

EAST KENTUCKY POWER COOPERATIVE SEEKS RATE INCREASE

East Kentucky Power Cooperative, which generates and transmits wholesale electricity to Taylor County RECC, is seeking to raise the base rates it charges Taylor County RECC and 15 other electric co-ops.

The proposed rate increase is from EKPC, not Taylor County RECC, and any additional revenue from this rate increase will go to EKPC, not Taylor County RECC.

EKPC filed the rate-adjustment request with the Kentucky Public Service Commission August 1, 2025. Taylor County RECC also filed an application with the PSC detailing how the adjustment would be passed

through its monthly bills to the membership.

If approved by the PSC, the proposal by EKPC will increase Taylor County RECC's rates and add about \$6.59 or 4.94% to the monthly bill of the average residential member.

EKPC needs a base rate increase to ensure there are sufficient margins to maintain financial strength and reliable service. Inflationary costs of the materials needed to operate and maintain the system along with increased interest expense from higher interest rates are driving the need for an increase.

Please bear in mind that the wholesale power (EKPC) component

of your electric bill is about 73%. The remaining funds are used by Taylor County RECC to maintain and operate its system and to cover other costs.

As a not-for-profit, member-owned organization, EKPC strives to keep rates steady by containing and reducing operating costs. One of the most effective ways EKPC has done that is by obtaining low-cost energy through PJM, a major regional energy marketplace. As a result of the effort by our co-op and EKPC to keep energy economical, Taylor County RECC's rates are competitive with neighboring utilities.

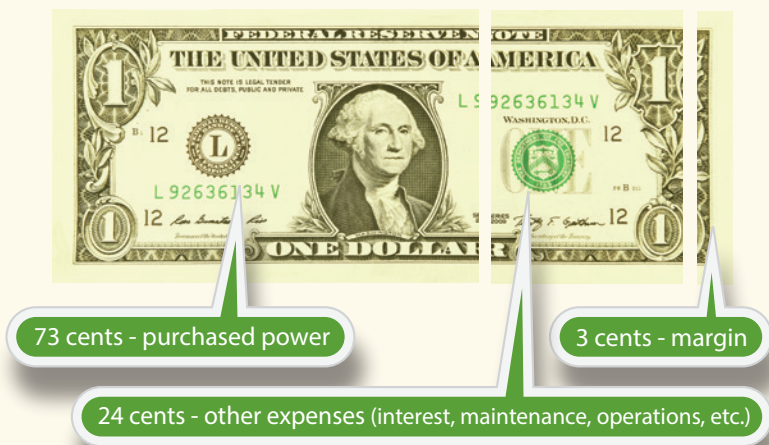
MOST TAYLOR COUNTY RECC REVENUE GOES TO PURCHASE POWER

When you look at your monthly electric bill from Taylor County RECC, you might wonder how the money is used to keep the lights on.

You may be surprised that out of every dollar of revenue we collect, about 73 cents of that dollar goes to buy wholesale electricity from our power supplier, East Kentucky Power Cooperative. We spend another 24 cents of each dollar on operating and maintenance costs, interest expense, depreciation and other costs of doing business.

Typically, our margin—the money left over from revenue after expenses are paid—is about 3 cents on every dollar received. The margin is reserve capital that covers storm damage, uncollected bills and business risks. If the reserve becomes too large, we sometimes share the excess revenue with members in the form of capital credits.

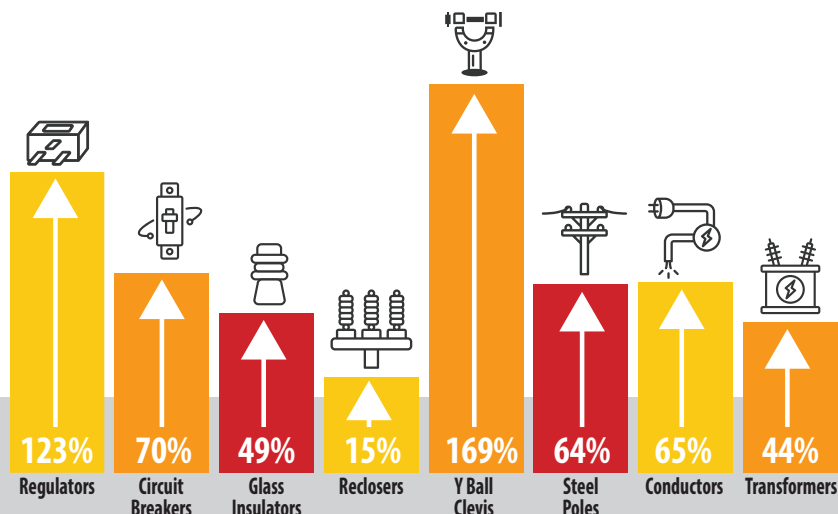
TAYLOR COUNTY RECC Where the revenue goes to keep the lights on



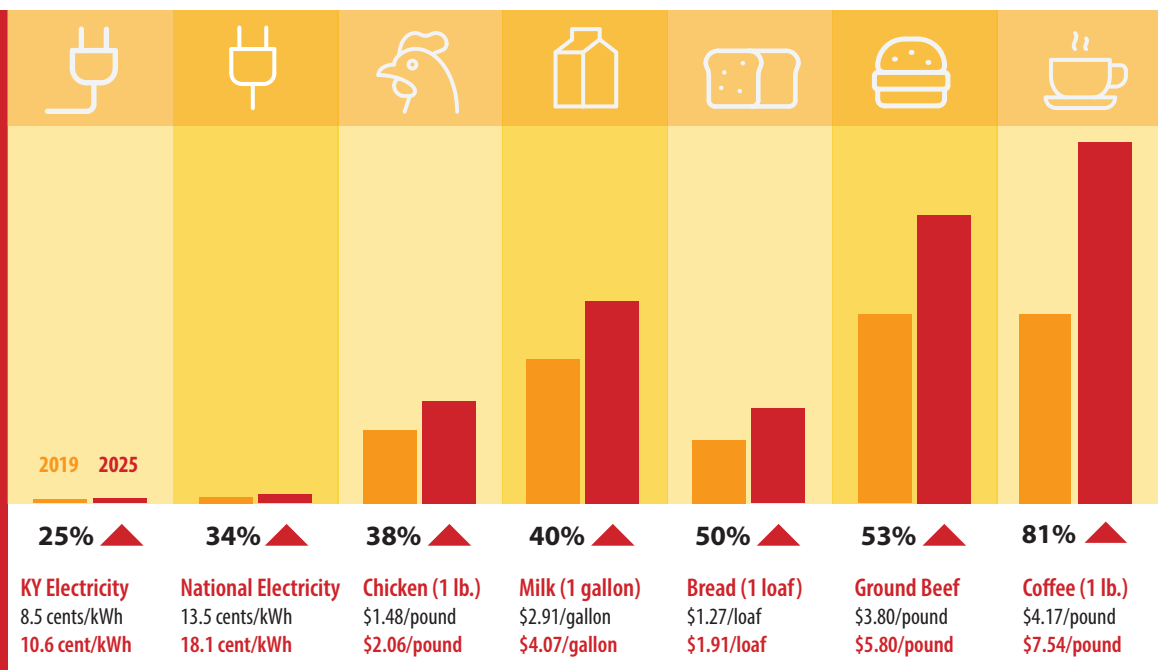
Distribution of revenue dollars for Taylor County RECC *based on 2024 actuals

EKPC

Equipment Price Increase Since 2020



2019-2025 Inflation Rates by Categories



Sources:
Federal Bureau of
Labor and Statistics
Energy Information
Administration

VALUE OF ELECTRICITY

People living in the late 19th century would hardly know what to do if they could see the world in 2025. The entirety of the way we live has changed so drastically in the last 150 years it would be unrecognizable to anyone living before December 1879. That was the time period when Thomas Edison produced his first “incandescent” lamps.

A precursor to today’s modern LED

lightbulb, Edison’s first successful electric lamp, and later his first electric generation station, Pearl Street Generation Station (1882), would usher in a lifestyle that was truly unimaginable as recently as the 1870s.

Today, almost all of us wake up in a home that is at a comfortable temperature and connected to a nationwide power grid. Most of us have the entirety of the world’s information available

at our fingertips via devices that also play music, serve as alarm clocks and allow us to talk to anyone in the world at any time—all powered by electricity.

According to the U.S. Energy Information Administration, total U.S. electricity consumption was 4.07 trillion kilowatt hours in 2022. That’s 14 times more electric than was used in 1950. We are so dependent on electricity that it would be hard to imagine a

life without it.

Think about what your kitchen or living room would look like without electricity. No oven, refrigerator, freezer, icemaker, toaster oven, microwave, lights or air conditioning. No television or modern arts like film and tv shows. No recorded music. No ceiling fans. No LED lighting. Entertainment might be reading a book via candle-light and a fire for warmth.

Electricity remains an undeniable bargain. It is one of life's great conveniences, and in modern times, is a necessity. It has made our lives

easier and more enjoyable, too.

Like everything else, the cost for electricity has gone up over time due to a number of factors.

But consider the cost of a gallon of gas 30 years ago compared to today's price. How about a pound of coffee or a loaf of bread? The cost of electricity is somewhat higher than it was 30 years ago. While this doesn't take the sting out of rising costs, electricity has typically increased at a rate lower than that of normal inflation.

Whenever you plug in an electrical device, flip on the TV or get a cold

drink from the fridge, electricity remains a good value for the lifestyle we all enjoy.

Here are some common household electronics and how much it typically costs to operate them:

Refrigerator: 22¢ for 24 hours

Ceiling fan: 10¢ for 24 hours

Microwave: 2¢ for 5 minutes

Phone charger: 50¢ for 1 year

Dishwasher: 4¢ for 1 hour

40-inch HD TV: 4¢ for 2 hours

Sources: U.S. Department of Energy, U.S. Energy Information Administration

NOTICE

In accordance with the requirements of the Public Service Commission ("Commission") as set forth in 807 KAR 5:001, Section 17 and 807 KAR 5:007, Section 3, of the Rules and Regulations of the Commission, notice is hereby given to the member consumers of Taylor County Rural Electric Cooperative Corporation ("Taylor County") of a proposed rate adjustment. Taylor County intends to propose an adjustment of its existing rates to reflect the wholesale rate adjustment of its wholesale supplier, East Kentucky Power Cooperative, Inc. ("EKPC"), pursuant to KRS 278.455(2), by filing an application with the Commission on August 1, 2025, in Case No. 2025-00209. The application will request that the proposed rates become effective September 1, 2025.

The present and proposed rates for each customer classification to which the proposed rates will apply are set forth below:

RATE	ITEM	PRESENT	PROPOSED
A	Residential Farm and Home		
	Customer Charge	\$ 17.01	\$ 17.95
	Energy Charge per kWh	\$ 0.10477	\$ 0.11053
ETS	Residential ETS		
	Energy Charge per kWh	\$ 0.06286	\$ 0.06632
GP1	Small Commercial Part 1 < 50 KVA		
	Customer Charge	\$ 25.00	\$ 26.37
	Energy Charge per kWh	\$ 0.09334	\$ 0.09847
GP2	Small Commercial Part 2 > 50 KVA		
	Customer Charge	\$ 51.79	\$ 54.64
	Demand Charge per kW	\$ 5.54	\$ 5.84
	Energy Charge per kWh	\$ 0.07205	\$ 0.07601
B1	Large Industrial		
	Customer Charge	\$ 1,275.12	\$ 1,345.24
	Demand Charge Contract per kW	\$ 6.43	\$ 6.78
	Demand Charge Excess per kW	\$ 9.32	\$ 9.83
SL	Lighting		
	Energy Charge per kWh	\$ 0.06288	\$ 0.06634
	175 Watt Mercury Vapor	\$ 2.95	\$ 3.11
	250 Watt Mercury Vapor	\$ 3.55	\$ 3.75
	400 Watt Mercury Vapor	\$ 4.70	\$ 4.96
	100 Watt HPSodium	\$ 3.38	\$ 3.57
	250 Watt HPSodium	\$ 5.20	\$ 5.49
	175 Watt Mercury Metered	\$ 2.95	\$ 3.11
	400 Watt Mercury Metered	\$ 4.70	\$ 4.96
	250 Watt HPS Con Metered	\$ 5.20	\$ 5.49
	LED Security Light	\$ 9.84	\$ 10.38
	LED Cobra Head Light	\$ 12.98	\$ 13.69
	LED Directional Light	\$ 17.56	\$ 18.53
	100 Watt HPS Metered	\$ 3.38	\$ 3.57

Continued on 26H

C1	Large Industrial			
		Customer Charge	1,275.12	1,339.71
		Demand Charge per kW	6.43	6.76
		Energy Charge per kWh	0.06288	0.06607
C2	Large Industrial			
		Consumer Charge	2,969.66	3,120.08
		Demand Charge per kW	6.43	6.76
		Energy Charge per kWh	0.05677	0.05965
C3	Large Industrial			
		Customer Charge	3,542.66	3,722.11
		Demand Charge per kW	6.43	6.76
		Energy Charge per kWh	0.05559	0.05841
B2	Large Industrial			
		Customer Charge	2,969.66	3,120.08
		Demand Charge -Contract per kW	6.43	6.78
		Demand Charge -Excess per kW	9.32	9.83
		Energy Charge per kWh	0.05677	0.05965
B3	Large Industrial			
		Customer Charge	3,542.66	3,722.11
		Demand Charge -Contract per kW	6.43	6.78
		Demand Charge -Excess per kW	9.32	9.83
		Energy Charge per kWh	0.05559	0.05841

The effect of the change requested, in both dollar amounts and as a percentage, for each customer classification to which the proposed rates will apply is set forth below:

RATE CLASS		INCREASE	
		DOLLARS	PERCENT
A	Residential Farm and Home	\$ 1,938,291	4.94%
ETS	Residential ETS	\$ 987	4.68%
GP1	Small Commercial Part 1 < 50 KVA	\$ 242,704	4.90%
GP2	Small Commercial Part 2 > 50 KVA	\$ 442,887	4.86%
B1	Large Industrial	\$ 120,134	4.87%
Special	Tennessee Gas/Kinder Morgan	\$ -	0.00%
SL	Lighting	\$ 35,246	5.49%
Total		\$ 2,780,249	4.55%

The amount of the average usage and the effect upon the average bill for each customer classification to which the proposed rates will apply is set forth below:

RATE CLASS		AVERAGE USAGE (KWH)	INCREASE	
			DOLLARS	PERCENT
A	Residential Farm and Home	980	\$ 6.59	4.94%
ETS	Residential ETS	NA	\$ -	4.68%
GP1	Small Commercial Part 1 < 50 KVA	1,085	\$ 6.93	4.90%
GP2	Small Commercial Part 2 > 50 KVA	19,227	\$ 102.28	4.86%
B1	Large Industrial	456,196	\$ 2,002.23	4.87%
Special	Tennessee Gas/Kinder Morgan	-	\$ -	0.00%
SL	Lighting	NA	NA	5.49%

A person may examine the application and any related documents Taylor County has filed with the PSC at the utility's principal office, located at 625 West Main Street, Campbellsville, Kentucky 42719, (844) 970-2739.

A person may also examine the application: (i) at the Commission's offices located at 211 Sower Boulevard, Frankfort, Kentucky 40601, Monday through Friday, 8:00 a.m. to 4:30 p.m.; or (ii) through the Commission's website at <http://psc.ky.gov>. Comments regarding the application may be submitted to the Commission through its Web site or by mail to Public Service Commission, Post Office Box 615, Frankfort, Kentucky 40602.

The rates contained in this notice are the rates proposed by Taylor County, but the Commission may order rates to be charged that differ from the proposed rates contained in this notice. A person may submit a timely written request for intervention to the Commission at Post Office Box 615, Frankfort, Kentucky 40602, establishing the grounds for the request including the status and interest of the party. If the Commission does not receive a written request for intervention within thirty (30) days of initial publication or mailing of the notice, the Commission may take final action on the application.