

FOR ENTIRE TERRITORY SERVED

Community, Town or City

P.S.C. KY. NO. 7

Original SHEET NO.

SOUTH KENTUCKY R.E.C.C
SOMERSET, KENTUCKY 42501

APPENDIX H

Page 1 of 2

RATES SCHEDULE ES - ENVIRONMENTAL SURCHARGE

AVAILABILITY

In all of the Company's service territory.

APPLICABILITY

This rate schedule shall apply to all electric rate schedules and special contracts.

RATE

$CES(m) = ES(m) - BESF$

where CES(m) = Current Month Environmental Surcharge Factor
ES(m) = Current Month Environmental Surcharge Calculation
BESF = Base Environmental Surcharge Factor of 0%

$ES(m) = [((WESF) \times (\text{Average of 12-months ended revenues from sales to Member System, excluding environmental surcharge})) + (\text{Over/Under Recovery})] \text{ divided by } [(\text{Average of 12-months ending Retail Revenue (excluding environmental surcharge)})] = \underline{\hspace{2cm}} \%$

where WESF = Wholesale Environmental Surcharge Factor for Current Expense Month

C1/28/10

DATE OF ISSUE March 17, 2005
Month / Date / Year

DATE EFFECTIVE Service rendered beginning July 1, 2005
Month / Date / Year

ISSUED BY *Allen Anderson*
(Signature of Officer)

TITLE Head Coach and CEO

BY AUTHORITY OF ORDER OF THE PUBLIC SERVICE COMMISSION
IN CASE NO. 2004-00372 DATED March 17, 2005

PUBLIC SERVICE COMMISSION
OF KENTUCKY
EFFECTIVE
7/1/2005
PURSUANT TO 807 KAR 5:011
SECTION 9 (1)

By *[Signature]*
Executive Director

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Page 2 of 2

(Over)/Under Recovery =

6-months cumulative (over)/under recovery as defined by amount billed by EKPC to Member System minus the amount billed by Member System to retail customer. Over or under recoveries shall be amortized over a six-month period.

BESF = zero

BILLING

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

C1/28/10

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