

BLUE GRASS ENERGY COOPERATIVE CORPORATION

COGENERATION AND SMALL POWER PRODUCTION  
POWER PURCHASE RATE SCHEDULE OVER 100 kW

AVAILABILITY

Available only to qualified cogeneration or small power production facilities with a design capacity of over 100 kW which have executed a contract with Blue Grass Energy Cooperative Corporation and East Kentucky Power Cooperative, Inc. for the purchase of electric power by East Kentucky Power Cooperative.

RATES

The rates set forth below shall be used as the basis for negotiating a final purchase rate with qualifying facilities pursuant to Section 7 of 807 KAR 5:054.

1. Capacity

- a. \$41.15 per kW per year is applicable if cogenerator or small power producer is dispatched by East Kentucky Power Cooperative. (R)
- b. \$0.00526 per kWh is applicable if cogenerator or small power producer is not dispatched by East Kentucky Power Cooperative. (R)

2. Energy -- A base payment per kWh is listed below for a time-differentiated basis or a non-time differentiated basis for the specified years.

a. Time Differentiated Rates:

CANCELED  
 JUN 0 1 2012  
 KENTUCKY PUBLIC  
 SERVICE COMMISSION

Year	Winter		Summer		
	On-Peak	Off-Peak	On-Peak	Off-Peak	
2011	\$0.03630	\$0.03270	\$0.03860	\$0.02742	(R)
2012	\$0.04281	\$0.03716	\$0.04829	\$0.03319	(R)
2013	\$0.04914	\$0.04157	\$0.05163	\$0.03548	(R)
2014	\$0.05434	\$0.04598*	\$0.05622	\$0.03879	(R) (I)*
2015	\$0.05991	\$0.05156	\$0.06081	\$0.04225	(N)

b. Non-Time Differentiated Rates:

Year	2011	2012	2013
Rate	\$0.03407	\$0.04056	\$0.04488

KENTUCKY PUBLIC SERVICE COMMISSION	
2014	2015
JEFF R. DEBOEN EXECUTIVE DIRECTOR	\$0.05430*

DATE OF ISSUE <u>March 25, 2011</u>	DATE EFFECTIVE <u>Jur</u>
ISSUED BY <u><i>Donald Smith</i></u>	TITLE <u>Vice President &amp; Chief</u>
Issued by authority of an Order of the Public Service Commission of Kentucky Case No. <u>2008-00128</u> Dated <u>August 20, 2008</u>	

TARIFF BRANCH

6/1/2011

807 KAR 5:011 SECTION 9 (1)

BLUE GRASS ENERGY COOPERATIVE CORPORATION

The on-peak and off-peak energy rates are applicable during the hours listed below for each season:

Winter (October - April)

**On-Peak** 7:00 a.m. - 12:00 noon  
5:00 p.m. - 10:00 p.m.

**Off-Peak** 12:00 noon - 5:00 p.m.  
10:00 p.m. - 7:00 a.m.

Summer (May - September)

**On-Peak** 10:00 a.m. - 10:00 p.m.

**Off-Peak** 10:00 p.m. - 10:00 a.m.

CANCELLED  
JUN 01 2012  
KENTUCKY PUBLIC  
SERVICE COMMISSION

TERMS AND CONDITIONS

1. All power from a Qualifying Facility (QF) will be sold only to East Kentucky Power Cooperative.
2. Seller must provide good quality electric power within a reasonable range of voltage, frequency, flicker, harmonic currents, and power factor.
3. Qualifying Facility (QF) shall provide reasonable protection for EKPC and the member cooperative's system.
4. Qualifying Facility (QF) shall design, construct, install, own, operate, and maintain the Qualifying Facility in accordance with all applicable codes, laws, regulations, and generally accepted utility practices.
5. Qualifying Facility shall reimburse EKPC and its member cooperative for all costs incurred as a result of interconnecting with the QF, including operation, maintenance, administration, and billing.

KENTUCKY PUBLIC SERVICE COMMISSION
JEFF R. DE ROUEN EXECUTIVE DIRECTOR
TARIFF BRANCH
DATE OF ISSUE <u>March 25, 2011</u> DATE EFFECTIVE <u>June 1, 2011</u>
ISSUED BY <u>[Signature]</u> TITLE <u>Vice President &amp; CFO</u>
6/1/2011
PURSUANT TO 807 KAR 5:011 SECTION 9 (1)

DATE OF ISSUE March 25, 2011

DATE EFFECTIVE June 1, 2011

ISSUED BY [Signature]

TITLE Vice President & CFO

Issued by authority of an Order of the Public Service Commission of Kentucky in  
Case No. 2008-00128 Dated August 20, 2008

BLUE GRASS ENERGY COOPERATIVE CORPORATION

6. Qualifying Facility shall obtain insurance in the following minimum amounts for each occurrence:
  - a. Public Liability for Bodily Injury - \$1,000,000.00
  - b. Property Damage - \$500,000.00
7. Initial contract term shall be for a minimum of five years.
8. Qualifying Facilities proposing to supply as available (non-firm) electric power shall not be entitled to a capacity payment.
9. Qualifying cogeneration and small power production facilities must meet the definition set forth in 807 KAR 5:054 to be eligible for this tariff.
10. Updated rates will be filed with the Public Service Commission of Kentucky by March 31 of each year.

CANCELLED  
JUN 01 2012  
KENTUCKY PUBLIC  
SERVICE COMMISSION

DATE OF ISSUE March 25, 2011

DATE EFFECTIVE June

ISSUED BY *J. Donald Smith*

TITLE Vice President & CFO

Issued by authority of an Order of the Public Service Commission of Kentucky in Case No. 2008-00128 Dated August 20, 2008

KENTUCKY PUBLIC SERVICE COMMISSION
JEFF R. DEROUEN EXECUTIVE DIRECTOR
TARIFF BRANCH
<u><i>Brent Kirtley</i></u>
6/1/2011
PUBLIC SERVICE COMMISSION OF KENTUCKY KAR 5:011 SECTION 9 (1)



BLUE GRASS ENERGY COOPERATIVE CORPORATION

COGENERATION AND SMALL POWER PRODUCTION  
POWER PURCHASE RATE SCHEDULE  
LESS THAN 100 kW

AVAILABILITY

Available only to qualified cogeneration or small power production facilities with a design capacity of less than 100 kW which have executed a contract with Blue Grass Energy Cooperative Corporation and East Kentucky Power Cooperative, Inc. for the purchase of electric power by East Kentucky Power Cooperative.

RATES

1. Capacity

- a. \$41.15 per kW per year is applicable if cogenerator or small power producer is dispatched by East Kentucky Power Cooperative. (R)
- b. \$0.00526 per kWh is applicable if cogenerator or small power producer is not dispatched by East Kentucky Power Cooperative. (R)

2. Energy – A base payment per kWh is listed below for a time-differentiated basis or a non-time differentiated basis for the specified years.

a. Time Differentiated Rates:

Year	Winter		Summer		
	On-Peak	Off-Peak	On-Peak	Off-Peak	
2011	\$0.03630	\$0.03270	\$0.03860	\$0.02742	(R)
2012	\$0.04281	\$0.03716	\$0.04829	\$0.03319	(R)
2013	\$0.04914	\$0.04157	\$0.05163	\$0.03548	(R)
2014	\$0.05434	\$0.04598*	\$0.05622	\$0.03879	(R) (I)*
2015	\$0.05991	\$0.05156	\$0.06081	\$0.04225	(N)

**CANCELLED**  
**JUN 01 2012**  
 KENTUCKY PUBLIC SERVICE COMMISSION

b. Non-Time Differentiated Rates:

Year	2011	2012	2013	2014	2015	
Rate	\$0.03407	\$0.04056	\$0.04488	\$0.04995	\$0.05430*	(R) (N)*

DATE OF ISSUE March 25, 2011

DATE EFFECTIVE 6/1/2011

ISSUED BY J. Donald Smith

TITLE Vice President & CFO

Issued by authority of an Order of the Public Service Commission of Kentucky in Case No. 2008-00128 Dated August 20, 2008

<b>KENTUCKY PUBLIC SERVICE COMMISSION</b> <small>OFFICE OF THE DIRECTOR OF REGULATORY SERVICES</small> TARIFF BRANCH Pursuant to 007 KAR 5:011 SECTION 9 (1)
2014 <u>FER DEROUEN</u> 2015 <u>FER DEROUEN</u> <b>6/1/2011</b>
<u>Brent Kirtley</u> TITLE <u>Vice President &amp; CFO</u>

BLUE GRASS ENERGY COOPERATIVE CORPORATION

The on-peak and off-peak energy rates are applicable during the hours listed below for each season:

- Winter (October - April)
- On-Peak** 7:00 a.m. - 12:00 noon  
5:00 p.m. - 10:00 p.m.
  - Off-Peak** 12:00 noon - 5:00 p.m.  
10:00 p.m. - 7:00 a.m.
- Summer (May - September)
- On-Peak** 10:00 a.m. - 10:00 p.m.
  - Off-Peak** 10:00 p.m. - 10:00 a.m.

TERMS AND CONDITIONS

1. All power from a Qualifying Facility (QF) will be sold only to East Kentucky Power Cooperative.
2. Seller must provide good quality electric power within a reasonable range of voltage, frequency, flicker, harmonic currents, and power factor.
3. Qualifying Facility (QF) shall provide reasonable protection for EKPC and the member cooperative's system.
4. Qualifying Facility (QF) shall design, construct, install, own, operate, and maintain the Qualifying Facility in accordance with all applicable codes, laws, regulations, and generally accepted utility practices.
5. Qualifying Facility shall reimburse EKPC and its member cooperative for all costs incurred as a result of interconnecting with the QF, including operation, maintenance, administration, and billing.

**CANCELLED**  
**JUN 01 2012**  
KENTUCKY PUBLIC SERVICE COMMISSION

KENTUCKY PUBLIC SERVICE COMMISSION
JEFF R. DEROUEN EXECUTIVE DIRECTOR
TARIFF BRANCH
DATE OF ISSUE <u>March 25, 2011</u> DATE EFFECTIVE <u>Jun 6/1/2011</u>
ISSUED BY <u>[Signature]</u> TITLE <u>Vice President &amp; CFO</u>
ISSUED BY authority of an Order of the Public Service Commission of Kentucky in Case No. <u>2008-00128</u> Dated <u>August 20, 2008</u>

DATE OF ISSUE March 25, 2011 DATE EFFECTIVE Jun 6/1/2011  
ISSUED BY [Signature] TITLE Vice President & CFO  
ISSUED BY authority of an Order of the Public Service Commission of Kentucky in Case No. 2008-00128 Dated August 20, 2008

BLUE GRASS ENERGY COOPERATIVE CORPORATION

6. Qualifying Facility shall obtain insurance in the following minimum amounts for each occurrence:
  - a. Public Liability for Bodily Injury - \$1,000,000.00
  - b. Property Damage - \$500,000.00
7. Initial contract term shall be for a minimum of five years.
8. Qualifying Facilities proposing to supply as available (non-firm) electric power shall not be entitled to a capacity payment.
9. Qualifying cogeneration and small power production facilities must meet the definition set forth in 807 KAR 5:054 to be eligible for this tariff.
10. Updated rates will be filed with the Public Service Commission of Kentucky by March 31 of each year.

CANCELLED  
JUN 0 1 2012  
KENTUCKY PUBLIC  
SERVICE COMMISSION

DATE OF ISSUE March 25, 2011

DATE EFFECTIVE June

ISSUED BY J. Donald Mathis

TITLE Vice President & CFO

Issued by authority of an Order of the Public Service Commission of Kentucky in  
Case No. 2008-00128 Dated August 20, 2008

KENTUCKY PUBLIC SERVICE COMMISSION
JEFF R. DEROUEN EXECUTIVE DIRECTOR
TARIFF BRANCH
<u>Brent Kirtley</u>
6/1/2011
PURSUANT TO 807 KAR 5:011 SECTION 9 (1)



BLUE GRASS ENERGY  
COOPERATIVE CORPORATION

FOR ENTIRE TERRITORY SERVED  
P.S.C. KY NO. 2  
FIRST ORIGINAL SHEET NO. 33  
CANCELING P.S.C. KY NO. 2  
ORIGINAL SHEET NO. 33

**CLASSIFICATION OF SERVICE**

**Interruptible Service**

**STANDARD RIDER**

This Interruptible Rate is a rider to the Schedule LP-1 Large Power Rate, LP-2 Large Power Rate, B-1 Large Industrial Rate and B-2 Large Industrial Rate.

**APPLICABLE**

In all territory served by the Cooperative.

**AVAILABILITY OF SERVICE**

This schedule shall be made available at any load center, to any member who will contract for an interruptible demand of not less than 250 KW and not more than 20,000 KW, subject to a maximum number of hours of interruption per year and a notice period as listed below.

**MONTHLY RATES**

A monthly demand credit per KW is to be based on the following matrix:

Notice Minutes	Annual Hours of Interruption		
	200	300	400
10	\$4.20	\$4.90	\$5.60
60	\$3.50	\$4.20	\$4.90

**DETERMINATION OF MEASURED LOAD - BILLING DEMAND**

The monthly billing demand shall be the highest average rate at which energy is used during any fifteen consecutive minute periods during the below listed hours:

Months

October through April

May through September

Hours Applicable for Demand Billing - EST

7:00 a.m. to 12:00 noon

5:00 p.m. to 10:00 p.m.

10:00 a.m. to 10:00 p.m.

**CANCELLED**  
**JAN 14 2011**  
KENTUCKY PUBLIC  
SERVICE COMMISSION

KENTUCKY  
PUBLIC SERVICE COMMISSION

JEFF R. DEROUEN  
EXECUTIVE DIRECTOR

TARIFF BRANCH

DATE OF ISSUE: May 27, 2010      DATE EFFECTIVE: Service rendered on or 1/14/2011

ISSUED BY: [Signature]      TITLE: Vice President & CFO

(Name of Officer)

1/14/2011

Issued by authority of an Order of the Public Service Commission of Kentucky, Section 9 (1)

in Case No.: 2010-00169      Dated: January 14, 2011