applying for the installation of an underground electric distribution system.

Building - A structure enclosed within exterior walls or fire walls built, erected, or framed of component structural parts and designed for less than five (5) family occupancy.

Multiple-Occupancy Building - A structure enclosed within exterior walls or fire walls, built, erected, and framed of component structural parts and designed to contain five (5) or more individual dwelling units.

Distribution System - Electric service facilities consisting of primary and secondary conductors, transformers, and necessary accessories and appurtenances for the furnishing of electric power at utilization voltage.

Subdivision - The tract of land which is divided into ten (10) or more lots for the construction of new residential buildings, or the land on which is constructed two (2) or more new multiple occupancy buildings.

Commission - The Public Service Commission

Trenching and Backfilling - Opening and preparing the ditch for the installation of conductors including placing of raceways under roadways, driveways, or paved areas; providing a sand bedding below and above conductors when required and backfill of trench to ground level.

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ISSUED BY	<u>Thomas Barker Jr</u>	President & General Manager	Shelbyville, KY 40066
	Name of Officer	Title	Address

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PURSUANT TO 807 KAR 5.011. RULES AND REGULATIONS
SECTION 9 (1)

40. UNDERGROUND ELECTRIC SERVICE (continued)

C. Rights-of-Way and Easements

1. The Cooperative shall construct, own, operate, and maintain distribution lines only along easements, public streets, roads, and highways which are by legal right accessible to the Cooperative's equipment and which the Cooperative has the legal right to occupy, and the public lands and private property across which rights-of-way and easements satisfactory to the Cooperative are provided without cost or condemnation by the Cooperative.
2. Rights-of-way and easements suitable to the Cooperative for the underground distribution facilities must be furnished by the applicant in reasonable time to meet service requirements. The applicant shall make the area in which the underground distribution facilities are to be located accessible to the Cooperative's equipment, remove all obstructions from such area, stake to show property lines and final grade, perform rough grading to a reasonable approximation of final grade, and maintain clearing and grading during construction by the Cooperative. Suitable land rights shall be granted to the Cooperative, obligating the applicant and subsequent property owners to provide continuing access to the Cooperative for operation, maintenance, or replacement of its facilities, and to prevent any encroachment in the Cooperative's easement of substantial changes in grade or elevation thereof.

D. Installation of Underground Distribution System Within New Subdivision

1. Where appropriate contractual arrangements have been made, the Cooperative shall install within the subdivision an underground electric distribution system of sufficient capacity and suitable materials which, in its judgment will assure that the property owners will receive safe and adequate electric service for the foreseeable future.
2. All single-phase conductors installed by the utility shall be underground. Appurtenances such as transformers, pedestal-mounted terminals, switching equipment, and meter cabinets may be placed above ground.
3. Three-phase primary mains or feeders required within a subdivision to supply local distribution or to serve individual three-phase loads may be overhead unless underground is required by governmental authority or chosen by the applicant, in either of which case the differential cost of underground shall be borne by the applicant.

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ISSUED BY Thomas Barker President & General Manager Shelbyville, KY 40066
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40 PURSUANT TO 807 KAR 5:011
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BY D. *Thomas Barber*
PUBLIC SERVICE COMMISSION MANAGER

UNDERGROUND ELECTRIC SERVICE (continued)

The Applicant has complied with the requirements herein and has given the Cooperative not less than 120 days written notice prior to the anticipated date of completion (i.e., ready for occupancy) of the first building in the subdivision, the Cooperative shall complete the installation 30 days prior to the estimated completion date. (Subject to weather and ground conditions and availability of materials and barring extraordinary or emergency circumstances beyond the reasonable control of the Cooperative.) However, nothing in this policy shall be interpreted to require the Cooperative to extend the service portions of the subdivisions not under active development.

5. A non-refundable payment shall be made by the Applicant equal to the difference between the cost of providing underground facilities and that of providing overhead facilities. The payment to be made by the applicant shall be determined from the total footage of single-phase primary, secondary and service conductor to be installed at an average per foot cost differential in accordance with the average cost differential filed with the Public Service Commission. Where rock, shale, or other impairments are anticipated or encountered in construction, the actual increased cost of trenching and backfilling shall be borne by the Applicant.
6. The Applicant may be required to deposit the entire estimated cost of the extension. If this is done, the amount deposited in excess of the normal charge for the underground extensions, as provided in Paragraph 5 above shall be refunded to the Applicant over a ten (10) year period as provided by the Public Service Commission.
7. The Cooperative normally will perform all necessary trenching and backfilling. The Applicant may elect to perform all necessary trenching and backfilling in accordance with the Cooperative's specifications. The Cooperative shall then credit the Applicant's cost in an amount equal to the Cooperative's normal cost for trenching and backfilling. However, the Cooperative personnel must be present at the time of backfilling if the member elects to trench and backfill.
8. The Cooperative shall furnish, install, and maintain the service lateral to the Applicant's meter base.

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ISSUED BY Thomas Barber President & General Manager Shelbyville, KY 40065
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40. UNDERGROUND ELECTRIC SERVICE (continued)

BY: *[Signature]*
PUBLIC SERVICE COMMISSION

- D. 9. Plans for the location of all facilities to be installed shall be approved by the Cooperative and Applicant prior to construction. Alterations in plans by the Applicant which require additional cost of installation or construction shall be at the sole expense of the Applicant.
- 10. The Cooperative shall not be obligated to install any facility within a subdivision until satisfactory arrangements for the payment of charges have been completed by the Applicant.
- 11. The charges specified in these rules are based on the premise that each Applicant will cooperate with the Cooperative in an effort to keep the cost of construction and installation of the underground electric distribution system as low as possible and make satisfactory arrangements for the payment of the above charges prior to the installation of the facilities.
- 12. All electrical facilities shall be installed and constructed to comply with the Rules and Regulations of the Public Service Commission, all applicable codes, and Shelby RECC specifications.
- 13. For all other developments that do not meet the conditions set forth in these rules, underground distribution will be installed provided an advance to the Cooperative is made in an amount equal to the difference between the Cooperative's estimated cost of underground facilities and overhead facilities, which it would otherwise provide.

41. ELECTRIC SERVICE TO CAMPS AND BARNS, PUMPS, ETC.

- A. Before construction begins to a camp, campsite, barn, or barnsite, or other services with low usages, the consumer shall have paid a \$25.00 membership fee. The membership fee is refundable upon disconnection of service, after all bills against the account are paid.
- B. In counties requiring construction permits, the consumer shall present a certificate of approval from the county before the Cooperative begins its construction of a new service.
- C. All required fee charges and advances shall be paid before construction begins.

DATE OF ISSUE June 24, 1992 DATE EFFECTIVE July 24, 1992
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ISSUED BY Thomas Barber President & General Manager Shelbyville, KY 40066
Name of Officer Title Address

[Handwritten initials]

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41. ELECTRIC SERVICE TO CAMPS AND BARN, PUMPS, ETC. (continued)

BY: *[Signature]*
PUBLIC SERVICE COMMISSION

- D. Extensions greater than 150 feet from the nearest facility and up to 300 feet shall be made, provided the consumer shall pay the Cooperative a consumer advance for construction of fifty dollars (\$50.00) in addition to any other charges required by the Cooperative for all consumers, which shall be the \$25.00 membership fee. The \$50.00 advance shall be refunded at the end of one year if the service to the camp or barn continues for that length of time.
- E. For extensions greater than 300 feet and less than 1,000 feet from the nearest facility, the Cooperative will charge an advance of \$50.00 plus the cost of construction for that portion of service beyond 300 feet, up to 1,000 feet. Beyond 1,000 feet, the extension policy set forth in [39(B)] shall apply.
- F. This advance shall be refunded to the consumer over a four (4) year period in equal amounts for each year the service is continued, and the refund advance date begins with the billing date. The consumer advance for construction of fifty dollars (\$50.00) shall be added to the first of four (4) refunds.
- G. If the service is discontinued for a period of sixty (60) days, the remainder of the advance shall be forfeited.
- H. No refund shall be made to any consumer who did not make the advance originally.
- I. The member may elect to clear the right-of-way to reduce his cost of connection.

42. METER TESTING

Each and every watt-hour meter installed by the Cooperative on consumer's premises shall be tested periodically without charge to the consumer. Any other request for meter test shall be complied with by the Cooperative only if the consumer agrees to pay a \$25.00 meter test deposit. If the meter tests more than 2% fast, the \$25.00 deposit shall be returned to the consumer and a credit, based on Public Service Commission Rules and Regulations, shall be issued by the Cooperative to the consumer. If the meter is more than 2% slow, the member shall be billed for the difference, based on Public Service Commission Rules and Regulations. If the meter tests within the Commission's limits, the \$25.00 will be retained to offset the cost of the meter test. Such tests may not be made more frequently than once each twelve (12) months.

DATE OF ISSUE June 24, 1992 DATE EFFECTIVE July 24, 1992
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ISSUED BY Thomas Barber President & General Manager Shelbyville, KY 40066
Name of Officer Title Address

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43. PURSUANT TO 807 KAR 5.011,
TAXES SECTION 9 (1)

BY: *Thomas Barber*
PUBLIC SERVICE COMMISSION MANAGER

Pursuant to the authority vested in KRS 139.210, there shall be added to the bill of all applicable subscribers, the sales and use tax imposed by KRS 139.200. The Utility Gross Receipts License Tax for schools authorized by KRS 160.613 shall be added to all applicable subscribers' bills in accordance with KRS 160.617, which authorizes a rate increase for the school tax.

44. VOLTAGE FLUCTUATIONS CAUSED BY MEMBER OR CONSUMER

Electric service must not be used in such a manner as to cause unusual fluctuations or disturbances to Distribution Systems. Distributor may require the member or consumer, at his own expense, to install suitable apparatus which will reasonably limit such fluctuation.

45. CONFLICT

In case of conflict between any provisions of any rate schedule and the schedule of Rules and Regulations, the rate schedule/tariff shall apply.

46. FILING AND POSTING

A copy of these Rules and Regulations, together with a copy of the Cooperative's schedule of rates and charges, shall be kept open to inspection at the office of the Cooperative.

47. CLASSIFICATION OF CONSUMERS

Classification of consumers for accounting purposes is in accordance with the prescribed REA Manual of Accounts.

DATE OF ISSUE	<u>June 24, 1992</u>	DATE EFFECTIVE	<u>July 24, 1992</u>
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ISSUED BY	<i>Thomas Barber</i>	President & General Manager	Shelbyville, KY 40066
	Name of Officer	Title	Address

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RULES AND REGULATIONS

48. STANDARD NOMINAL VOLTAGES

The standard nominal voltages for single and polyphase services throughout the distribution system are as specified below. Availability of a service voltage(s) is contingent upon existing service voltage(s) and other system parameters.

Single Phase (volts)

- 120/240
- 240/480
- 7,200
- 14,400

Three Phase (volts)

- 120/208Y
- 240Δ
- 240Δ , 120/240 lighting
- 277/480Y
- 480Δ
- 7,200/12,470Y
- 14,400/24,940Y

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BY: Thomas Barber
PUBLIC SERVICE COMMISSION MANAGER

DATE OF ISSUE June 24, 1992 DATE EFFECTIVE July 24, 1992
 Month Day Year Month Day Year
 ISSUED BY Thomas Barber Jr President & General Manager Shelbyville, KY 40066
 Name of Officer Title Address

Shelby Rural Electric Cooperative Corporation
Shelbyville, Kentucky

Name of Issuing Corporation

FOR All Territory Served
P.S.C. No. 6
Original SHEET NO. 26
CANCELLING P.S.C. NO. 5
SHEET NO.

RULES AND REGULATIONS

50. ENERGY EMERGENCY CONTROL PROGRAM - Re: PSC Admin. Case No. 353

Purpose - To provide a plan for reducing the consumption of electric energy on Shelby Rural Electric Cooperative Corporation's system in the event of a severe electric energy shortage.

For the purpose of this program, the following priority levels have been established:

- I. Essential Health and Safety Uses -- as defined in Appendix A
- II. Residential Use
- III. Commercial and Industrial Uses
- IV. Nonessential Uses -- as defined in Appendix B
- V. Interruptible Loads
- VI. Direct Load Control

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PURSUANT TO 807 KAR 5:011,
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BY: Jordan C. Neal
FOR THE PUBLIC SERVICE COMMISSION

Procedures - The Wholesale Power Cooperative, East Kentucky Power Cooperative, Inc., ("EKPC"), will notify Shelby RECC in the event of a severe electric energy shortage, and the following steps will be implemented. These steps will be carried out to the extent not prohibited by contractual commitments or by order of the regulatory authorities having jurisdiction.

EKPC and Shelby RECC will take the following actions listed in priority order:

- 1. EKPC will initiate Direct Load Control and notify Shelby RECC.
- 2. EKPC will interrupt Interruptible Loads and notify Shelby RECC.
- 3. Shelby RECC will initiate its Load Reduction Procedure, Appendix C.

DATE OF ISSUE February 27, 1996 EFFECTIVE DATE March 1, 1996
 ISSUED BY Dudley Bottom J. President & Gen. Manager Shelbyville, KY 40065
 Name of Officer Title Address

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Shelby Rural Electric Cooperative Corporation
Shelbyville, Kentucky

Name of Issuing Corporation

FOR All Territory Served
P.S.C. No. 6
Original SHEET NO. 27
CANCELLING P.S.C. NO. 5
SHEET NO.

RULES AND REGULATIONS

50. ENERGY EMERGENCY CONTROL PROGRAM - (continued)

- 4. EKPC will notify Shelby RECC to initiate its Voltage Reduction Procedure, Appendix D.
- 5. EKPC will notify Shelby RECC and EKPC and Shelby RECC will initiate media appeal for general Voluntary Load Reduction Procedure, Appendix E.
- 6. EKPC will, in coordination with other Kentucky electric utilities, request the Governor to declare a statewide Energy Emergency.
- 7. EKPC will request Shelby RECC to initiate mandatory load reduction of up to twenty percent (20%) in five percent (5%) steps, Appendix F.

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PURSUANT TO 807 KAR 5:011,
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BY: Jordan C. Neel
FOR THE PUBLIC SERVICE COMMISSION

DATE OF ISSUE	<u>February 27, 1996</u>	EFFECTIVE DATE	<u>March 1, 1996</u>
ISSUED BY	<u>Dudley Britton, Jr.</u>	Title	<u>President & Gen. Manager</u>
Name of Officer		Address	<u>Shelbyville, KY 40065</u>

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Shelby Rural Electric Cooperative Corporation
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Original SHEET NO. 28
CANCELLING P.S.C. NO. 5
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APPENDIX "A"

ESSENTIAL HEALTH AND SAFETY USES

Essential health and safety uses given special consideration in these procedures shall, insofar as the situation permits, include the following types of use and such other uses which the Commission may subsequently identify:

- (a) "Hospitals", which shall be limited to institutions providing medical care to patients.
- (b) "Life Support Equipment", which shall be limited to kidney machines, respirators, and similar equipment used to sustain the life of a person.
- (c) "Police Stations and Government Detention Institutions", which shall be limited to essential uses required for police activities and the operation of facilities used for the detention of persons. These uses shall include essential street, highway and signal-lighting services.
- (d) "Fire Stations", which shall be limited to facilities housing mobile fire-fighting apparatus.
- (e) "Communication Services", which shall be limited to essential uses required for telephone, telegraph, television, radio and newspaper operations.
- (f) "Water and Sewage Services", which shall be limited to essential uses required for the supply of water to a community, flood pumping and sewage disposal.
- (g) "Transportation and Defense-related Services", which shall be limited to essential uses required for the operation, guidance control and navigation of air, rail and mass transit systems, including those uses essential to the national defense and operation of state and local emergency services.
- (h) "Other Energy Source Services", which shall be limited to essential uses required for the production, transportation, transmission and distribution -- for fuel -- of natural gas, manufactured gas, coal, oil or gasoline.

PUBLIC SERVICE COMMISSION
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BY: Jordan C. Neal
FOR THE PUBLIC SERVICE COMMISSION

DATE OF ISSUE February 27, 1996 EFFECTIVE DATE March 1, 1996
ISSUED BY Dwight Bottom, Jr. President & Gen. Manager Shelbyville, KY 40065
Name of Officer Title Address

4/1/97

Shelby Rural Electric Cooperative Corporation
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P.S.C. No. 6

Original SHEET NO. 29

CANCELLING P.S.C. NO. 5

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RULES AND REGULATIONS

Appendix "A" - Essential Health and Safety Uses (continued)

- (i) "Perishable Food or Medicine", which shall be limited to refrigeration for the storage and preservation of perishable food or medicine, when that use is substantially all of the customer's load.

Although these types of uses will be given special consideration when implementing the manual load-shedding provisions of this procedure, these customers are encouraged to install emergency generation equipment if continuity of service is essential. In case of customers supplied from two utility sources, only one source will be given special consideration. Also, any other customers who, in their opinion, have critical equipment should install emergency generation equipment. Shelby RECC's specific emergency list is on file in its office.

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MAR 01 1996

PURSUANT TO 807 KAR 5:011,
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BY: Jordan C. Neal
FOR THE PUBLIC SERVICE COMMISSION

DATE OF ISSUE February 27, 1996

EFFECTIVE DATE March 1, 1996

ISSUED BY Dudley Britton Jr.
Name of Officer

President & Gen. Manager
Title

Shelbyville, KY 40065
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Shelby Rural Electric Cooperative Corporation
Shelbyville, Kentucky

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FOR All Territory Served
P.S.C. No. 6
Original SHEET NO. 30
CANCELLING P.S.C. NO. 5
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RULES AND REGULATIONS

APPENDIX "B"

NONESSENTIAL USES

The following and similar types of uses of electric energy and others which the Commission may subsequently identify shall be considered nonessential for all customers:

- (a) Outdoor flood and advertising lighting, except for the minimum level to protect life and property, and a single illuminated sign identifying commercial facilities when operating after dark.
- (b) General interior lighting levels greater than minimum functional levels.
- (c) Show-window and display lighting.
- (d) Parking-lot lighting above minimum functional levels.
- (e) Energy use greater than that necessary to maintain a temperature of not less than 76 degrees during operation of cooling equipment and not more than 68 degrees during operation of heating equipment.
- (f) Elevator and escalator use in excess of the minimum necessary for non-peak hours of use.
- (g) Energy use greater than that which is the minimum required for lighting, heating or cooling of commercial or industrial facilities for maintenance cleaning or business-related activities during non-business hours.

PUBLIC SERVICE COMMISSION
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MAR 01 1996

PURSUANT TO 807 KAR 5:011,
SECTION 9 (1)

BY: Jordan C. Neal
FOR THE PUBLIC SERVICE COMMISSION

DATE OF ISSUE February 27, 1996 EFFECTIVE DATE March 1, 1996

ISSUED BY Dwight Bottom Jr. President & Gen. Manager Shelbyville, KY 40065
Name of Officer Title Address

Handwritten initials/signature

Shelby Rural Electric Cooperative Corporation
Shelbyville, Kentucky

Name of Issuing Corporation

FOR All Territory Served

P.S.C. No. 6

Original SHEET NO. 31

CANCELLING P.S.C. NO. 5

SHEET NO.

RULES AND REGULATIONS

APPENDIX "C"

LOAD REDUCTION PROCEDURE

Objective:

To reduce demand at Shelby RECC's facilities over the time period during which an electric energy shortage is anticipated.

Criteria:

This procedure is implemented when a *Load Reduction Alert* is issued. The President and General Manager has the responsibility of issuing a Load Reduction Alert.

Procedure:

1. The President and General Manager receives notice from EKPC of capacity shortage.
2. The President and General Manager is responsible for seeing that employees are participating in achieving the largest load reduction possible while still maintaining the service of the facility and not unduly jeopardizing safety.
3. Each Department Manager is responsible for seeing that employees are participating in achieving the largest load reduction possible while still maintaining the service of the facility and not unduly jeopardizing safety.
4. Examples of load reduction are:
 - turning off all but a minimum of indoor and outdoor lighting
 - turning off microcomputers, printers, copiers, and other office equipment except as they are used
 - in the winter, setting thermostats no higher than 68 degrees, and in the summer no lower than 76 degrees

PUBLIC SERVICE COMMISSION
OF KENTUCKY
EFFECTIVE

MAR 01 1996

PURSUANT TO 807 KAR 5:011.

SECTION 9(1)

BY: Jordan C. Neal
FOR THE PUBLIC SERVICE COMMISSION

DATE OF ISSUE February 27, 1996 EFFECTIVE DATE March 1, 1996

ISSUED BY Dudley Bolton Jr. President & Gen. Manager Shelbyville, KY 40065
Name of Officer Title Address

Handwritten initials/signature in red ink.

Shelby Rural Electric Cooperative Corporation
Shelbyville, Kentucky

Name of Issuing Corporation

FOR All Territory Served

P.S.C. No. 6

Original SHEET NO. 32

CANCELLING P.S.C. NO. 5

SHEET NO.

RULES AND REGULATIONS

APPENDIX "D"

VOLTAGE REDUCTION PROCEDURE

Objective:

To reduce demand on Shelby RECC's system over the period during which an electric energy shortage is anticipated by reducing the set point on system voltage regulators.

Criteria:

This procedure is implemented when requested by EKPC System Operator.

Procedure:

Shelby RECC will immediately dispatch personnel to reduce set points on regulators as much as possible while continuing to maintain minimum voltage requirements as prescribed by the Kentucky Public Service Commission. Shelby RECC's specific plan is on file in its office.

PUBLIC SERVICE COMMISSION
OF KENTUCKY
EFFECTIVE

MAR 01 1996

PURSUANT TO 807 KAR 5:011,
SECTION 9 (1)

BY: Jordan C. Neal
FOR THE PUBLIC SERVICE COMMISSION

DATE OF ISSUE February 27, 1996

EFFECTIVE DATE March 1, 1996

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Shelby Rural Electric Cooperative Corporation
Shelbyville, Kentucky

Name of Issuing Corporation

FOR All Territory Served
P.S.C. No. 6
Original SHEET NO. 33
CANCELLING P.S.C. NO. 5
SHEET NO.

RULES AND REGULATIONS

APPENDIX "E"

VOLUNTARY LOAD REDUCTION PROCEDURE

Objective:

To reduce demand on Shelby RECC's system over the period during which an electric energy shortage is anticipated through media appeal for consumers to curtail energy use.

Criteria:

This procedure is implemented when requested by EKPC Marketing and Communications Division personnel.

Procedure:

Notify the following radio stations: WHAS, Louisville; WIKI, Carrollton; WKX, Eminence; and WCND, Shelbyville of the electrical shortage and ask them to make the public service announcement recommended by EKPC personnel. An example announcement is as follows:

"Attention all Rural Electric Members:

Shelby RECC is experiencing a critical shortage of electricity to its members, and is requesting that all non-essential electrical appliances and lighting be turned off, and thermostats be lowered/raised immediately until (time of emergency).

Shelby RECC is encountering record high usage of electricity during this period of extreme low/high temperatures, and to help us keep from having a power blackout in your area, we need your help NOW until (time of emergency).

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Please turn off all electricity you do not have to have on.

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Thank you for your cooperation."

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Notify the following industrial or large commercial consumers to request them to curtail their energy use as well: Shelby RECC's specific industrial or large commercial consumer listing is on file in its office.

BY: *Jordan K. Neal*
FOR THE PUBLIC SERVICE COMMISSION

DATE OF ISSUE February 27, 1996 EFFECTIVE DATE March 1, 1996
ISSUED BY *Dwight Patton, Jr.* President & Gen. Manager Shelbyville, KY 40065
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Shelby Rural Electric Cooperative Corporation
Shelbyville, Kentucky

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RULES AND REGULATIONS

APPENDIX "F"

MANDATORY LOAD CURTAILMENT PROCEDURE

Objective:

To reduce demand on Shelby RECC's system over the period during which an electric energy shortage is anticipated by interrupting firm consumer load in five percent (5%) blocks up to a total of twenty percent (20%) of the system load.

Criteria:

This procedure is implemented when requested by the EKPC System Operator. This procedure will only be requested after the Governor of Kentucky has issued a statewide State of Emergency Order.

Procedures:

Shelby RECC will immediately dispatch personnel to interrupt service to member consumer loads to achieve the reduction requested by EKPC. This may be achieved by interrupting services to certain nonessential loads for the entire period of the emergency or by rotating outages to various substation feeder circuits. Shelby RECC's specific plan is on file in its office.

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OF KENTUCKY
EFFECTIVE

MAR 01 1996

PURSUANT TO 807 KAR 5:011,
SECTION 9 (1)

BY: Jordan C. Neal
FOR THE PUBLIC SERVICE COMMISSION

DATE OF ISSUE February 27, 1996 EFFECTIVE DATE March 1, 1996
ISSUED BY Dwight Bottom Jr. President & Gen. Manager Shelbyville, KY 40065
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