

FOR All Territory Served
 Community, Town or City
 P.S.C. No. 5
 3rd Revised SHEET NO. 2
 CANCELLING P.S.C. NO. 5
 2nd Revised SHEET NO. 2

Shelby Energy Cooperative, Inc.
 Shelbyville, Kentucky

Name of Issuing Corporation

CLASSIFICATION OF SERVICE

GENERAL SERVICE - RATE 1

**RATE
 PER UNIT**

Rate

Energy Charge

| | | | | |
|----------|--------------------------|-------------|-----------|-----|
| | Consumer Facility Charge | \$7.18 | (minimum) | |
| First | 600 kWh per month | @ \$0.06275 | per kWh | (R) |
| Next | 1,400 kWh per month | @ .06100 | per kWh | (R) |
| All Over | 2,000 kWh per month | @ .05968 | per kWh | (R) |

DETERMINATION OF BILLING DEMAND:

The billing demand shall be the maximum kilowatt demand established by the consumer for any period of fifteen (15) consecutive minutes during the month for which the bill is rendered, as indicated or recorded by a demand meter and adjusted for power factor as provided hereafter.

POWER FACTOR ADJUSTMENT:

The consumer agrees to maintain unity power factor as nearly as practicable. Power factor may be measured at any time. Should such measurements indicate that the power factor at the time of his maximum demand is less than 0.90 (90%), the demand for billing purposes shall be the demand as indicated or recorded by the demand meter multiplied by 0.90 (90%) and divided by the power factor.

PUBLIC SERVICE COMMISSION
 OF KENTUCKY
 EFFECTIVE

DATE OF ISSUE: May 1, 2003 EFFECTIVE DATE: May 1, 2003

ISSUED BY: *Dwight Bottom* President & CEO MAY 01 2003 Shelbyville, KY 40065
 Name of Officer Title Address

Issued by authority of an Order of the Public Service Commission of Kentucky in
 Case No. 2002-00449 Dated April 23, 2003
 BY EXECUTIVE DIRECTOR

PURSUANT TO 807 KAR 5.011
 SECTION 9 (1)

C
 6/1/05