

RATE OL

OUTDOOR LIGHTING SERVICE

APPLICABILITY

Applicable for outdoor lighting services on private property with Company owned fixtures in the Company's entire service area where secondary distribution lines are adjacent to the premises to be served. Not applicable for lighting public roadways which are dedicated, or anticipated to be dedicated, except to meet the occasional singular need of a customer who has obtained written approval from the proper governmental authority.

Mercury Vapor lighting fixtures will not be installed by the Company after June 1, 2003. As currently installed Mercury Vapor fixtures are retired and/or replaced, they may be replaced with either Metal Halide or Sodium Vapor fixtures as the customer chooses.

This rate schedule is no longer available after December 31, 2006. Potential lighting customers wanting a lighting system installed and maintained by Company can do so via the Outdoor Lighting Equipment agreement (OLE). Potential customers should contact a Company account representative for further information concerning OLE options. This rate schedule terminates December 31, 2016. Customers currently being provided service under this rate schedule can continue being provided service under this rate schedule for the remaining useful life of the facilities or this rate schedule terminates, whichever occurs first.

TYPE OF SERVICE

All equipment will be installed, owned and maintained by the Company on rights-of-ways provided by the customer. The Company will perform maintenance only during regularly scheduled working hours and will endeavor to replace burned-out lamps within 48 hours after notification by the customer. The Company does not guarantee continuous lighting and shall not be liable to the customer or anyone else for damage, loss or injury resulting from any interruption in such lighting due to any cause. All lamps will burn from dusk to dawn, approximately 4,160 hours per annum.

NET MONTHLY BILL

1. Base Rate

A. Private outdoor lighting units:

The following monthly charge for each fixture, which includes lamp and luminaire, controlled automatically, mounted on a utility pole, as specified by the Company, with a maximum mast arm of 10 feet for overhead units will be assessed:

Issued by authority of an Order of the Kentucky Public Service Commission dated December 21, 2006 in Case No 2006-00172.

Issued: December 22, 2006

Effective: January 2, 2007

Issued by Sandra P. Meyer, President

Duke Energy Kentucky, Inc.
 1697-A Monmouth Street
 Newport, Kentucky 41071

KY.P.S.C. Electric No. 2
 First Revised Sheet No. 65
 Cancels and Supersedes
 Original Sheet No. 65
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NET MONTHLY BILL (Contd.)

	<u>Lamp Watts</u>	<u>kW/ Luminaire</u>	<u>Annual kWh</u>	<u>Rate/Unit</u>
Standard Fixtures (Cobra Head)				
Mercury Vapor				
7,000 lumen (Open Refractor)	175	0.205	853	\$ 8.58
7,000 lumen	175	0.210	874	\$11.01
10,000 lumen	250	0.292	1,215	\$12.81
21,000 lumen	400	0.460	1,914	\$16.39
Metal Halide				
14,000 lumen	175	0.210	874	\$11.01
20,500 lumen	250	0.307	1,215	\$12.83
36,000 lumen	400	0.460	1,914	\$16.39
Sodium Vapor				
9,500 lumen (Open Refractor)	100	0.117	487	\$ 7.59
9,500 lumen	100	0.117	487	\$ 9.90
16,000 lumen	150	0.171	711	\$11.14
22,000 lumen	200	0.228	948	\$12.29
27,500 lumen	250	0.228	948	\$12.29
50,000 lumen	400	0.471	1,959	\$14.17
Decorative Fixtures (a)				
Mercury Vapor				
7,000 lumen (Town & Country)	175	0.205	853	\$13.23
7,000 lumen (Holophane)	175	0.210	874	\$17.08
7,000 lumen (Gas Replica)	175	0.210	874	\$41.50
7,000 lumen (Aspen)	175	0.210	874	\$25.61
Sodium Vapor				
9,500 lumen (Town & Country)	100	0.117	487	\$21.01
9,500 lumen (Holophane)	100	0.128	532	\$22.76
9,500 lumen (Rectilinear)	100	0.117	487	\$18.70
9,500 lumen (Gas Replica)	100	0.128	532	\$43.84
9,500 lumen (Aspen)	100	0.128	532	\$26.53
9,500 lumen (Traditionaire)	100	0.117	487	\$21.01
9,500 lumen (Granville Acorn)	100	0.128	532	\$26.53
22,000 lumen (Rectilinear)	200	0.246	1,023	\$22.18
50,000 lumen (Rectilinear)	400	0.471	1,959	\$28.02
50,000 lumen (Setback)	400	0.471	1,959	\$43.79

(a) When requesting installation of a decorative unit, the customer may elect to make an additional contribution to obtain the monthly rate per unit charge for the same size standard (cobra head) outdoor lighting fixture.

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NET MONTHLY BILL (Contd.)

B. Flood lighting units served in overhead distribution areas (FL):

The following monthly charge for each fixture, which includes lamp and luminaire, controlled automatically, mounted on a utility pole, as specified by the Company, will be assessed:

	<u>Lamp Watts</u>	<u>kW/ Luminaire</u>	<u>Annual kWh</u>	<u>Rate/Unit</u>
Mercury Vapor 21,000 lumen	400	0.460	1,914	\$16.40
Metal Halide 20,500 lumen	250	0.307	1,215	\$12.81
36,000 lumen	400	0.460	1,914	\$16.40
Sodium Vapor 22,000 lumen	200	0.246	1,023	\$12.19
30,000 lumen	250	0.312	1,023	\$12.19
50,000 lumen	400	0.480	1,997	\$14.98

Additional facilities, if needed will be billed at the time of installation.

2. Base Fuel Cost

All kilowatt-hour shall be subject to a charge of \$0.021619 per kilowatt-hour reflecting the base cost of fuel.

3. Applicable Riders

The following riders are applicable pursuant to the specific terms contained within each rider:
Sheet No. 80, Rider FAC, Fuel Adjustment Clause
Sheet No. 81, Rider MSR-E, Merger Savings Credit Rider – Electric
Sheet No. 82, Rider PSM, Profit Sharing Mechanism

LATE PAYMENT CHARGE

Payment of the Net Monthly Bill must be received in the Company's office within twenty-one (21) days from the date the bill is mailed by the Company. When not so paid, the Gross Monthly Bill, which is the Net Monthly Bill plus 5%, is due and payable.

GENERAL CONDITIONS

1. In cases of repeated vandalism, the Company at its option will repair or remove its damaged equipment and the customer shall pay for repairs on a time and material basis, plus overhead charges. If the equipment is removed the customer will be billed for the unexpired term of the contract.
2. If the customer requires the extension, relocation or rearrangement of the Company's system, the customer will pay, in addition to the monthly charge, the Company on a time and materials basis, plus overhead charges, for such extension, relocation or rearrangement unless in the judgment of the Company no charge should be made. An estimate of the cost will be submitted for customer approval before work is carried out.

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GENERAL CONDITIONS (Contd.)

3. If any Company owned lighting unit is required to be relocated, removed or replaced with another unit of the same or lower lamp wattage, the customer ordering this shall pay the Company the sacrifice value of the unit, plus labor and overhead charges, unless in the judgment of the Company no charges should be made. An estimate of the cost will be submitted for customer approval before work is carried out.
4. Installation of lighting units will be predicated on the ability of the Company to obtain, without cost to itself or the payment or consideration, all easements and rights-of-way which, in the opinion of the Company, are necessary for the construction, maintenance and operation of the lights, standards, anchors and/or service wires. If such easements and rights-of-way cannot be so obtained, the Company shall have no obligation hereunder to install such units.
5. The time within which the Company will be able to commence or to complete the services to be performed is dependent on the Company's ability to secure the materials required, and the Company shall not be responsible for failure to install these light units for such reason.
6. When a lighting unit reaches end of life or becomes obsolete and parts cannot be reasonably obtained, the Company can remove the unit at no expense to the customer after notifying the customer. The customer shall be given the opportunity to arrange for another type lighting unit provided by the Company.

TERM OF SERVICE

Three (3) years for a new and/or succeeding customer until the initial period is fulfilled. The service is terminable thereafter on ten (10) days written notice by the customer or the Company.

At the Company's option, a longer contract may be required for large installations.

SERVICE REGULATIONS

The supplying of, and billing for, service and all conditions applying thereto, are subject to the jurisdiction of the Kentucky Public Service Commission, and to Company's Service Regulations, currently in effect, as filed with the Kentucky Public Service Commission, as provided by law.