APPENDIX B

SOUTHEASTERN INDIANA RURAL ELECTRIC MEMBERSHIP CORPORATION
POST OFFICE BOX 196, OSGOOD, INDIANA 47037

RATE AND FUEL COST ADJUSTMENT

Rate Tracker Adjustment from Hoosier Energy

The Rate Tracker Adjustment shall be on the basis of a Purchased Power Cost Adjustment Tracking Factor occasioned solely by changes in the cost of purchased power.

Rate Adjustment applicable to
Rate Schedules $ 0.00989 Per KWH
Used per month

The purchased power cost adjournment tracking factor in dollars per KWH shall be the same as the most recently billed to Southeastern Indiana REMC by its purchased power supplier less $ 0 Per KWH, such difference to be divided by one (1.0) minus the total energy losses of the utility for the preceding calendar year expressed as a decimal fraction of the total energy purchased for the same year.

Fuel Cost Adjustment

The fuel cost (fc) adjustment in dollars per KWH shall be the same as the most recently billed to Southeastern Indiana REMC by its purchased power supplier less $ 0 Per KWH, such difference to be divided by one (1.0) minus the total energy losses of the utility for the preceding calendar year expressed as a decimal fraction of the total energy purchased for the same year.

Approved: November 23, 2009
Revised: December 21, 2009

By: Harry Althoff
Harry Althoff, President

Effective: Usage in Jan./Feb./March 2010

By: Darrell Smith
Darrell Smith, Secretary