	ORIGINAL	SHEET NO.	2-1
CANCELING_		SHEET NO.	2-1

TERMS AND CONDITIONS OF SERVICE

APPLICATION.

A copy of the tariffs and standard terms and conditions under which service is to be rendered to the Customer will be furnished upon request at the Company's office and the Customer shall elect upon which tariff applicable to his service his application shall be based.

If the Company requires a written agreement from a Customer before service will be commenced, a copy of the agreement will be furnished to the Customer upon request.

When the Customer desires delivery of energy at more than one point, a separate agreement may be required for each separate point of delivery. Service delivered at each point of delivery will be billed separately under the applicable tariff.

INSPECTION.

The Customer is responsible for the proper installation and maintenance of the customers' wiring and electrical equipment and the customer shall at all times be responsible for the character and condition thereof. The Company has no obligation to undertake inspection thereof and in no event shall be responsible therefore. However, the Company may refuse to connect to the customer's system if such connection is deemed unsafe by the Company.

Where a Customer's premises are located in a municipality or other governmental subdivision where inspection laws or ordinances are in effect, the Company may withhold furnishing service to new installations until the Company has received evidence that the inspection laws or ordinances have been complied with.

Where a Customer's premises are located outside of an area where inspection service is in effect, the Company may require the delivery by the Customer to the Company of an agreement duly signed by the owner and/or tenant of the premises authorizing the connection to the wiring system of the Customer and assuming responsibility therefore. No responsibility shall attach to the Company because of any waiver of this requirement.

3. SERVICE CONNECTIONS.

Service connections will be provided in accordance with 807 KAR 5:041, Section 10ENTUCKY PUBLIC SERVICE COMMISSION

The Customer should in all cases consult the Company before the Customer's premises are wired to determine the location of Company's point of service connection.

The Company will, when requested to furnish service, designate the location of its service connection. The Customer's wiring must, except for those cases listed below, be brought outside the building wall nearest the Company's service wires so as to be readily accessible thereto. When service is from an overhead system, the Customer's wiring must extend at least 18 inches beyond the building. Where Customers install service entrance facilities which have capacity and layout specified by the Company and/or install and use certain equipment specified by the Company, the Company may supply or offer to own certain facilities on the Customer's side of the point where the service wires attach to the building.

All inside wiring must be grounded in accordance with the requirements of the National Electrical Code or the requirements of any local inspection service authorized by a state principal authorized EQNICE COMMISSION

When a Customer desires that energy be delivered at a poin or in a manner other than designated by the Company, the Customer shall pay the additional cost of same.

3/30/2006

(Cont'd on Sheet No. 22)

PURSUANT TO 807 KAR 5:011

SECTION 9 (1)

DATE OF ISSUE March 20, 2006 DATE EFFECTIVE Service rendered on or after March 30, 2006

DIRECTOR REGULATORY SE

ADEXESSitive Director

Issued by authority of an Order of the Public Service Commission in Case No. 2005-00341 dated March 14, 2006

TERMS AND CONDITIONS OF SERVICE (Cont'd)

DEPOSITS.

Prior to providing service or at any time thereafter, the Company may require a cash deposit or other guaranty to secure payment of bills except for customer's 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. Upon request from a residential customer the deposit will be returned after 18 months if the customer has established a satisfactory payment record; but commercial deposits will be retained during the entire time that the account remains active.

Interest

Interest will be paid on all sums held on deposit at the rate indicated in KRS 278.460. The interest will be applied by the Company as a credit to the Customer's bill or will be paid to the Customer on an annual basis. If the deposit is refunded or credited to the Customer's bill prior to the deposit anniversary date, interest will be paid or credited to the Customer's bill on a pro-rated basis.

The Company will not pay interest on deposits after discontinuance of service to the Customer. Retention of any deposit or guaranty by the Company prior to final settlement is not a payment or partial payment of any bill for service. The Company shall have a reasonable time in which to obtain a final reading and to ascertain that the obligations of the Customer have been fully performed before being required to return any deposits.

B. Criteria for Waiver of Deposit Requirement

The Company may waive any deposit requirement based upon the following criteria, which shall be considered by the Company cumulatively.

1. Satisfactory payment history.

Statement from another utility showing satisfactory payment history. 2.

3. Another customer with satisfactory payment history is willing to sign as a guarantor for an amount equal to the required deposit.

4.

Providing evidence of other collateral acceptable to Company, such as Surety Bond. CANCELLED

5. Checkless Payment Plan (CPP)

C. Method of Determination

Calculated Deposits

JUN 2 9 2010

KENTUCKY PUBLIC SERVICE COMMISSION

- Deposit amounts paid by residential customers shall not exceed a calculated amount based upon actual usage data of the Customer at the same or similar premises for the most recent 12-month period, if such information is available. If the actual usage data is not available, the deposit amount shall be based on the average bills of similar customers and premises in the customer class. The deposit shall not exceed 2/12 of the Customer's actual or estimated annual bill.
- b. Deposit amounts paid by commercial customers shall not exceed a calculated amount based upon actual usage data of the customer at the same or similar premises for the most recent 12-month period, if such information is available. If the actual usage data is not available, the deposit amount shall be based on the typical bills of similar customers and premises in t PUBLIC'S ERVICE CUMMISSION 2/12 of the customer's actual or estimated annual bill. OF KENTUCKY

(Cont'd on Sheet No. 2-3)

EFFECTIVE 3/30/2006 PURSUANT TO 807 KAR 5:011 SECTION 9 (1)

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ISSUED BY	E.K. WAGNER	DIRECTOR OF REGULATORY	SERVICES FRANKFOREX & CENTRECTOR
	NAME	TITLE	ADDRESS
Issued by auth	pority of an Order of the	Public Service Commission in Cas	se No. 2001 00341 dated March 14, 2006

KENTUCKY PUBLIC

TERMS AND CONDITIONS OF SERVICE (Cont'd)

4. DEPOSITS, (Cont'd.)

D. Additional Deposit Requirement

If a deposit has been waived or returned and the Customer fails to maintain a satisfactory payment record, the Customer may be required to pay a deposit. Factors to be considered when evaluating if a Customer fails to maintain a satisfactory payment record include, but are not limited to; integrity of past payments (returned checks), account credit activity, age of arrearage and frequency of late payments, all during a six month period. The Customer will receive a message on the bill informing the Customer that if the account is not current by the specified date listed on the bill a deposit will be applied to the account the next time the account is billed. If a change in usage or classification of service has occurred, the Customer may be required to pay an additional deposit up to 2/12 of the annual usage.

E. Recalculation of Customers Deposit

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

5. PAYMENTS.

Bills will be rendered by the Company to the Customer monthly or in accordance with the tariff selected applicable to the Customer's service.

A. Equal Payment Plan

Residential Customers have the option of paying a fixed amount each month under the Company's Equal Payment Plan. The monthly payment amount will be based on one-twelfth of the Customers' estimated annual usage. The payment amount is subject to periodic review and adjustment during the budget year to more accurately reflect actual usage. The normal plan period is 12 months, which may commence in any month.

In the last month of the plan, if the actual usage during the plan period exceeds the amount billed, the Customer will be billed for the balance due. If an overpayment exists, the amount of overpayment will either be refunded to the Customer or credited to the last bill of the period. If a Customer discontinues service with the Company under the Equal Payment Plan, any amounts not yet paid shall become payable immediately.

If a Customer fails to pay bills as rendered under the Equal Payment Plan, the Company reserves the right to revoke the plan, restore the Customer to regular billing, require immediate payment of any deficiency, and require a each deposit or other guaranty to secure payment of bills.

B. Average Monthly Payment Plan (AMP)

The Average Monthly Payment Plan (AMP Plan) is available to the following applicable tariffs, R.S., R.S., M.T.O.D., R.S.-T.O.D., and S.G.S. When mutually agreeable the AMP Plan may be offered by the Company to Customers serviced under other tariffs.

The AMP Plan is designed to allow the Customer to pay an average amount each month based upon the actual billed amounts during the past twelve (12) months. The average payment amount is based upon the current month's total bill plus the eleven (11) preceding months. That result is divided by the total billing days associated with the billings to determine a per day average. The daily average amount is multiplied by thirty (30) to determine the current month's payment under the AMP Plan. At the next billing period, the oldest month's billing this ling this line is added and the total is again divided by the total billing days associated with the billings of the line line average. Again the daily average amount is multiplied by thirty (30) to find the new average payment amount. The average monthly payment amount is calculated each and every month in this manner.

3/30/2006

(Cont'd on Sheet No. 2-4)PURSUANT TO 807 KAR 5:011 SECTION 9 (1)

DATE OF ISSUE March 20, 2006 DATE EFFECTIVE Service render

ISSUED BY E.K. WAGNER DIRECTOR REGULAROY SERVICEBY

NAME TITLE

ADDRESSIVE DIRECTOR

TERMS AND CONDITIONS OF SERVICE (Cont'd)

B. Average Monthly Payment Plan (AMP) (Cont'd)

The difference between the actual billings and the AMP Plan billings will be carried in a deferred balance. Both the debit and credit differences will accumulate in the deferred balance for the duration of the AMP Plan year, which is twelve consecutive billings months. At the end of the AMP Plan year (anniversary month), the current month's billing plus the eleven (11) preceding month's billing is summed and divided by the total billing days associated with the billings to determine a per day average. That result is multiplied by thirty (30) to calculate the AMP Plan's monthly payment amount. In addition, the net accumulated deferred balance is divided by 12. This result is added or subtracted to the calculated average payment amount starting with the next billing of the new AMP plan year and will be used in the average payment amount calculation for the remaining AMP plan year. Settlement occurs only when participation in the AMP Plan is terminated. This happens if any account is final billed, if the customer requests termination, or at the Company's discretion when the customer fails to make two or more consecutive monthly payments on an account by the due date. The deferred balance (debit or credit) is then applied to the billing now due.

In such instances where sufficient billing history is not available, an AMP Plan may be established by using the actual billing history available throughout the first AMP Plan year.

C. All Payments

All bills are payable at the business offices or authorized collection agencies of the Company within the time limits specified in the tariff. Failure to receive a bill will not entitle a Customer to any discount or to the remission of any charges for nonpayment within the time specified. The word "month" as used herein and in the tariffs is hereby defined to be the elapsed time between 2 successive meter readings approximately 30 days apart.

In the event of the stoppage of or the failure of any meter to register the full amount of energy consumed, the Customer will be billed for the period based on an estimated consumption of energy in a similar period of like use.

The tariffs of the Company are net if the account of the Customer is paid within the time limit specified in the tariff applicable to the Customer's service. To discourage delinquency and encourage prompt payment within the specified time limit, certain tariffs contain a delayed payment charge, which may be added in accordance with the tariff under which service is provided. Any one delayed payment charge billed against the Customer for non-payment of bill or any one forfeited discount applied against the Customer for non-payment of bill may be remitted, provided the Customer's previous accounts are paid in full and provided no delayed payment charge or forfeited discount has been remitted under this clause during the preceding 6 months.

UNDERGROUND SERVICE.

When a real estate developer desires an underground distribution system within the property which he is developing or when a Customer desires an underground service, the real estate developer or the Customer, as the case may be, shall pay the Company the difference between the anticipated cost of the underground facilities so requested and the cost of the overhead facilities which would ordinarily be installed in accordance with 807 KAR 5:04, Section 21, and the Companity's underground service plan as filed with the Public Service Commission. Upon receipt of payment, the Company Will install the underground facilities and will own, operate and maintain the same. JUN 2 9 2010

7. COMPANY'S LIABILITY.

The Company will use reasonable diligence in furnishing a regular and uninterrupted supply of energy, but does not guarantee uninterrupted service. The Company shall not be liable for damages in case such sunnly should be interrupted or fail by reason of an event of Force Majeure. Force Majeure consists of an event or circumstance which prevents Company result of negligence of, the Company, and which, by the exercise of due diligence, Company is unable to exercise of a diligence, Company is unable to exercise of diligence, Company is unable t of the Company, or extraordinary repairs.

(Cont'd on Sheet 2-5)

PURSUANT TO 807 KAR 5:011

KENTUCKY PUBLIC

SECTION 9 (1)

DATE OF ISSUE

ISSUED BY

DATE EFFECTIVE Service rend

DIRECTOR REGULATORY SERVICE TITLE

FRANKERORULIKENDITECKY ADDRESS

Issued by authority of an Order of Public Service Commission in Case No. 2005-00341-d

	Original	Sheet No.2-5
Canceling		Sheet No 2-5

TERMS AND CONDITIONS OF SERVICE (Cont'd)

7. COMPANY'S LIABILITY (Cont'd)

Unless otherwise provided in a contract between Company and Customer, the point at which service is delivered by Company to Customer, to be known as "delivery point," shall be the point at which the Customer's facilities are connected to the Company's facilities. The Company shall not be liable for any loss, injury, or damage resulting from the Customer's use of their equipment or occasioned by the energy furnished by the Company beyond the delivery point.

The Customer shall provide and maintain suitable protective devices on their equipment to prevent any loss, injury or damage that might result from single phasing conditions or any other fluctuation or irregularity in the supply of energy. The Company shall not be liable for any loss, injury or damage resulting from a single phasing condition or any other fluctuation or irregularity in the supply of energy which could have been prevented by the use of such protective devices

The Company will provide and maintain the necessary line or service connections, transformers (when same are required by conditions of contract between the parties thereto), meters and other apparatus, which may be required for the proper measurement of and protection to its service. All such apparatus shall be and remain the property of the Company.

8. CUSTOMER'S LIABILITY.

In the event of loss or injury to the property of the Company through misuse by, or the negligence of, the Customer or the employees of the same, the cost of the necessary repairs or replacement thereof shall be paid to the Company by the Customer.

Customers will be responsible for tampering with, interfering with, or breaking of seals of meters, or other equipment of the Company installed on the Customer's premises. The Customer hereby agrees that no one except the employees of the Company shall be allowed to make any internal or external adjustments of any meter or any other piece of apparatus, which shall be the property of the Company.

The Company shall have the right at all reasonable hours to enter the premises of the Customer for the purpose of installing, reading, removing, testing, replacing or otherwise disposing of its apparatus and property, and the right of entire removal of the Company's property in the event of the termination of the contract for any cause NCELIFD

9. EXTENSION OF SERVICE.

JUN 2 9 2010

The electric facilities of the Company shall be extended or expanded to supply electric service to alk residential Customers and small commercial Customers which require single phase line where the installed transformer capacity does not exceed 25 KVA in accordance with 807 KAR 5:041, Section 11.

The electric facilities of the Company shall be extended or expanded to supply electric service to Customer's other than those named in the above paragraph when the estimated revenue is sufficient to justify the estimated cost of making such extensions or expansions as set forth below.

For service to be delivered to Commercial, Industrial, Mining and multiple housing project Customers up to and including estimated demands of 500 KW requiring new facilities, the Company will: (a) where the estimated revenue for one year exceeds the estimated installed cost of new local facilities required, provide such new facilities at no cost to the Customer; (b) where the estimated revenue for one year is less than the installed cost of new local facilities required the Customer will be required to pay a contribution in aid of construction equal to the difference between the installed cost of the new facilities required to serve the load and the estimated period (SEPROPERIC) (ON MARSINO) has reason to question the financial stability of the Customer and/or the life of the operation is injurgation or temporary in nature, such as construction projects, oil and gas well drilling, saw mills and mining operations, the Customer shall pay a contribution in aid of construction, consisting of the estimated labor cost to install and remove the facilities required plus the cost of unsalvageable material, before the facilities are installed.

(Cont'd on Sheet No. 2-6)

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

DATE OF ISS	UEMarch 20, 2006	DATE EFFECTIVE Service	e ren 2006
ISSUED BY	E. K. WAGNER	DIRECTOR OF REGULATORY SERV	ICES FRANKBORITY & ENTERICKY
	NAME	TITLE	ADDRESS
Issued by author	ority of an Order of the Pul	olic Service Commission in Case No. 2003	00341 dated March 14, 2006

	Original	Sheet	No.	2-6
Canceling		Sheet	No.	2-6

TERMS AND CONDITIONS OF SERVICE (Cont'd)

9. EXTENSION OF SERVICE (Cont'd)

For service to be delivered to Customers with demand levels higher than those specified above, the annual cost to serve the Customer's requirements shall be compared with the estimated revenue for one year to determine if a contribution in aid of construction, and/or a special minimum and/or other arrangement may be necessary. The annual cost to serve shall be the sum of the following components:

- 1. The annual fixed costs of the generation, transmission and distribution facilities related to the Customer's requirements. These fixed costs will be calculated at 21.95% of the value to be based on the year-end embedded investment depreciated in all similar facilities of the Company.
- 2. The annual energy costs based on the latest available production costs related to the Customer's estimated annual energy use requirements.
- 3. The annual fixed costs of the new local facilities necessary to provide the service requested calculated at 21.95% of the installed cost of such facilities.

If the estimated revenue for one year is greater than the cost to serve as described herein, the Company may provide any new local facilities required at no cost to the Customer. If the estimated revenue for one year is less than the cost to serve as described herein, the Company will require the Customer to pay a contribution in aid of construction equal to the difference between the annual cost to serve as calculated and the estimated revenue for one year divided by 21.95%, but in no case to exceed the installed cost of the new facilities required. If, however, the annual cost to serve excluding the cost of new facilities paid for by the Customer, exceeds the estimated revenue for one year, the Company, will, in addition to a contribution in aid of construction, require a special minimum or other arrangement to compensate the Company for such deficiency in revenue.

Except where service is rendered in accordance with 807 KAR 5:041, Section 11, as described herein, the Company may require the Customer to execute an Advance and Refund Agreement where the Company reasonably questions the longevity of the service or the estimated energy use and demand requirements provided by the Customer. Under the Advance and Refund Agreement, the Customer shall pay the Company the estimated total installed cost of the required new facilities which advance could be refunded over a five-year period under certain conditions. Over the five year period the Customer's electric bill would be credited each month up to the amount of 1/60th of the total amount advanced. Such credit shall be applied only to that portion of the Customer's bill, which exceeds a specified minimum. The specified minimum before refund shall be established as the greater of: (1) the minimum as described under the applicable tariff or (2) the amount representing 1/12th of the calculated annual cost to serve as described herein. In the event the Customer's monthly bill in any month does not exceed such minimum by an amount equal to 1/60th of the amount advanced, the difference between 1/60th of the amount advanced and the amount, if any, actually credited to the Customer's bill shall be designated as "accrued credit" and applied to future monthly bills over the balance of the 5 year period as credit where such monthly bills exceed the established minimum by more than 1/60th of the amount advanced.

10. EXTENSION OF SERVICE TO MOBILE HOME.

The electrical facilities of the Company will be extended or expanded to supply electric service to mobil facilities of the Company will be extended or expanded to supply electric service to mobil facilities of the Company will be extended or expanded to supply electric service to mobil facilities of the Company will be extended or expanded to supply electric service to mobil facilities of the Company will be extended or expanded to supply electric service to mobil facilities of the Company will be extended or expanded to supply electric service to mobil facilities for the Company will be extended or expanded to supply electric service to mobil facilities for the Company will be extended or expanded to supply electric service to mobil facilities for the Company will be extended or expanded to supply electric service to mobil facilities for the Company will be extended or expanded to supply electric service to mobil facilities for the Company will be extended or expanded to supply electric service to mobil facilities for the Company will be extended or expanded to supply electric service to mobil facilities for the Company will be extended or expanded to supply electric service to mobil facilities for the Company will be extended to supply electric service for the Company will be extended to supply electric service for the Company will be extended to supply electric service for the Company will be extended to supply electric service for the Company will be extended to supply electric service for the Company will be extended to supply electric service for the Company will be extended to supply electric service for the Company will be extended to supply electric service for the Company will be extended to supply electric service for the Company will be extended to supply electric service for the Company will be extended to supply electric service for the Company will be extended to supply electric service for the Company will be extended to supply electric service for the Company will be extended to supply electri accordance with 807 KAR 5:041, Section 12.

11. LOCATION AND MAINTENANCE OF COMPANY'S EQUIPMENT.

KENTUCKY PUBLIC

JUN 2 9 2010

The Company shall have the right to construct its poles, lines and circuits on the property, and to place the Vancounce of the Customer, at a point or points convenient for such purposes, as required to serve such Customer, and the Customer shall provide sui able space to the translation of control of the customer. instruments so that the latter may be protected from injury by the elements or through the keen the latter may be protected from injury by the elements or through the keen the latter may be protected from injury by the elements or through the keen the latter may be protected from injury by the elements or through the keen the latter may be protected from injury by the elements or through the latter may be protected from injury by the elements or through the keen the latter may be protected from injury by the elements or through the keen the latter may be protected from injury by the elements or through the keen the latter may be protected from injury by the elements or through the keen the latter may be protected from injury by the elements or through the keen the latter may be protected from injury by the elements or through the keen the latter may be protected from the latter the Customer or of any employee of the same. **EFFECTIVE**

> 3/30/2006 PURSUANT TO 807 KAR 5:011 SECTION 9 (1)

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	NAME	TITLE		ADDRESS
Issued by author	ity of the Public Serv	ice Commission in Case No. 20	05-00341 dated Ma	rch 14, 2006

	Original	Sheet	No.	2-7
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TERMS AND CONDITIONS OF SERVICE (Cont'd)

12. **BILLING FORM.**

Pursuant to 807 KAR 5:006, Section 6(3) copies of the billing forms used by the Company are shown on Sheet Nos. 2-11, 2-12 and 2-13.

13. RATE SCHEDULE SELECTION.

The Company will explain to the Customer, at the beginning of service or upon request the Company's rates available to the Customer. Company will assist Customer in the selection of the rate schedule best adapted to Customer's service requirements, provided, however, that Company does not assume responsibility for the selection or that Customer will at all times be served under the most favorable rate schedule.

Customer may change their initial rate schedule selection to another applicable rate schedule at any time by either written notice to Company and/or by executing a new contract for the rate schedule selected, provided that the application of such subsequent selection shall continue for 12 months before any other selection may be made. In no case will the Company refund any monetary difference between the rate schedule under which service was billed in prior periods and the newly selected rate schedule.

MONITORING USAGE. 14.

At least once annually the Company will monitor the usage of each customer according to the following procedure:

- 1. The Customer's monthly usage will be compared with the usage of the corresponding period of the previous year.
- 2. If the monthly usage for the two periods are substantially the same or if any difference is known to be attributed to unique circumstances, such as unusual weather conditions, common to all customers, no further review will be made.
- 3. If the monthly usage is not substantially the same and cannot be attributed to a readily identified common cause, the Company will compare the Customer's monthly usage records for the 12-month period with the monthly usage for the same months of the preceding year.
- 4. If the cause for the usage deviation cannot be determined from analysis of the Customer's meter reading and billing records, the Company will contact the Customer to determine whether there have been changes that explain the increased or decreased usage.
- Where the deviation is not otherwise explained, the Company will test the Customer's meter to determine whether it shows an average error greater than 2 percent fast or slow.

The Company will notify the customers of the investigation, its findings, and any refunds or back billing in NTUCKY F UBLIC accordance with 807 KAR 5:006, Section 10(4) and (5). SERVICE COM MISSION

In addition to the annual monitoring, the Company will immediately investigate usage deviations brought to its attention as a result of its on-going meter reading, billing processes, or customer in

PUBLIC SERVICE COMMISSION OF KENTUCKY

JUN 29

(Cont'd on Sheet No. 2-8)

3/30/2006 PURSUANT TO 807 KAR 5:011

EFFECTIVE

SECTION 9 (1)

DATE OF ISSUE DATE EFFECTIVE Service residered on and after March 30, 2006

ISSUED BY DIRECTOR OF REGULATORY SERVICE TITLE Executive Director

Issued by authority of an Order of the Public Service Commission in Case No. 200\$-00341 dated March 14, 2006

TERMS AND CONDITIONS OF SERVICE (Cont'd)

15. USE OF ENERGY BY CUSTOMER

The tariffs for electric energy given herein are classified by the character of use of such energy and are not available for service except as provided herein.

Upon the expiration of an electric service contract, if required by the terms of the tariff, the Customer may elect to renew the contract upon the same or another tariff published by the Company available to the Customer and applicable to the Customer's requirements, except that in no case shall the Company be required to maintain transmission, switching or transformation equipment different from or in addition to that generally furnished to other Customers receiving electrical supply under the terms of the tariff elected by the Customer.

The service connections, transformers, meters and appliances supplied by the Company for each Customer have a definite capacity and no additions to the equipment, or load connected thereto, will be allowed except by consent of the Company.

The Customer shall install only motors, apparatus or appliances which are suitable for operation with the character of the service supplied by the Company, and which shall not be detrimental to same, and the electric energy must not be used in such a manner as to cause unprovided for voltage fluctuations or disturbances in the Company's transmission or distribution system. The Company shall be the sole judge as to the suitability of apparatus or appliances, and also as to whether the operation of such apparatus or appliances is or will be detrimental to its general service.

No attachment of any kind whatsoever may be made to the Company's lines, poles, cross arms, structures or other facilities without the express written consent of the Company.

All apparatus used by the Customer shall be of such type as to secure the highest practicable commercial efficiency, power factor and the proper balancing of phases. Motors which are frequently started or motors arranged for automatic control must be of a type to give maximum starting torque with minimum current flow, and must be of a type, and equipped with controlling devises, approved by the Company. The Customer agrees to notify the Company of any increase or decrease in his connected load.

The Company will not supply service to Customers who have other sources of electrical energy supply except under tariffs, which specifically provide for same.

The Customer shall not be permitted to operate generating equipment in parallel with the Company's service except with express written consent of the Company.

Resale of energy will be permitted only with express written consent by the Company.

KENTUCKY PUBLI SERVICE COMMISSI

16. RESIDENTIAL SERVICE.

Individual residences shall be served individually with single-phase service under the applicable residential service tariff. Customer may not take service for 2 or more separate residences through a single point of delivery under any tariff. Exclusions may be allowed pursuant to 807 KAR 5:046 (Prohibition of master metering).

The residential service tariff shall cease to apply to that portion of a residence which becomes regularly used for business, professional, institutional or gainful purposes, which requires three phase service or which requires service to motors in excess of 10 HP each. Under these circumstances, Customer shall have the choice of: (1) separating the wiring so that the residential portion of the premises is served through a separate meter under the residential service tariff and the other uses as enumerated above are served through a separate meter or meters under the applicable general service tariff; or (2) taking the entire service under the applicable general service tariff.

Detached building or buildings, actually appurtenant to or barn, may be served by an extension of the Customer's residence wiring through the residence or barn, may be served by an extension of the Customer's residence wiring through the residence of the customer's residence of applicable residential service tariff.

3/30/2006

PURSUANT TO 807 KAR 5:011

SECTION 9 (1)

DATE OF ISSUE March 20, 2006

NAME

(Cont'd on Sheet No. 2-9)

DATE EFFECTIVE Service rendered on and after March 30, 2006

Ex Nogner ISSUED BY WAGNER

DIRECTOR OF REGULATORY SERVICE TITLE

Executive Director

Issued by authority of an Order of the Public Service Commission in Case No. 200\$-00341 dated March 14, 2006

TERMS AND CONDITIONS OF SERVICE (Cont'd)

17. DENIAL OR DISCONTINUANCE OF SERVICE.

The Company reserves the right to refuse to serve any applicant for service or to discontinue to serve any Customer if the applicant or Customer is indebted to the Company for any service theretofore rendered at any location; provided however, the Customer shall be notified in writing in accordance with 807 KAR 5:006, Section 14, before disconnection of service.

The Company reserves the right to discontinue to serve any Customer for failure to provide and maintain adequate security for the payment of bills as requested by the Company, for failure to comply with these terms and conditions or to prevent fraud upon the Company.

Any discontinuance of service shall not terminate the contract for electric service between the Company and the Customer nor shall it abrogate any minimum charge, which may be effective.

18. EMPLOYEES' DISCOUNT.

Regular employees who have been in the Company's employ for 6 months or more may, at the discretion of the Company, receive a reduction in their residence electric bills for the premises occupied by the employee.

19. SPECIAL CHARGES.

DATE OF ISSUE

A. Reconnection and Disconnect Charges

In cases where the Company has discontinued service as herein provided for, the Company reserves the right to assess a reconnection charge pursuant to 807 KAR 5:006, Section 8 (3)(b), payable in advance, in accordance with the following schedule. However, those Customers qualifying for Winter Hardship Reconnection under 807 KAR 5:006 Section 15 shall be exempt from the reconnect charges.

Reconnect for nonpayment during regular hours	\$12.94
2. Reconnect for nonpayment when work continues into overtime	
at the end of the day (No "Call Out" required)	\$17.26
Reconnect for nonpayment when a "Call Out" is required	
(A "Call Out" is when an employee must be called in to work	
on an overtime basis to make the reconnect trip)	\$35.95
4. Reconnect for nonpayment when double time is required	
(Sunday and Holiday)	. \$44.58
5. Termination or field trip.	\$ 8.63

The reconnection charge for all Customers where service has been disconnected for fraudulent use of ELLED electricity will be the actual cost of the reconnection.

JUN 2 9 2010

KENTUCKY PUBLIC SERVICE COMMISSION

(Cont'd on Sheet No. 2-10)

PUBLIC SERVICE COMMISSION OF KENTUCKY EFFECTIVE

3/30/2006

PURSUANT TO 807 KAR 5:011

SECTION 9 (1)
Service rendered on and after March 30, 2006

ISSUED BY E.K. WAGNER DIRECTOR OF REGULATORY SERVICES

NAME

OF REGULATOR 1 SE

DATE EFFECTIVE

Executive Director

Issued by authority of an Order of the Public Service Commission in Case No. 200:

-00341 dated March 14, 2006

Canceling ____ Sheet No. 2-10

P.S.C. ELECTRIC NO. 8

TERMS AND CONDITIONS OF SERVICE (Cont'd)

19. SPECIAL CHARGES (Cont'd).

B. Returned Check Charge

In cases where a customer pays by check, which is later returned as unpaid by the bank for any reason, the Customer will be charged a fee of \$7.00 to cover the handling costs.

C. Meter Test Charge

Where test of a meter is made upon written request of the Customer pursuant to 807 KAR 5:006, Section 18, the Customer will be charged \$14.38 if such test shows that the meter was not more than two percent (2%) fast.

D. Work Performed on Company's Facilities at Customer's Request

Whenever, at the request and for the benefit of the Customer, work is performed on the Company's facilities, including the relocation, or replacement of the Company's facilities, the Customer shall pay to the Company in advance of the Company undertaking the work the estimated total cost of such work. This cost shall be itemized by major categories and shall include the Company's overheads and shall be credited with the net value of any salvageable material. The actual cost for the work performed shall be calculated at the completion of the work and the appropriate charge or refund will be made to the Customer.

Reasonable notice of not less than three working days shall be given to the Company for all requested work except for the covering of the Company's lines. Notice of any request for the Company to cover its lines shall be given at least two days in advance. The Company will endeavor to comply with all timely requests, but work may be delayed because of demands on the Company's personnel and equipment.

If the cost, as calculated above, is \$500 or less for covering the Company's distribution facilities no charge will be imposed. All costs in excess of \$500 for covering the Company's distribution facilities, shall be paid by the Customer, in advance of the Company undertaking the work. The actual cost for the work performed shall be calculated at the completion of the work and the appropriate charge or refund will be made to the customer.

(Cont'd on Sheet No. 2-11)

CANCELLED JUN 2 9 2010 KENTUCKY PUBLIC SERVICE COMMISSION

PUBLIC SERVICE COMMISSION OF KENTUCKY **FFFFCTIVE**

3/30/2006

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

DATE OF ISSUE March 20, 2006

DATE EFFECTIVE

Service rendered on

DIRECTOR OF REGULATORY SERVICE

TITLE

ADDRESSECUTIVE Director

Issued by authority of an Order of the Public Service Commission in Case No. 2003-00341 dated March 14, 2006