

TARIFF F.A.C. (Cont'd)
(Fuel Adjustment Clause)

5. Sales (S) shall be all kwh's sold, excluding intersystem sales. Where, for any reason billed system sales cannot be coordinated with the fuel costs for the billing period, sales may be equated to the sum of (i) generation, (ii) purchases, (iii) interchange in, less (iv) energy associated with pumped storage operations, less (v) intersystem sales referred to in subsection (3)(d) above, less (vi) total system loss. Utility used energy shall not be excluded in the determination of sales (S).
6. The cost of fossil fuel shall include no items other than the invoice price of fuel less any cash or other discounts. The invoice price of fuel includes the cost of the fuel itself and necessary charges for transportation of the fuel from the point of acquisition to the unloading point, as listed in Account 151 of FERC Uniform System of Accounts or Public Utilities and Licensees.
7. At the time the fuel clause is initially filed, the utility shall submit copies of each fossil fuel purchase contract not otherwise on file with the Commission and all other agreements, options or similar such documents, and all amendments and modifications thereof related to the procurement of fuel supply and purchased power. Incorporation by reference is permissible. Any changes in the documents, including price escalations, or any new agreements entered into after the initial submission, shall be submitted at the time they are entered into. Where fuel is purchased from utility-owned or controlled sources, or the contract contains a price escalation clause, those facts shall be noted and the utility shall explain and justify them in writing. Fuel charges, which are unreasonable, shall be disallowed and may result in the suspension of the fuel adjustment clause. The Commission on its own motion may investigate any aspect of fuel purchasing activities covered by this regulation.
8. Any tariff filing which contains a fuel clause shall conform that clause with this regulation within three (3) months of the effective date of this regulation. The tariff filing shall contain a description of the fuel clause with detailed cost support.
9. The monthly fuel adjustment shall be filed with the Commission ten (10) days before it is scheduled to go into effect, along with all the necessary supporting data to justify the amount of the adjustments, which shall include data, and information as may be required by the Commission.
10. Copies of all documents required to be filed with the Commission under this regulation shall be open and made available for public inspection at the office of the Public Service Commission pursuant to the provisions of KRS61.870 to 61.884.
11. At six (6) month intervals, the Commission will conduct public hearings on a utility's past fuel adjustments. The Commission will order a utility to charge off and amortize, by means of a temporary decrease of rates, any adjustment it finds unjustified due to improper calculation or application of the charges or improper fuel procurement practice.
12. Every two (2) years following the initial effective date of each utility fuel clause, the Commission in a public hearing will review and evaluate past operations of the clause, disallow improper expenses, and to the extent appropriate, reestablish the fuel clause charge in accordance with Subsection 2.
13. Resulting cost per kilowatt-hour in September 2004 to be used as the base cost in Standard Fuel Adjustment Clause is:

Fuel September 2004 = \$ 8,703,098 = \$0.01651/KWH
 Sales September 2004 527,226,000

This, as used in the Fuel Adjustment Clause, is 1.651 cents per kilowatt-hour.

PUBLIC SERVICE COMMISSION
 OF KENTUCKY
 EFFECTIVE
 3/30/2006
 PURSUANT TO 807 KAR 5:011
 SECTION 9 (1)

DATE OF ISSUE March 20, 2006 DATE EFFECTIVE Service rendered on and after March 20, 2006
 ISSUED BY E. K. WAGNER DIRECTOR OF REGULATORY SERVICES JCKY
 NAME TITLE ADDRESS

C
1/15/2007

**TARIFF R.S.
(Residential Service)**

AVAILABILITY OF SERVICE.

Available for full domestic electric service through 1 meter to individual residential customers including rural residential customers engaged principally in agricultural pursuits.

RATE. (Tariff Codes 015, 017, 022)

Service Charge..... \$5.86 per month
Energy Charge: 6.002¢ per KWH

MINIMUM CHARGE.

This tariff is subject to a minimum monthly charge equal to the Service Charge.

FUEL ADJUSTMENT CLAUSE.

Bills computed according to the rates set forth herein will be increased or decreased by a Fuel Adjustment Factor per KWH calculated in compliance with the Fuel Adjustment Clause contained in Sheet Nos. 5-1 and 5-2 of this Tariff Schedule.

SYSTEM SALES CLAUSE.

Bills computed according to the rates set forth herein will be increased or decreased by a System Sales Factor per KWH calculated in compliance with the System Sales Clause contained in Sheet Nos. 19-1 and 19-2 of this Tariff Schedule.

DEMAND-SIDE MANAGEMENT ADJUSTMENT CLAUSE.

Bills computed according to the rates set forth herein will be increased by an Experimental Demand-Side Management Adjustment Clause Factor per KWH calculated in compliance with the Demand-Side Management Adjustment Clause contained in Sheet Nos. 22-1 and 22-2 of this Tariff Schedule.

ENVIRONMENTAL SURCHARGE.

Bills computed according to the rates set forth herein will be increased or decreased by an Environmental Surcharge adjustment based on a percent of revenue in compliance with the Environmental Surcharge contained in Sheet Nos. 29-1 through 29-5 of the Tariff Schedule.

NET MERGER SAVINGS CREDIT.

Bills computed according to the rates set forth herein will be decreased by a Net Merger Savings Credit Factor per KWH calculated in compliance with the Net Merger Savings Credit contained in Sheet No. 23-1 of this Tariff Schedule.

CAPACITY CHARGE

Bills computed according to the rates set forth herein will be increased by a Capacity Charge Factor per KWH calculated in compliance with the Capacity Charge Tariff contained in Sheet No. 28-1 of this Tariff Schedule.

HOME ENERGY ASSISTANCE PROGRAM (HEAP) CHARGE

Applicable to all residential customers. Bills computed according to the rates set forth herein shall be increased by a HEAP charge of 10¢ per meter per month and shall be shown on the residential customers bill as a separate line item. The Home Energy Assistance Program charge will be applied to all residential electric bills rendered during the billing cycles commencing April 2006 and continue until otherwise directed by the Public Service Commission. The Company will match the residential contributions to the HEAP program for a period of two years effective April 1, 2006 through March 31, 2008.

DELAYED PAYMENT CHARGE.

Bills under this tariff are due and payable within fifteen (15) days of the mailing date. On all accounts not paid in full by the next billing date, an additional charge of 5% of the unpaid portion will be made.

(Cont'd. On Sheet 6-2)

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17/19/2007

**PUBLIC SERVICE COMMISSION
OF KENTUCKY
EFFECTIVE
3/30/2006**

PURSUANT TO 807 KAR 5.011

SECTION 9(1)

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

ISSUED BY E. K. WAGNER DIRECTOR OF REGULATORY SERVICE
NAME TITLE By [Signature] **CKY**

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

TARIFF R.S. (Cont'd)
(Residential Service)

STORAGE WATER HEATING PROVISION.

This provision is withdrawn except for the present installations of current customers receiving service hereunder at premises served prior to April 1, 1997.

If the customer installs a Company approved storage water heating system which consumes electrical energy only during off-peak hours as specified by the Company and stores hot water for use during on-peak hours, the following shall apply:

Tariff Code

- 012 (a) For Minimum Capacity of 80 gallons, the last 300 KWH of use in any month shall be billed at 2.664¢ per KWH.
- 013 (b) For Minimum Capacity of 100 gallons, the last 400 KWH of use in any month shall be billed at 2.664¢ per KWH.
- 014 (c) For Minimum Capacity of 120 gallons or greater, the last 500 KWH of use in any month shall be billed at 2.664¢ per KWH.

These provisions, however, shall in no event apply to the first 200 KWH used in any month, which shall be billed in accordance with the "Monthly Rate" as set forth above.

For purpose of this provision, the on-peak billing period is defined as 7:00A.M. to 9:00P.M. for all weekdays, Monday through Friday. The off-peak billing period is defined as 9:00PM to 7:00AM for all weekdays and all hours of Saturday and Sunday.

The Company reserves the right to inspect at all reasonable times the storage water heating system and devices which qualify the residence for service under the storage water heater provision, and to ascertain by any reasonable means that the time-differentiated load characteristics of such devices meet the Company's specifications. If the Company finds that in its sole judgment the availability conditions of this provision are being violated, it may discontinue billing the Customer under this provision and commence billing under the standard monthly rate.

This provision is subject to the Service Charge, the Fuel Adjustment Clause, the System Sales Clause, the Demand-Side Management Clause, the Environmental Surcharge, the Net Merger Savings Credit, the Capacity Charge and the Residential HEAP Charge factors as stated in the above monthly rate.

LOAD MANAGEMENT WATER-HEATING PROVISION. (Tariff Code 011)

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12/31/2007

For residential customers who install a Company-approved load management water-heating system which consumes electrical energy primarily during off-peak hours specified by the Company and stores hot water for use during on-peak hours, of minimum capacity of 80 gallons, the last 250 KWH of use in any month shall be billed at 2.664¢ per KWH.

This provision, however, shall in no event apply to the first 200 KWH used in any month, which shall be billed in accordance with the "Monthly Rate" as set forth above.

For the purpose of this provision, the on-peak billing period is defined as 7:00 A.M. to 9:00 P.M. for all weekdays, Monday through Friday. The off-peak billing period is defined as 9:00 P.M. to 7:00 A.M. for all weekdays and all hours of Saturday and Sunday.

The Company reserves the right to inspect at all reasonable times the load management water-heating system(s) and devices which qualify the residence for service under the Load Management Water-Heating Provision. If the Company finds that, in its sole judgment, the availability conditions of this provision are being violated, it may discontinue billing the Customer under this provision and commence billing under the standard monthly rate.

This provision is subject to the Service Charge, the Fuel Adjustment Clause, the System Sales Clause, the Demand-Side Management Clause, the Environmental Surcharge, the Net Merger Savings Credit, the Capacity Charge and the Residential HEAP Charge factors as stated in the above monthly rate.

SPECIAL TERMS AND CONDITIONS.

This tariff is subject to the Company's Terms and Conditions of Service.

This service is available to rural domestic customers engaged principally in agricultural pursuits whose service is taken through one meter for residential purposes as well as for the usual farm uses outside the home, but it is not available for operations of a commercial nature or operations such as processing, preparing or distributing products not raised or produced on the farm, unless such operation is incidental to the usual residential and farm uses.

(Cont'd. On Sheet 6-3)

PUBLIC SERVICE COMMISSION
 OF KENTUCKY
 REGISTRY
 3/30/2006
 PURSUANT TO 807 KAR 5:011
 SECTION 9 (1)

DATE OF ISSUE March 20, 2006 DATE EFFECTIVE Service rendered

ISSUED BY E. K. Wagner DIRECTOR OF REGULATORY SERVICES [Signature] JCKY
 NAME TITLE ADDRESS

TARIFF R.S. - L.M. - T.O.D.
(Residential Service Load Management Time-of-Day)

AVAILABILITY OF SERVICE.

Available to customers eligible for Tariff R.S. (Residential Service) who use energy storage devices with time-differentiated load characteristics approved by the Company which consume electrical energy only during off-peak hours specified by the Company and store energy for use during on-peak hours.

Households eligible to be served under this tariff shall be metered through one single-phase multiple-register meter capable of measuring electrical energy consumption during the on-peak and off-peak billing periods.

RATE. (Tariff Codes 028, 029, 030, 031, 032, 033, 034, 035)

Service Charge.....	\$ 8.36 per month
Energy Charge:	
All KWH used during on-peak billing period.....	10.177¢ per KWH
All KWH used during off-peak billing period.....	2.664¢ per KWH

For the purpose of this tariff, the on-peak billing period is defined as 7:00 A.M. to 9:00 P.M. for all weekdays, Monday through Friday. The off-peak period is defined as 9:00 P.M. to 7:00 A.M. for all weekdays and all hours of Saturday and Sunday.

CONSERVATION AND LOAD MANAGEMENT CREDIT.

For the combination of an approved electric thermal storage space heating system and water heater, both of which are designed to consume electrical energy only between the hours of 9:00P.M. and 7:00A.M. for all days of the week, each residence will be credited 0.745¢ per KWH for all energy used during the off-peak billing period, for a total of 60 monthly billing periods following the installation and use of these devices in such residence.

MINIMUM CHARGE.

This tariff is subject to a minimum monthly charge equal to the Service Charge.

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12/31/2007

FUEL ADJUSTMENT CLAUSE.

Bills computed according to the rates set forth herein will be increased or decreased by a Fuel Adjustment Factor per KWH calculated in compliance with the Fuel Adjustment Clause contained in Sheet Nos. 5-1 and 5-2 of this Tariff Schedule.

SYSTEM SALES CLAUSE.

Bills computed according to the rates set forth herein will be increased or decreased by a System Sales Factor per KWH calculated in compliance with the System Sales Clause contained in Sheet Nos. 19-1 and 19-2 of this Tariff Schedule.

DEMAND-SIDE MANAGEMENT ADJUSTMENT CLAUSE.

Bills computed according to the rates set forth herein will be increased or decreased by a Demand-Side Management Adjustment Clause Factor per KWH calculated in compliance with the Demand-Side Management Adjustment Clause contained in Sheet Nos. 22-1 and 22-2 of this Tariff Schedule.

ENVIRONMENTAL SURCHARGE.

Bills computed according to the rates set forth herein will be increased by an Environmental Surcharge adjustment based on a percent of revenue in compliance with the Environmental Surcharge contained in Sheet Nos. 29-1 through 29-5 of this Tariff Schedule.

(Cont'd On Sheet No. 6-5)

PUBLIC SERVICE COMMISSION
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3/30/2006

PURSUANT TO 807 KAR 5:011

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

ISSUED BY E.K. WAGNER DIRECTOR OF REGULATORY SERVICE
NAME TITLE

By [Signature] **KENTUCKY**
Executive Director

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

TARIFF R.S. - T.O.D.
(Residential Service Time-of-Day)

AVAILABILITY OF SERVICE.

Available for residential electric service through one single-phase multiple-register meter capable of measuring electrical energy consumption during the on-peak and off-peak billing periods to individual residential customers, including residential customers engaged principally in agricultural pursuits. Availability is limited to the first 1,000 customers applying for service under this tariff.

RATE. (Tariff Codes 036 and 037)

Service Charge.....\$ 8.36 per month
Energy Charge:
All KWH used during on-peak billing period..... 10.177¢ per KWH
All KWH used during off-peak billing period..... 2.664¢ per KWH

For the purpose of this tariff, the on-peak billing period is defined as 7:00A.M. to 9:00P.M. for all weekdays, Monday through Friday. The off-peak period is defined as 9:00P.M. to 7:00A.M. for all weekdays and all hours of Saturday and Sunday.

MINIMUM CHARGE.

This tariff is subject to a minimum monthly charge equal to the Service Charge.

FUEL ADJUSTMENT CLAUSE.

Bills computed according to the rates set forth herein will be increased or decreased by a Fuel Adjustment Factor per KWH calculated in compliance with the Fuel Adjustment Clause contained in Sheet Nos. 5-1 and 5-2 of this Tariff Schedule.

SYSTEM SALES CLAUSE.

Bill computed according to the rates set forth herein will be increased or decreased by a System Sales Factor per KWH calculated in compliance with the System Sales Clause contained in Sheet Nos. 19-1 and 19-2 of this Tariff Schedule.

DEMAND-SIDE MANAGEMENT ADJUSTMENT CLAUSE.

Bills computed according to the rates set forth herein will be increased or decreased by an Demand-Side Management Adjustment Clause Factor per KWH calculated in compliance with the Demand-Side Management Adjustment Clause contained in Sheet Nos. 22-1 and 22-2 of this Tariff Schedule.

ENVIRONMENTAL SURCHARGE.

Bills computed according to the rates set forth herein will be increased or decreased by an Environmental Surcharge Adjustment based on a percent of revenue in compliance with the Environmental Surcharge contained in Sheet Nos. 29-1 through 29-5 of this Tariff Schedule.

NET MERGER SAVINGS CREDIT.

Bills computed according to the rates set forth herein will be decreased by a Net Merger Savings Credit Factor per KWH calculated in compliance with the Net Merger Savings Credit contained in Sheet No. 23-1 of this Tariff Schedule.

CAPACITY CHARGE

Bills computed according to the rates set forth herein will be increased by a Capacity Charge Factor per KWH calculated in compliance with the Capacity Charge Tariff contained in Sheet No. 28-1 of this Tariff Schedule.

HOME ENERGY ASSISTANCE PROGRAM (HEAP) CHARGE

Applicable to all residential customers. Bills computed according to the rates set forth herein shall be increased by a HEAP charge of 10¢ per meter per month and shall be shown on the residential customers bill as a separate line item. The Home Energy Assistance Program charge will be applied to all residential electric bills rendered during the billing cycles commencing April 1, 2006 through March 31, 2008, as directed by the Public Service Commission. The Company will match the residential contributions to the HEAP program for a period of two years effective April 1, 2006 through March 31, 2008.

(Cont'd on Sheet No. 6-7)

PUBLIC SERVICE COMMISSION
OF KENTUCKY
EFFECTIVE
3/30/2006
PURSUANT TO 807 KAR 5:011
SECTION 9 (1)

C
12/31/2007

DATE OF ISSUE March 20, 2006 DATE EFFECTIVE Service render
ISSUED BY E.K. Wagner DIRECTOR OF REGULATORY SERVICES By [Signature] 06
NAME TITLE ADDRESS
Issued by authority of an order of the Public Service Commission in Case No. 2005-00341 dated March 14, 2006

**TARIFF S.G.S. (Cont'd.)
(Small General Service)**

LOAD MANAGEMENT TIME-OF-DAY PROVISION.

Available to customers who use energy storage devices with time-differentiated load characteristics approved by the Company which consume electrical energy only during off-peak hours specified by the Company and store energy for use during on-peak hours, and who desire to receive service under this provision for their total requirements.

Customers who desire to separately wire their load management load to a time-of-day meter and their general-use load to a standard meter shall receive service for both under the appropriate provision of this tariff.

RATE. (Tariff Code 225, 226)

Service Charge.....\$15.10 per month
Energy Charge:
All KWH used during on-peak billing period..... 12.227¢ per KWH
All KWH used during off-peak billing period 2.664¢ per KWH

For the purpose of this tariff, the on-peak billing period is defined as 7:00 A.M. to 9:00 P.M. for all weekdays, Monday through Friday. The off-peak billing period is defined as 9:00 P.M. to 7:00 A.M. for all weekdays and all hours of Saturday and Sunday.

TERM OF CONTRACT.

The Company shall have the right to require contracts for periods of one year or longer.

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12/31/2007

OPTIONAL UNMETERED SERVICE PROVISION.

Available to customers who qualify for Tariff SGS and use the Company's service for commercial purposes consisting of small fixed electric loads such as traffic signals and signboards which can be served by a standard service drop from the Company's existing secondary distribution system. This service will be furnished at the option of the Company.

Each separate service delivery point shall be considered a contract location and shall be separately billed under the service contract. In the event one Customer has several accounts for like service, the Company may meter one account to determine the appropriate kilowatt-hour usage applicable for each of the accounts.

The Customer shall furnish switching equipment satisfactory to the Company. The Customer shall notify the Company in advance of every change in connected load, and the Company reserves the right to inspect the customer's equipment at any time to verify the actual load. In the event of the customer's failure to notify the Company of an increase in load, the Company reserves the right to refuse to serve the contract location thereafter under this provision, and shall be entitled to bill the customer retroactively on the basis of the increased load for the full period such load was connected or the earliest date allowed by Kentucky statute whichever is applicable.

Calculated energy use per month shall be equal to the contract capacity specified at the contract location times the number of days in the billing period times the specified hours of operation. Such calculated energy shall then be billed at the following rates:

RATE. (Tariff Code 204 (Mtrd), 213 (Umr))

Customer Charge.....\$ 7.50 per month
Energy Charge:
First 500 KWH per month..... 8.824¢ per KWH
All Over 500 KWH per month..... 4.805¢ per KWH

SPECIAL TERMS AND CONDITIONS.

This tariff is subject to the Company's Terms and Conditions of Service.

Customer with PURPA Section 210 qualifying cogeneration and/or small power production facilities shall take service under Tariff COGEN/SPP I or by special agreement with the Company.

**PUBLIC SERVICE COMMISSION
OF KENTUCKY**

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

SECTION 9 (1)

DATE OF ISSUE March 20, 2006

DATE EFFECTIVE Service rendered on and after March 30, 2006

ISSUED BY E. K. WAGNER
NAME

DIRECTOR OF REGULATORY SERVICES
TITLE

EXECUTIVE DIRECTOR
ADDRESS

TARIFF M.G.S.
 (Medium General Service)

AVAILABILITY OF SERVICE

Available for general service to customers with average monthly demands greater than 10 KW or maximum monthly demands greater than 15 KW, but not more than 100 KW (excluding the demand served by the Load Management Time-of-Day provision).

Existing customers not meeting the above criteria will be permitted to continue service under present conditions only for continuous service at the premises occupied on or prior to December 5, 1984.

RATE

	Secondary	Service Voltage Primary	Subtransmission
Tariff Code	215, 216, 218	217, 220	236
Service Charge per Month	\$ 13.50	\$ 21.00	\$ 153.00
Demand Charge per KW	\$ 1.31	\$ 1.28	\$ 1.25
Energy Charge:			
KWH equal to 200 times KW of monthly billing demand	6.988¢	6.318¢	5.744¢
KWH in excess of 200 times KW of monthly billing demand	5.826¢	5.526¢	5.321¢

RECREATIONAL LIGHTING SERVICE PROVISION

Available for service to customers with demands of 5 KW or greater and who own and maintain outdoor lighting facilities and associated equipment utilized at baseball diamonds, football stadiums, parks and other similar recreational areas. This service is available only during the hours between sunset and sunrise. Daytime use of energy under this rate is strictly forbidden except for the sole purpose of testing and maintaining the lighting system. All Terms and Conditions of Service applicable to Tariff M.G.S. customers will also apply to recreational lighting customers except for the Availability of Service.

RATE (Tariff Code 214)

Service Charge\$13.50 per month
 Energy Charge 6.519¢ per KWH

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12/31/2007

MINIMUM CHARGE

This tariff is subject to a minimum charge equal to the sum of the service charge plus the demand charge multiplied by 6 KW.

The minimum monthly charge for industrial and coal mining customers contracting for 3-phase service after October 1, 1959 shall be \$5.46 per KW of monthly billing demand, subject to adjustment as determined under the fuel adjustment clause, system sales clause, demand-side management clause, the environmental surcharge, the net merger savings credit, the capacity charges, plus the service charge.

FUEL ADJUSTMENT CLAUSE

Bills computed according to the rates set forth herein will be increased or decreased by a Fuel Adjustment Factor per KWH calculated in compliance with the Fuel Adjustment Clause contained in Sheet Nos. 5-1 and 5-2 of this Tariff Schedule.

SYSTEM SALES CLAUSE

Bills computed according to the rates set forth herein will be increased or decreased by a System Sales Factor per KWH calculated in compliance with the System Sales Clause contained in Sheet Nos. 19-1 and 19-2 of this Tariff Schedule.

DEMAND-SIDE MANAGEMENT ADJUSTMENT CLAUSE

Bills computed according to the rates set forth herein will be increased or decreased by a Demand-Side Management Adjustment Clause Factor per KWH calculated in compliance with the Demand-Side Management Adjustment Clause contained in Sheet Nos. 1 and 22-2 of this Tariff Schedule, unless the customer is an industrial who has elected to opt-out in accordance with the terms pursuant to the Commission's Order in Case No. 95-427.

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

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

DATE OF ISSUE March 20, 2006 DATE OF EFFECTIVE Service end 006

ISSUED BY E.K. Wagner By [Signature]
 NAME TITLE ADDRESS
E.K. WAGNER DIRECTOR REGULATORY AFFAIRS FRANKFORT, KENTUCKY

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

TARIFF M.G.S (Cont'd)
(Medium General Service)

RATE.

Service Charge	\$ 3.00 per month
Energy Charge:	
All KWH used during on-peak billing period	11.391¢ per KWH
All KWH used during off-peak billing period	2.781¢ per KWH

For the purpose of this tariff, the on-peak billing period is defined as 7:00 A.M. to 9:00 P.M. for all weekdays, Monday through Friday. The off-peak billing period is defined as 9:00 P.M. to 7:00 A.M. for all weekdays and all hours of Saturday and Sunday.

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12/31/2007

TERM OF CONTRACT.

Contracts under this tariff will be required of customers with normal maximum demands of 500 KW or greater. Contracts under this tariff will be made for an initial period of not less than 1 year and shall remain in effect thereafter until either party shall give at least 6 months' written notice to the other of the intention to terminate the contract. The Company will have the right to make contracts for periods of longer than 1 year and to require contracts for Customers with normal maximum demands of less than 500 KW.

SPECIAL TERMS AND CONDITIONS.

This tariff is subject to the Company's Terms and Conditions of Service.

This tariff is also available to Customers having other source of energy supply but who desire to purchase standby or back-up electric service from the Company. Where such conditions exist the Customer shall contract for the maximum demand in KW which the Company might be required to furnish, but no less than 10 KW. The Company shall not be obligated to supply demands in excess of that contracted for. Where service is supplied under the provisions of this paragraph, the billing demand each month shall be the highest determined for the current and previous two billing periods, and the minimum charge shall be as set forth under paragraph "Minimum Charge" above.

This tariff is available for resale service to mining and industrial customers who furnish service to customer-owned camps or villages where living quarters are rented to employees and where the Customer purchases power at a single point of both their power and camp requirements.

Customers with PURPA Section 210 qualifying cogeneration and/or small power production facilities shall take service under Tariff COGEN/SPP I or II or by special agreement with the Company.

(Cont'd on Sheet 8-4)

**PUBLIC SERVICE COMMISSION
OF KENTUCKY
EFFECTIVE
3/30/2006**

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

DATE OF ISSUE March 20, 2006

DATE EFFECTIVE Service rendered on and after March 30, 2006

ISSUED BY E.K. WAGNER
NAME
DIRECTOR OF REGULATORY SERVICES
TITLE

By [Signature]
Executive Director

Issued by authority of an Order of the Public Service Commission in Case No. 2004-00341 dated March 14, 2006

TARIFF M.G.S.-T.O.D.
(Medium General Service Time-of-Day)

AVAILABILITY OF SERVICE.

Available for general service to customers with normal maximum demands greater than 10 KW but not more than 100 KW. Availability is limited to the first 500 customers applying for service under this tariff.

RATE. (Tariff Code 229, 230)

Service Charge	\$ 14.30 per month
Energy Charge:	
All KWH used during on-peak billing period	11.391¢ per KWH
All KWH used during off-peak billing period	2.781¢ per KWH

For the purpose of this tariff, the on-peak billing period is defined as 7:00 A.M. to 9:00 P.M. for all weekdays, Monday through Friday. The off-peak billing period is defined as 9:00 P.M. to 7:00 A.M. for all weekdays and all hours of Saturday and Sunday.

MINIMUM CHARGE.

This tariff is subject to a minimum monthly charge equal to the Service Charge.

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12/31/2007

FUEL ADJUSTMENT CLAUSE.

Bills computed according to the rates set forth herein will be increased or decreased by a Fuel Adjustment Factor per KWH calculated in compliance with the Fuel Adjustment Clause contained in Sheet Nos. 5-1 and 5-2 of this Tariff Schedule.

SYSTEM SALES CLAUSE.

Bills computed according to the rates set forth herein will be increased or decreased by a System Sales Factor per KWH calculated in compliance with the System Sales Clause contained in Sheet Nos. 19-1 and 19-2 of this Tariff Schedule.

DEMAND-SIDE MANAGEMENT ADJUSTMENT CLAUSE.

Bills computed according to the rates set forth herein will be increased by a Demand-Side Management Adjustment Clause Factor per KWH calculated in compliance with the Demand-Side Management Adjustment Clause contained in Sheet Nos. 22-1 and 22-2 of this Tariff Schedule, unless the customer is an industrial who has elected to opt-out in accordance with the terms pursuant to the Commission's Order in Case No. 95-427.

ENVIRONMENTAL SURCHARGE.

Bills computed according to the rates set forth herein will be increased or decreased by an Environmental Surcharge Adjustment based on a percent of revenue in compliance with the Environmental Surcharge contained in Sheet Nos. 29-1 through 29-5 of this Tariff Schedule.

NET MERGER SAVINGS CREDIT.

Bills computed according to the rates set forth herein will be decreased by a Net Merger Savings Credit Factor per KWH calculated in compliance with the Net Merger Savings Credit contained in Sheet No. 23-1 of this Tariff Schedule.

CAPACITY CHARGE

Bills computed according to the rates set forth herein will be increased by a Capacity Charge Factor per KWH calculated in compliance with the Capacity Charge Tariff contained in Sheet No. 28-1 of this Tariff Schedule.

(Cont'd on Sheet 8-5)

PUBLIC SERVICE COMMISSION
OF KENTUCKY
EFFECTIVE
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SECTION 9 (1)

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DATE EFFECTIVE Service rendered on and after March 30, 2006

ISSUED BY E. K. WAGNER
NAME

DIRECTOR OF REGULATORY SERVICE
TITLE

By [Signature] JCKY

Executive Director

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

**TARIFF L.G.S.
 (Large General Service)**

AVAILABILITY OF SERVICE

Available for general service to customers with normal maximum demands greater than 100 KW but not more than 1,000 KW (excluding the demand served by the Load Management Time-of-Day provision).

Existing customers not meeting the above criteria will be permitted to continue service under present conditions only for continuous service at the premises occupied on or prior to December 5, 1984.

RATE

Tariff Code	<u>Service Voltage</u>			
	<u>Secondary</u>	<u>Primary</u>	<u>Subtransmission</u>	<u>Transmission</u>
Service Charge per Month	240, 242 \$ 85.00	244, 246 \$127.50	248 \$535.50	250 \$535.50
Demand Charge per KW	\$3.45	\$3.36	\$3.30	\$3.24
Excess Reactive Charge per KVA	\$ 2.97	\$ 2.97	\$ 2.97	\$2.97
Energy Charge per KWH	5.120¢	4.415¢	3.350¢	2.965¢

MINIMUM CHARGE

Bills computed under the above rate are subject to a monthly minimum charge comprised of the sum of the service charge and the minimum demand charge. The minimum demand charge is the product of the demand charge per KW and the monthly billing demand.

FUEL ADJUSTMENT CLAUSE

Bills computed according to the rates set forth herein will be increased or decreased by a Fuel Adjustment Factor per KWH calculated in compliance with the Fuel Adjustment Clause contained in Sheet Nos. 5-1 and 5-2 of this Tariff Schedule.

SYSTEM SALES CLAUSE

Bills computed according to the rates set forth herein will be increased or decreased by a System Sales Factor per KWH calculated in compliance with the System Sales Clause contained in Sheet Nos. 19-1 and 19-2 of this Tariff Schedule.

DEMAND-SIDE MANAGEMENT ADJUSTMENT CLAUSE

Bills computed according to the rates set forth herein will be increased or decreased by an Demand-Side Management Adjustment Clause Factor per KWH calculated in compliance with the Demand-Side Management Adjustment Clause contained in Sheet Nos. 22-1 and 22-2 of this Tariff Schedule, unless the customer is an industrial who has elected to opt-out in accordance with the terms pursuant to the Commission's Order in Case No. 95-427.

ENVIRONMENTAL SURCHARGE

Bills computed according to the rates set forth herein will be increased or decreased by an Environmental Surcharge Adjustment based on a percent of revenue in compliance with the Environmental Surcharge contained in Sheet Nos. 29-1 through 29-5 of this Tariff Schedule.

NET MERGER SAVINGS CREDIT

Bills computed according to the rates set forth herein will be decreased by a Net Merger Savings Credit Factor per KWH calculated in compliance with the Net Merger Savings Credit contained in Sheet No. 23-1 of this Tariff Schedule.

CAPACITY CHARGE

Bills computed according to the rates set forth herein will be increased by a Capacity Charge Factor per KWH calculated in compliance with the Capacity Charge Tariff contained in Sheet No. 28-1 of this Tariff Schedule.

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

**PUBLIC SERVICE COMMISSION
 OF KENTUCKY
 EFFECTIVE**

3/30/2006

PURSUANT TO 807 KAR 5:011

SECTION 9 (1)

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

ISSUED BY E.K. Wagner E.K. WAGNER DIRECTOR OF REGULATORY SERVICES JCKY
 NAME TITLE

By [Signature] Executive Director

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

C
12/31/2007

TARIFF L.G.S. (Cont'd.)
(Large General Service)

DELAYED PAYMENT CHARGE.

This tariff is net if account is paid in full within 15 days of date of bill. On all accounts not so paid, an additional charge of 5% of the unpaid balance will be made.

METERED VOLTAGE.

The rates set forth in this tariff are based upon the delivery and measurement of energy at the same voltage, thus measurement will be made at or compensated to the delivery voltage. At the sole discretion of the Company, such compensation may be achieved through the use of loss compensating equipment, the use of formulas to calculate losses or the application of multipliers to the metered quantities. In such cases, the metered KWH and KW values will be adjusted for billing purposes. If the Company elects to adjust KWH and KW based on multipliers, the adjustment shall be in accordance with the following:

- (1) Measurements taken at the low-side of a customer-owned transformer will be multiplied by 1.01.
- (2) Measurements taken at the high-side of a Company-owned transformer will be multiplied by 0.98.

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12/31/2007

MONTHLY BILLING DEMAND.

Billing demand in KW shall be taken each month as the highest 15-minute integrated peak in kilowatts as registered during the month by a 15-minute integrating demand meter or indicator, or at the Company's option as the highest registration of a thermal type demand meter or indicator. The monthly billing demand so established shall in no event be less than 60% of the greater of (a) the customer's contract capacity or (b) the customer's highest previously established monthly billing demand during the past 11 months.

DETERMINATION OF EXCESS KILOVOLT-AMPERE (KVA) DEMAND

The maximum KVA demand shall be determined by the use of a multiplier equal to the reciprocal of the average power factor recorded during the billing month, leading or lagging, applied to the metered demand. The excess KVA demand, if any, shall be the amount by which the maximum KVA demand established during the billing period exceeds 115% of the kilowatts of metered demand.

LOAD MANAGEMENT TIME-OF-DAY PROVISION.

Available to customers who use energy storage devices with time-differentiated load characteristics approved by the Company which consume electrical energy only during off-peak hours specified by the Company and store energy for use during on-peak hours, and who desire to receive service under this provision for their total requirements.

Customers who desire to separately wire their load management load to a time-of-day meter and their general-use load to a standard meter shall receive service for both under the appropriate provision of this tariff.

RATE. (Tariff Code 251)

Service Charge	\$81.80	per month
Energy Charge:		
All KWH used during on-peak billing period	9.592¢	per KWH
All KWH used during off-peak billing period	2.753¢	per KWH

For the purpose of this tariff, the on-peak billing period is defined as 7:00 A.M. to 9:00 P.M. for all weekdays, Monday through Friday. The off-peak billing period is defined as 9:00 P.M. to 7:00 A.M. for all weekdays and all hours of Saturday and Sunday.

(Cont'd. On Sheet No. 9-3)

PUBLIC SERVICE COMMISSION
OF KENTUCKY
EFFECTIVE
3/30/2006
PURSUANT TO 807 KAR 5:011

SECTION 9 (1)

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

ISSUED BY E.K. Wagner DIRECTOR OF REGULATORY SERVICES By [Signature] ICKY
NAME TITLE Executive Director

TARIFF Q.P.
(Quantity Power)

AVAILABILITY OF SERVICE.

Available for commercial and industrial customers with demands less than 7,500 KW. Customers shall contract for a definite amount of electrical capacity in kilowatts, which shall be sufficient to meet normal maximum requirements, but in no case shall the contract capacity be less than 1,000 KW.

RATE.

	<u>Secondary</u>	<u>Primary</u>	<u>Service Voltage Subtransmission</u>	<u>Transmission</u>
Tariff Code	356	358	359	360
Service Charge per month	\$ 276.00	\$ 276.00	\$ 662.00	\$ 1,353.00
Demand Charge per KW				
Of monthly on-peak billing demand	\$13.28	\$11.53	\$8.81	\$7.47
Of monthly off-peak excess billing demand	\$4.79	\$3.31	\$0.88	\$0.77
Energy Charge per KWH	2.09¢	2.04¢	2.01¢	1.98¢

Reactive Demand Charge for each kilovar of maximum leading or lagging reactive demand in excess of 50 percent of the KW of monthly metered demand \$0.67/KVAR

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12/31/2007

MINIMUM CHARGE.

This tariff is subject to a minimum charge equal to the Service Charge plus the Demand Charge per KW multiplied by the billing demand.

FUEL ADJUSTMENT CLAUSE.

Bills computed according to the rates set forth herein will be increased or decreased by a Fuel Adjustment Factor per KWH calculated in compliance with the Fuel Adjustment Clause contained in Sheet Nos. 5-1 and 5-2 of this Tariff Schedule.

SYSTEM SALES CLAUSE.

Bills computed according to the rates set forth herein will be increased or decreased by a System Sales Factor per KWH calculated in compliance with the System Sales Clause contained in Sheet Nos. 19-1 and 19-2 of this Tariff Schedule.

DEMAND-SIDE MANAGEMENT ADJUSTMENT CLAUSE.

Bills computed according to the rates set forth herein will be increased or decreased by a Demand-Side Management Adjustment Clause Factor per KWH calculated in compliance with the Demand-Side Management Adjustment Clause contained in Sheet Nos. 22-1 and 22-2 of this Tariff Schedule, unless the customer is an industrial who has elected to opt-out in accordance with the terms pursuant to the Commission's Order in Case No. 95-427.

ENVIRONMENTAL SURCHARGE.

Bills computed according to the rates set forth herein will be increased or decreased by a Surcharge Adjustment based on a percent of revenue in compliance with the Surcharge contained in Sheet Nos. 29-1 through 29-5 of this Tariff Schedule.

NET MERGER SAVINGS CREDIT.

Bills computed according to the rates set forth herein will be decreased by a Net Merger Savings Credit Factor per KWH calculated in compliance with the Net Merger Savings Credit contained in Sheet No. 23-1 of this Tariff Schedule.

CAPACITY CHARGE.

Bills computed according to the rates set forth herein will be increased by a Capacity Charge Factor per KWH calculated in compliance with the Capacity Charge Tariff contained in Sheet No. 28-1 of this Tariff Schedule.

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

DATE OF ISSUE March 20, 2006

DATE EFFECTIVE Service rendered on and after March 30, 2006

ISSUED BY E.K. WAGNER DIRECTOR OF REGULATORY SERVICES
NAME TITLE

**PUBLIC SERVICE COMMISSION
OF KENTUCKY**
EFFECTIVE
3/30/2006
PURSUANT TO 807 KAR 5:011

By [Signature]
DIRECTOR

Issued by authority of an Order of the Public Service Commission in Case No. 2005-00341 dated March 30, 2006

TARIFF C.I.P. - T.O.D.
(Commercial and Industrial Power - Time-of-Day)

AVAILABILITY OF SERVICE.

Available for commercial and industrial KWHs with normal maximum demands of 7,500 KW and above. KWHs shall contract for a definite amount of electrical capacity in kilowatts which shall be sufficient to meet normal maximum requirements, but in no case shall the capacity contracted for be less than 7,500 KW.

RATE.

	<u>Service Voltage</u>		
	<u>Primary</u>	<u>Subtransmission</u>	<u>Transmission</u>
Tariff Code	370	371	372
Service Charge per Month	\$ 276.00	\$ 662.00	\$ 1,353.00
Demand Charge per KW			
On-peak	\$13.79	\$10.83	\$ 9.35
Off-peak	\$3.68	\$ 0.98	\$ 0.84
Energy Charge per KWH	1.685¢	1.660¢	1.640¢

Reactive Demand Charge for each kilovar of maximum leading or lagging reactive demand in excess of 50 percent of the KW of monthly metered demand\$ 0.67/ KVAR

For the purpose of this tariff, the on-peak billing period is defined as 7:00 AM to 9:00 PM for all weekdays, Monday through Friday. The off-peak billing period is defined as 9:00 PM to 7:00 AM for all weekdays and all hours of Saturday and Sunday.

MINIMUM DEMAND CHARGE.

The minimum demand charge shall be equal to the minimum billing demand times the following minimum demand rates:

<u>Primary</u>	<u>Subtransmission</u>	<u>Transmission</u>
\$14.79/KW	\$11.80/KW	\$10.32/KW

The minimum demand shall be the greater of 60% of the contract capacity set forth on the contract for electric service or 60% of the highest billing demand, on-peak or off-peak, recorded during the previous eleven months.

MINIMUM CHARGE.

This tariff is subject to a minimum charge equal to the Service Charge plus the Minimum Demand Charge.

FUEL ADJUSTMENT CLAUSE.

Bills computed according to the rates set forth herein will be increased or decreased by a Fuel Adjustment Factor per KWH calculated in compliance with the Fuel Adjustment Clause contained in Sheet Nos. 5-1 and 5-2 of this Tariff Schedule.

SYSTEM SALES CLAUSE.

Bills computed according to the rates set forth herein will be increased or decreased by a System Sales Factor per KWH calculated in compliance with the System Sales Clause contained in Sheet Nos. 19-1 and 19-2 of this Tariff Schedule.

DEMAND-SIDE MANAGEMENT ADJUSTMENT CLAUSE.

Bills computed according to the rates set forth herein will be increased or by a Demand-Side Management Adjustment Clause Factor per KWH calculated in compliance with the Demand-Side Management Adjustment Clause contained in Sheet Nos. 22-1 and 22-2 of this Tariff Schedule, unless the KWH is an industrial who has elected to opt-out in accordance with the terms, pursuant to the Commission's Order in Case No. 95-427.

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

C
12/31/2007

DATE OF ISSUE March 20, 2006

DATE EFFECTIVE Service rendered on and after March 30 2006

ISSUED BY E. K. WAGNER
NAME

DIRECTOR OF REGULATORY SERVICES
TITLE

**PUBLIC SERVICE COMMISSION
OF KENTUCKY
EFFECTIVE
3/30/2006
PURSUANT TO 807 KAR 5:011
SECTION 9 (1)
By [Signature]
Executive Director**

Issued by authority of an Order of the Public Service Commission in Case No. 2005-000341 dated March 14, 2006

TARIFF M.W.
(Municipal Waterworks)

AVAILABILITY OF SERVICE.

Available only to incorporated cities and towns and authorized water districts and to utility companies operating under the jurisdiction of Public Service Commission of Kentucky for the supply of electric energy to waterworks systems and sewage disposal systems served under this tariff on September 1, 1982, and only for continuous service at the premises occupied by the Customer on this date. If service hereunder is discontinued, it shall not again be available.

Customer shall contract with the Company for a reservation in capacity in kilovolt-amperes sufficient to meet with the maximum load, which the Company may be required to furnish.

RATE. (Tariff Code 540)

Service Charge \$22.90 per month
Energy Charge:
All KWH Used Per Month 5.677¢ per KWH

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MINIMUM CHARGE.

This tariff is subject to a minimum monthly charge equal to the sum of the service charge plus \$3.05 \$3.65 per KVA as determined from customer's total connected load. The minimum monthly charge shall be subject to adjustments as determined under the Fuel Adjustment Clause.

FUEL ADJUSTMENT CLAUSE.

Bills computed according to the rates set forth herein will be increased or decreased by a Fuel Adjustment Factor per KWH calculated in compliance with the Fuel Adjustment Clause contained in Sheet Nos. 5-1 and 5-2 of this Tariff Schedule.

SYSTEM SALES CLAUSE.

Bills computed according to the rates set forth herein will be increased or decreased by a System Sales Factor per KWH calculated in compliance with the System Sales Clause contained in Sheet Nos. 19-1 and 19-2 of this Tariff Schedule.

DEMAND-SIDE MANAGEMENT ADJUSTMENT CLAUSE.

Bills computed according to the rates set forth herein will be increased or decreased by an Demand-Side Management Adjustment Clause Factor per KWH calculated in compliance with the Demand-Side Management Adjustment Clause contained in Sheet Nos. 22-1 and 22-2 of this Tariff Schedule, unless the customer is an industrial who has elected to opt-out in accordance with the terms pursuant to the Commission's Order in Case No. 95-427.

ENVIRONMENTAL SURCHARGE.

Bills computed according to the rates set forth herein will be increased or decreased by an Environmental Surcharge Adjustment based on a percent of revenue in compliance with the Environmental Surcharge contained in Sheet Nos. 29-1 through 29-5 of this Tariff Schedule.

NET MERGER SAVINGS CREDIT.

Bills computed according to the rates set forth herein will be decreased by a Net Merger Savings Credit Factor per KWH calculated in compliance with the Net Merger Savings Credit contained in Sheet No. 23-1 of this Tariff Schedule.

CAPACITY CHARGE.

Bills computed according to the rates set forth herein will be increased by a Capacity Charge Factor per KWH calculated in compliance with the Capacity Charge Tariff contained in Sheet No. 28-1 of this Tariff Schedule.

(Cont'd On Sheet No. 13-2)

**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

DATE OF ISSUE March 20, 2006

DATE EFFECTIVE Service rendered on and after March 30, 2006

ISSUED BY E.K. WAGNER
NAME

DIRECTOR OF REGULATORY SERVICES
TITLE

By [Signature] JCKY

Executive Director

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

**TARIFF O.L.
 (Outdoor Lighting)**

AVAILABILITY OF SERVICE.

Available for outdoor lighting to individual customers in locations where municipal street lighting is not applicable.

RATE.

A. OVERHEAD LIGHTING SERVICE

Tariff
Code

	1.	High Pressure Sodium		
094		100 watts (9,500 Lumens).....	\$	6.70 per lamp
113		150 watts (16,000 Lumens).....	\$	7.50 per lamp
097		200 watts (22,000 Lumens).....	\$	9.05 per lamp
098		400 watts (50,000 Lumens).....	\$	14.35 per lamp
	2.	Mercury Vapor		
093*		175 watts (7,000 Lumens).....	\$	6.95 per lamp
095*		400 watts (20,000 Lumens).....	\$	11.60 per lamp

Company will provide lamp, photo-electric relay control equipment, luminaries and upsweep arm not over six feet in length, and will mount same on an existing pole carrying secondary circuits.

B. POST-TOP LIGHTING SERVICE

Tariff
Code

	1.	High Pressure Sodium		
111		100 watts (9,500 Lumens).....	\$	10.05 per lamp
122		150 Watts (16,000 Lumens).....	\$	16.45 per lamp
	2.	Mercury Vapor		
099*		175 watts (7,000 Lumens).....	\$	8.10 per lamp

Company will provide lamp, photo-electric relay control equipment, luminaries, post, and installation including underground wiring for a distance of thirty feet from the Company's existing secondary circuits.

C. FLOOD LIGHTING SERVICE

Tariff
Code

	1.	High Pressure Sodium		
107		200 watts (22,000 Lumens).....	\$	10.30 per lamp
109		400 watts (50,000 Lumens).....	\$	14.10 per lamp
	2.	Metal Halide		
110		250 watts (20,500 Lumens).....	\$	16.15 per lamp
116		400 watts (36,000 Lumens).....	\$	21.05 per lamp
131		1000 watts (110,000 Lumens).....	\$	45.20 per lamp

Company will provide lamp, photoelectric relay control equipment, luminaries, mounting bracket, and mount same on an existing pole carrying secondary circuits.

*These lamps are not available for new installations.

(Cont'd. on Sheet No. 14-2)

**PUBLIC SERVICE COMMISSION
 OF KENTUCKY
 EFFECTIVE
 3/30/2006**

PURSUANT TO 807 KAR 5:011

SECTION 9 (1)
 after March 30, 2006

DATE OF ISSUE March 20, 2006

DATE EFFECTIVE Service rendered on and after March 30, 2006

ISSUED BY E.K. WAGNER DIRECTOR OF REGULATORY SERVICES
 NAME TITLE

By [Signature] JCKY
 Executive Director

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

C
12/31/2005

TARIFF S.L.
(Street Lighting)

AVAILABILITY OF SERVICE.

Available for lighting service for all the lighting of public streets, public highways and other public outdoor areas in municipalities, counties, and other governmental subdivisions where such service can be supplied from the existing general distribution systems.

RATE. (Tariff Code 528)

A. Overhead Service on Existing Distribution Poles

1. High Pressure Sodium

100 watts (9,500 lumens).....	\$	5.45	per lamp
150 watts (16,000 lumens).....	\$	6.15	per lamp
200 watts (22,000 lumens).....	\$	7.65	per lamp
400 watts (50,000 lumens).....	\$	10.90	per lamp

B. Service on New Wood Distribution Poles

1. High Pressure Sodium

100 watts (9,500 lumens).....	\$	8.75	per lamp
150 watts (16,000 lumens).....	\$	9.50	per lamp
200 watts (22,000 lumens).....	\$	10.90	per lamp
400 watts (50,000 lumens).....	\$	14.15	per lamp

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12/31/2007

C. Service on New Metal or Concrete Poles

1. High Pressure Sodium

100 watts (9,500 lumens).....	\$	14.65	per lamp
150 watts (16,000 lumens).....	\$	15.20	per lamp
200 watts (22,000 lumens).....	\$	19.20	per lamp
400 watts (50,000 lumens).....	\$	20.00	per lamp

Lumen rating is based on manufacturer's rated lumen output for new lamps.

FUEL ADJUSTMENT CLAUSE.

Bills computed according to the rates set forth herein will be increased or decreased by a Fuel Adjustment Factor per KWH calculated in compliance with the Fuel Adjustment Clause contained in Sheet Nos. 5-1 and 5-2 of this Tariff Schedule. The monthly kilowatt-hours for Fuel Adjustment Clause and the System Sales Clause computations are as follows:

(Cont'd. On Sheet No. 15-2)

**PUBLIC SERVICE COMMISSION
OF KENTUCKY
EFFECTIVE
3/30/2006
PURSUANT TO 807 KAR 5:011**

DATE OF ISSUE March 20, 2006 DATE EFFECTIVE Service rendered on and after March 30, 2006 SECTION 9 (1)

ISSUED BY E.K. Wagner DIRECTOR OF REGULATORY SERVICES JCKY
NAME TITLE

By [Signature]
Executive Director

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

DEMAND-SIDE MANAGEMENT ADJUSTMENT CLAUSE (Cont'd.)
 (Tariff D.S.M.C.)

RATE (Cont'd.)

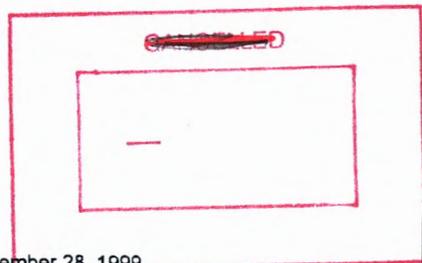
5. The DSM adjustment shall be filed with the Commission ten (10) days before it is scheduled to go into effect, along with all the necessary supporting data to justify the amount of the adjustments, which shall include data, and information as may be required by the Commission.
6. Copies of all documents required to be filed with the Commission under this regulation shall be open and made available for public inspection at the office of the Public Service Commission pursuant to the provisions of KRS 61.870 to 61.884.
7. The resulting range for each customer sector per KWH during the three-year Experimental Demand-Side Management Plan is as follows:

CUSTOMER SECTOR			
	RESIDENTIAL (\$ Per Kwh)	COMMERCIAL** (\$ Per KWH)	INDUSTRIAL* (\$ Per KWH)
Floor Factor =	0.000083	-0-	- 0 -
Ceiling Factor =	0.000387	-0-	- 0 -

8. The DSM Adjustment Clause factor (\$ Per KWH) for each customer sector which fall within the range defined in Item 7 above is as follows:

CUSTOMER SECTOR			
	RESIDENTIAL	COMMERCIAL**	INDUSTRIAL*
DSM (c)	245,105	-0-	- 0 -
S ©	1,611,575,500	-0-	- 0 -
Adjustment Factor \$	0.000152	-0-	- 0 -

C
9-27-2007



*The Industrial Sector has been discontinued pursuant to the Commission's Order dated September 28, 1999.

** The Commercial Sector has been discontinued pursuant to the Commission's Order dated November 21, 2005

**PUBLIC SERVICE COMMISSION
 OF KENTUCKY
 EFFECTIVE**

3/29/2007

PURSUANT TO 807 KAR 5:011

SECTION 9 (1)

DATE OF ISSUE March 6, 2007 EFFECTIVE DATE Service rendered on or after March 29, 2007

ISSUED BY ERROL K. WAGNER DIRECTOR OF REGULATORY SERVICES
 NAME TITLE

By [Signature]
 Executive Director

Issued by authority of an Order of the Public Service Commission in Case No. 2007-00075 dated March 2, 2007

DEMAND-SIDE MANAGEMENT ADJUSTMENT CLAUSE (Cont'd.)
 (Tariff D.S.M.C.)

RATE. (Cont'd.)

5. The DSM adjustment shall be filed with the Commission ten (10) days before it is scheduled to go into effect, along with all the necessary supporting data to justify the amount of the adjustments, which shall include data, and information as may be required by the Commission.
6. Copies of all documents required to be filed with the Commission under this regulation shall be open and made available for public inspection at the office of the Public Service Commission pursuant to the provisions of KRS 61.870 to 61.884.
7. The resulting range for each customer sector per KWH during the three-year Experimental Demand-Side Management Plan is as follows:

CUSTOMER SECTOR			
	<u>RESIDENTIAL</u> (\$ Per Kwh)	<u>COMMERCIAL**</u> (\$ Per KWH)	<u>INDUSTRIAL*</u> (\$ Per KWH)
Floor Factor =	0.000414	-0-	- 0 -
Ceiling Factor =	0.000847	-0-	- 0 -

8. The DSM Adjustment Clause factor (\$ Per KWH) for each customer sector which fall within the range defined in Item 7 above is as follows:

CUSTOMER SECTOR			
	<u>RESIDENTIAL</u>	<u>COMMERCIAL**</u>	<u>INDUSTRIAL*</u>
DSM (c)	398,099	-0-	- 0 -
S ©	631,521,000	-0-	- 0 -
Adjustment Factor \$	0.000631	-0-	- 0 -

CANCELLED
3-29-07

*The Industrial Sector has been discontinued pursuant to the Commission's Order dated September 28, 1999.

** The Commercial Sector has been discontinued pursuant to the Commission's Order dated November 21, 2005

**PUBLIC SERVICE COMMISSION
 OF KENTUCKY
 EFFECTIVE**

9/27/2006

PURSUANT TO 807 KAR 5:011

DATE OF ISSUE September 25, 2006 EFFECTIVE DATE Services rendered on or after September 27, 2006

ISSUED BY ERROL K. WAGNER DIRECTOR OF REGULATORY SERVICES JCKY
 NAME TITLE

By [Signature] Executive Director

Issued by authority of an Order of the Public Service Commission in Case No. 2006-00382 dated September 21, 2006

TARIFF N.M.S.C.
(Net Merger Savings Credit)

APPLICABLE.

To Tariffs R.S., R.S.-L.M.-T.O.D., R.S.-T.O.D., S.G.S., M.G.S., M.G.S.-T.O.D., L.G.S., Q.P., C.I.P.-T.O.D., C.S.- I.R.P., M.W., O.L., and S.L.

RATE.

The Net Merger Savings Credit shall provide for a monthly adjustment to base rates on a rate per KWH of monthly consumption. The Net Merger Savings Credit shall be calculated according to the following formula:

$$\text{Net Merger Savings Credit} = \text{M.S.F.} + \text{B.A.F.}$$

Where:

(M.S.F.) Is the Merger Savings Factor per KWH which is based on the total Company net savings that are to be distributed to the Company's Kentucky retail jurisdictional customers in each 12-month period.

	Net Savings to be Distributed	Merger Savings Factor (M.S.F.)	Balancing Adjustment Factor (B.A.F.)
Year 1*	\$ 1,463,815	.021¢ per KWH	0¢
Year 2	2,553,660	.037¢ per KWH	.0007¢ per KWH
Year 3	3,184,645	.045¢ per KWH	.0009¢ per KWH
Year 4	3,695,003	.051¢ per KWH	.0018¢ per KWH
Year 5	4,037,167	.055¢ per KWH	.0030¢ per KWH
Year 6	4,299,432	.057¢ per KWH	.0025¢ per KWH
Year 7	4,504,920	.059¢ per KWH	
Year 8	4,626,369	.059¢ per KWH	
Year 9	5,242,785	.066¢ per KWH	

*The Net Merger Savings Credit will begin in the first full billing month available following thirty days from the consummation of the merger and will continue until the effective date of a Commission order changing the Company's base rates after Year 8 of this tariff.

(B.A.F.) Is the Balancing Adjustment Factor per KWH for the second through the twelfth months of the current distribution year, which reconciles any over-, or under-distribution of the net savings from prior periods. The B.A.F. will be determined by dividing the difference between amounts which were expected to be distributed and the amounts actually distributed from the application of the Net Merger Savings Credit from the previous year by the expected Kentucky retail jurisdictional KWH. The final B.A.F. will be applied to customer billings in the second month following the effective date of a Commission order changing the Company's base rates after Year 8 of this tariff.

TERMS OF DISTRIBUTION.

1. The total distribution to the Company's customers will, in no case, be less than the sum of the amounts shown for the first eight years above.
2. On or before the 21st of the first month of each distribution year following Year 1, the Company will file with the Commission a status report of the Net Merger Savings Credit. Such report shall include a statement showing the amounts, which were expected to be distributed, and the amounts actually distributed in previous periods, along with a calculation of the B.A.F., which will be implemented with customer billings in the second month of that distribution year to reconcile any previous over-or under-distributions.
3. The Net Merger Savings Credit shall be applied to the customer's bill following the rate and charges for electric service, but before application of the school tax, the franchise fee, sales tax or similar taxes.

C
9-27-2007

**PUBLIC SERVICE COMMISSION
 OF KENTUCKY**
 EXECUTIVE

3/30/2006

PURSUANT TO 807 KAR 5:011

DATE OF ISSUE March 20, 2006

DATE EFFECTIVE Service rendered on and after March 20, 2006

ISSUED BY E.K. WAGNER
 NAME

DIRECTOR OF REGULATORY SERVICES
 TITLE

FRANKFORT KENTUCKY

By [Signature]
 Director

Issued by authority of an Order of the Public Service Commission in Case No. 2005-00341 dated March 1, 2006

TARIFF E.S.
(Environmental Surcharge)

APPLICABLE

To Tariffs R.S., R.S.-L.M.-T.O.D., R.S.-T.O.D., S.G.S., M.G.S., M.G.S.-T.O.D., L.G.S., Q.P., C.I.P.-T.O.D., C.S.-I.R.P., M.W., O.L., and S.L.

RATE.

1. The environmental surcharge shall provide for monthly adjustments based on a percent of revenues equal to the difference between the environmental compliance costs in the base period as provided in Paragraph 6 below and in the current period according to the following formula:

$$\text{Monthly Environmental Surcharge Factor} = \frac{\text{Net KY Retail E(m)}}{\text{KY Retail R(m)}}$$

Where:

Net KY Retail E(m) = Monthly E(m) allocated to Kentucky Retail Customers, net of Over/ (Under) Recovery Adjustment; Allocation based on Percentage of Kentucky Retail Revenues to Total Company Revenues in the Expense Month.

(For purposes of this formula, Total Company Revenues do not include Non-Physical Revenues.)

KY Retail R(m) = Kentucky Retail Revenues for the Expense Month.

2. Monthly Environmental Surcharge Gross Revenue Requirement, E(m)

$$E(m) = CRR - BRR$$

Where:

CRR = Current Period Revenue Requirement for the Expense Month.

BRR = Base Period Revenue Requirement.

3. Base Period Revenue Requirement, BRR

BRR = The Following Monthly Amounts:

Billing Month	Base Net Environmental Costs
JANUARY	\$ 2,531,784
FEBRUARY	3,003,995
MARCH	2,845,066
APRIL	2,095,535
MAY	1,514,859
JUNE	1,913,578
JULY	2,818,212
AUGUST	2,342,883
SEPTEMBER	2,852,305
OCTOBER	2,181,975
NOVEMBER	2,598,522
DECEMBER	1,407,969
	<u>\$28,106,589</u>

C
1/24/2007

(Continued on Sheet 29-2)

PUBLIC SERVICE COMMISSION
OF KENTUCKY
EFFECTIVE
3/30/2006

PURSUANT TO 807 KAR 5:011

SECTION 9 (1)

DATE EFFECTIVE Service rendered on and after March 30, 2006

DATE OF ISSUE March 20, 2006

ISSUED BY E.K. Wagner
E.K. WAGNER DIRECTOR OF REGULATORY SERVICES
NAME TITLE

By [Signature] JCKY
Executive Director

TARIFF E.S. (Cont'd)
(Environmental Surcharge)

RATE (Cont'd)

4. Current Period Revenue Requirement, CRR

$$CRR = [((RB_{KP(C)}) (ROR_{KP(C)}) / 12) + OE_{KP(C)} + (((RB_{IM(C)}) (ROR_{IM(C)}) / 12) + OE_{IM(C)}) (.15) - AS]$$

Where:

- $RB_{KP(C)}$ = Environmental Compliance Rate Base for Big Sandy.
- $ROR_{KP(C)}$ = Annual Rate of Return on Big Sandy Rate Base;
Annual Rate divided by 12 to restate to a Monthly Rate of Return.
- $OE_{KP(C)}$ = Monthly Pollution Control Operating Expenses for Big Sandy.
- $RB_{IM(C)}$ = Environmental Compliance Rate Base for Rockport.
- $ROR_{IM(C)}$ = Annual Rate of Return on Rockport Rate Base;
Annual Rate divided by 12 to restate to a Monthly Rate of Return.
- $OE_{IM(C)}$ = Monthly Pollution Control Operating Expenses for Rockport.
- AS = Net proceeds from the sale of SO₂ emission allowances, ERCs, and NOx emission allowances, reflected in the month of receipt. The SO₂ allowance sales can be from either EPA Auctions or the AEP Interim Allowance Agreement Allocations.

"KP(C)" identifies components from the Big Sandy Units – Current Period, and "IM(C)" identifies components from the Indiana Michigan Power Company's Rockport Units – Current Period.

The Rate Base for both Kentucky Power and Rockport should reflect the current costs associated with the 1997 Plan and the 2003 Plan. The Rate Base for Kentucky Power should also include a cash working capital allowance based on the 1/8 formula approach, due to the inclusion of Kentucky Power's accounts receivable financing in the capital structure and weighted average cost of capital. The Operating Expenses for both Kentucky Power and Rockport should reflect the current operating expenses associated with the 1997 Plan, the 2003 Plan and the 2005 Plan.

The Rate of Return for Kentucky Power is the weighted average cost of capital as authorized by the Commission in Case No. 2005-00341.

C
 1/24/2007

(Cont'd on Sheet 29-3)

PUBLIC SERVICE COMMISSION
 OF KENTUCKY
 EFFECTIVE
 3/30/2006

PURSUANT TO 807 KAR 5:011

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

ISSUED BY E.K. Wagner DIRECTOR OF REGULATORY SERVICES FRANKFORT, KENTUCKY
 NAME TITLE

By [Signature] IS

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