




# Shelby Energy Cooperative

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**PUBLIC SERVICE  
COMMISSION**

February 23, 2011

Mr. Jeff Derouen  
Executive Director  
Public Service Commission  
P.O. Box 615  
Frankfort, KY 40602

RE: PSC CASE NO: 2010-00509

Dear Mr. Derouen:

In accordance with the above case, we are enclosing an original and ten (10) copies of the information regarding the fuel adjustment for the period from November 1, 2008 through October 31, 2010.

Should you have any questions or need further information, please contact our office.

Sincerely,



Debra J. Martin  
President & CEO

Enclosure

DM:fc

**COMMONWEALTH OF KENTUCKY**

**BEFORE THE PUBLIC SERVICE COMMISSION**

**In the Matter of:**

**AN EXAMINATION OF THE )  
APPLICATION OF THE FUEL )  
ADJUSTMENT CLAUSE OF SHELBY )  
ENERGY COOPERATIVE, INC. FROM ) CASE NO. 2010-00509  
NOVEMBER 1, 2008 THROUGH )  
OCTOBER 31, 2010 )**

**RESPONSE TO ORDER FOR INFORMATION**

**DATED JANUARY 26, 2011**

**CASE NO. 2010-00509  
SUPPLEMENTAL DATA REQUEST**

**SHELBY ENERGY COOPERATIVE, INC.**

Witnesses who will be available to respond to questions concerning the information requested:

**Debra J. Martin, President & CEO**

**Farrah Cox, Human Resource & Payroll Manager**

## APPENDIX A

### APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE COMMISSION IN CASE NO. 2010-00509 DATED January 26, 2011

1. a. Provide a schedule of the calculation of the 12-month average line loss by month for November 2008 through October 2010.
- b. Describe the measures that Shelby has taken to reduce line loss during this period.
2. Provide a schedule showing the calculation of monthly over- or under-recovery of fuel costs from November 1, 2008 through October 31, 2010.
3. Provide Shelby's monthly revenue reports (monthly billing summaries) showing the total revenue collected, including adjustments under the fuel adjustment clause reported in Shelby's monthly filings required by the Commission from November 1, 2008 through October 31, 2010.
4. Provide a schedule showing the calculation of the increase or decrease in Shelby's base fuel costs per KWH as proposed by its wholesale electric supplier adjusted for Shelby's 12-month average line loss for November 2008 through October 2010.
5. Provide a schedule of the present and proposed rates that Shelby seeks to change pursuant to 807 KAR 5:056 as calculated in Item 4 above, shown in comparative form.
6. Provide a statement showing by cross-outs and italicized inserts all proposed change in rates. A copy of the current tariff may be used.



**SHELBY ENERGY COOPERATIVE, INC.**  
**12-MONTH AVERAGE LINE LOSS BY MONTH**  
**NOVEMBER, 2008 - OCTOBER, 2010**

		<b>KWH PURCHASED</b>	<b>KWH SALES TO MEMBERS</b>	<b>LINE LOSS</b>	<b>12 MTH AVG %</b>
OCTOBER	2008	472,796,420	455,166,323	17,630,097	3.73%
NOVEMBER	2007	37,577,385	35,737,513	1,839,872	
NOVEMBER	2008	<u>37,239,691</u>	<u>33,985,853</u>	<u>3,253,838</u>	
		472,458,726	453,414,663	19,044,063	4.03%
DECEMBER	2007	43,307,090	42,174,621	1,132,469	
DECEMBER	2008	<u>44,738,996</u>	<u>42,557,736</u>	<u>2,181,260</u>	
		473,890,632	453,797,778	20,092,854	4.24%
JANUARY	2008	50,104,057	45,934,326	4,169,731	
JANUARY	2009	<u>48,501,077</u>	<u>48,409,892</u>	<u>91,185</u>	
		472,287,652	456,273,344	16,014,308	3.39%
FEBRUARY	2008	45,066,666	44,737,294	329,372	
FEBRUARY	2009	<u>39,370,550</u>	<u>40,283,729</u>	<u>(913,179)</u>	
		466,591,536	451,819,779	14,771,757	3.17%
MARCH	2008	42,041,436	41,156,656	884,780	
MARCH	2009	<u>36,583,083</u>	<u>33,780,187</u>	<u>2,802,896</u>	
		461,133,183	444,443,310	16,689,873	3.62%
APRIL	2008	34,057,791	33,983,035	74,756	
APRIL	2009	<u>31,774,330</u>	<u>31,012,547</u>	<u>761,783</u>	
		458,849,722	441,472,822	17,376,900	3.79%
MAY	2008	32,965,506	32,226,837	738,669	
MAY	2009	<u>31,950,489</u>	<u>29,575,089</u>	<u>2,375,400</u>	
		457,834,705	438,821,074	19,013,631	4.15%
JUNE	2008	38,824,526	35,602,550	3,221,976	
JUNE	2009	<u>37,640,664</u>	<u>35,432,247</u>	<u>2,208,417</u>	
		456,650,843	438,650,771	18,000,072	3.94%
JULY	2008	40,018,172	37,154,761	2,863,411	
JULY	2009	<u>36,705,109</u>	<u>37,078,935</u>	<u>(373,826)</u>	
		453,337,780	438,574,945	14,762,835	3.26%
AUGUST	2008	40,806,709	39,763,945	1,042,764	
AUGUST	2009	<u>39,846,940</u>	<u>36,734,628</u>	<u>3,112,312</u>	
		452,378,011	435,545,628	16,832,383	3.72%
SEPTEMBER	2008	35,198,601	35,739,580	(540,979)	
SEPTEMBER	2009	<u>33,506,766</u>	<u>33,008,152</u>	<u>498,614</u>	
		450,686,176	432,814,200	17,871,976	3.97%
OCTOBER	2008	32,828,481	30,955,205	1,873,276	
OCTOBER	2009	<u>32,700,757</u>	<u>30,912,892</u>	<u>1,787,865</u>	
		450,558,452	432,771,887	17,786,565	3.95%
NOVEMBER	2008	37,239,691	33,985,853	3,253,838	
NOVEMBER	2009	<u>34,130,546</u>	<u>33,490,231</u>	<u>640,315</u>	
		447,449,307	432,276,265	15,173,042	3.39%
DECEMBER	2008	44,738,996	42,557,736	2,181,260	
DECEMBER	2009	<u>44,850,202</u>	<u>42,558,422</u>	<u>2,291,780</u>	
		447,560,513	432,276,951	15,283,562	3.41%

**SHELBY ENERGY COOPERATIVE, INC.  
12-MONTH AVERAGE LINE LOSS BY MONTH  
NOVEMBER, 2008 - OCTOBER, 2010**

		<b>KWH PURCHASED</b>	<b>KWH SALES TO MEMBERS</b>	<b>LINE LOSS</b>	<b>12 MTH AVG %</b>
JANUARY	2009	48,501,077	48,409,892	91,185	
JANUARY	2010	<u>50,915,993</u>	<u>49,178,317</u>	<u>1,737,676</u>	
		449,975,429	433,045,376	16,930,053	3.76%
FEBRUARY	2009	39,370,550	40,283,729	(913,179)	
FEBRUARY	2010	<u>45,891,868</u>	<u>46,285,962</u>	<u>(394,094)</u>	
		456,496,747	439,047,609	17,449,138	3.82%
MARCH	2009	36,583,083	33,780,187	2,802,896	
MARCH	2010	<u>38,013,528</u>	<u>35,226,023</u>	<u>2,787,505</u>	
		457,927,192	440,493,445	17,433,747	3.81%
APRIL	2009	31,774,330	31,012,547	761,783	
APRIL	2010	<u>31,202,935</u>	<u>30,995,585</u>	<u>207,350</u>	
		457,355,797	440,476,483	16,879,314	3.69%
MAY	2009	31,950,489	29,575,089	2,375,400	
MAY	2010	<u>35,231,530</u>	<u>32,903,102</u>	<u>2,328,428</u>	
		460,636,838	443,804,496	16,832,342	3.65%
JUNE	2009	37,640,664	35,432,247	2,208,417	
JUNE	2010	<u>42,041,164</u>	<u>40,285,657</u>	<u>1,755,507</u>	
		465,037,338	448,657,906	16,379,432	3.52%
JULY	2009	36,705,109	37,078,935	(373,826)	
JULY	2010	<u>44,250,251</u>	<u>42,878,031</u>	<u>1,372,220</u>	
		472,582,480	454,457,002	18,125,478	3.84%
AUGUST	2009	39,846,940	36,734,628	3,112,312	
AUGUST	2010	<u>44,586,689</u>	<u>40,283,886</u>	<u>4,302,803</u>	
		477,322,229	458,006,260	19,315,969	4.05%
SEPTEMBER	2009	33,506,766	33,008,152	498,614	
SEPTEMBER	2010	<u>36,522,988</u>	<u>37,106,732</u>	<u>(583,744)</u>	
		480,338,451	462,104,840	18,233,611	3.80%
OCTOBER	2009	32,700,757	30,912,892	1,787,865	
OCTOBER	2010	<u>32,843,454</u>	<u>32,151,585</u>	<u>691,869</u>	
		480,481,148	463,343,533	17,137,615	3.57%

**SHELBY ENERGY COOPERATIVE, INC.  
February 2011**

Programs to analyze and implement line loss reductions are continuously in effect. These involve a monthly substation phase balance analysis for each distribution circuit on the system, an extensive annual right-of-way clearing and tree trimming project, the purchase of equipment on loss-price evaluation and system voltage drop studies.





**SHELBY ENERGY COOPERATIVE, INC.**  
**MONTHLY OVER-RECOVERY OR UNDER-RECOVERY OF FUEL COSTS**  
**NOVEMBER, 2008 - OCTOBER, 2010**

	FUEL ADJ FROM WHOLESALE SUPPLIER	FLOW THRU TO SHELBY ENERGY CUSTOMERS	NET OVER UNDER RECOVERY	CUMULATIVE BALANCE
Nov-08	\$449,856.00	\$580,173.85	(\$130,317.85)	\$0.00
Dec-08	\$353,439.00	\$174,620.08	\$178,818.92	\$48,501.07
Jan-09	\$453,484.00	\$216,864.88	\$236,619.12	\$285,120.19
Feb-09	\$351,972.00	\$295,073.77	\$56,898.23	\$342,018.42
Mar-09	\$288,275.00	\$312,796.81	(\$24,521.81)	\$317,496.61
Apr-09	\$152,517.00	\$255,280.94	(\$102,763.94)	\$214,732.67
May-09	\$63,581.00	\$149,695.81	(\$86,114.81)	\$128,617.86
Jun-09	(\$5,646.00)	(\$40,762.56)	\$35,116.56	\$163,734.42
Jul-09	\$57,994.00	\$29,723.54	\$28,270.46	\$192,004.88
Aug-09	(\$401,656.00)	(\$323,384.69)	(\$78,271.31)	\$113,733.57
Sep-09	(\$250,295.00)	(\$258,079.96)	\$7,784.96	\$121,518.53
Oct-09	(\$360,689.00)	(\$594,466.75)	\$233,777.75	\$355,296.28
Nov-09	(\$338,576.00)	(\$489,421.38)	\$150,845.38	\$506,141.66
Dec-09	(\$403,204.00)	(\$263,971.21)	(\$139,232.79)	\$366,908.87
Jan-10	(\$224,029.00)	(\$44,828.69)	(\$179,200.31)	\$187,708.56
Feb-10	(\$160,163.00)	(\$100,706.31)	(\$59,456.69)	\$128,251.87
Mar-10	(\$293,463.00)	(\$279,755.83)	(\$13,707.17)	\$114,544.70
Apr-10	(\$410,943.00)	(\$608,329.30)	\$197,386.30	\$311,931.00
May-10	(\$486,195.00)	(\$653,757.14)	\$167,562.14	\$479,493.14
Jun-10	(\$394,765.00)	(\$238,501.36)	(\$156,263.64)	\$323,229.50
Jul-10	(\$282,758.00)	(\$127,735.52)	(\$155,022.48)	\$168,207.02
Aug-10	(\$319,687.00)	(\$241,341.88)	(\$78,345.12)	\$89,861.90
Sep-10	(\$278,670.00)	(\$281,194.46)	\$2,524.46	\$92,386.36
Oct-10	(\$368,177.00)	(\$678,148.65)	\$309,971.65	\$402,358.01



**SHELBY ENERGY COOPERATIVE, INC.**  
**KWH SALES ANALYSIS**  
**NOVEMBER, 2008 - OCTOBER, 2010**

	ORIGINAL KWH BILLED TO CUSTOMERS	KWH ADJUSTMENT TO BILLING	NET KWH BILLED TO CUSTOMERS
Nov-08	<u>34,006,537</u>	<u>(20,684)</u>	<u>33,985,853</u>
Dec-08	<u>42,661,781</u>	<u>(104,045)</u>	<u>42,557,736</u>
Jan-09	<u>48,409,264</u>	<u>628</u>	<u>48,409,892</u>
Feb-09	<u>40,300,783</u>	<u>(17,054)</u>	<u>40,283,729</u>
Mar-09	<u>33,713,538</u>	<u>66,649</u>	<u>33,780,187</u>
Apr-09	<u>31,027,342</u>	<u>(14,795)</u>	<u>31,012,547</u>
May-09	<u>29,997,707</u>	<u>(422,618)</u>	<u>29,575,089</u>
Jun-09	<u>35,436,246</u>	<u>(3,999)</u>	<u>35,432,247</u>
Jul-09	<u>37,076,852</u>	<u>2,083</u>	<u>37,078,935</u>
Aug-09	<u>36,733,364</u>	<u>1,264</u>	<u>36,734,628</u>
Sep-09	<u>33,004,174</u>	<u>3,978</u>	<u>33,008,152</u>
Oct-09	<u>30,926,811</u>	<u>(13,919)</u>	<u>30,912,892</u>
Nov-09	<u>33,495,378</u>	<u>(5,147)</u>	<u>33,490,231</u>
Dec-09	<u>42,562,871</u>	<u>(4,449)</u>	<u>42,558,422</u>
Jan-10	<u>49,213,950</u>	<u>(35,633)</u>	<u>49,178,317</u>
Feb-10	<u>46,259,900</u>	<u>26,062</u>	<u>46,285,962</u>
Mar-10	<u>35,267,610</u>	<u>(41,587)</u>	<u>35,226,023</u>
Apr-10	<u>31,026,026</u>	<u>(30,441)</u>	<u>30,995,585</u>
May-10	<u>32,934,415</u>	<u>(31,313)</u>	<u>32,903,102</u>
Jun-10	<u>40,249,527</u>	<u>36,130</u>	<u>40,285,657</u>
Jul-10	<u>42,856,635</u>	<u>21,396</u>	<u>42,878,031</u>
Aug-10	<u>40,266,132</u>	<u>17,754</u>	<u>40,283,886</u>
Sep-10	<u>37,202,738</u>	<u>(96,006)</u>	<u>37,106,732</u>
Oct-10	<u>32,158,145</u>	<u>(6,560)</u>	<u>32,151,585</u>
	896,787,726	(672,306)	896,115,420

**SHELBY ENERGY COOPERATIVE, INC.**  
**ANALYSIS OF FUEL ADJUSTMENT REVENUE**  
**MONTHLY OVER-RECOVERY OR UNDER-RECOVERY OF FUEL COSTS**  
**NOVEMBER, 2008 - OCTOBER, 2010**

	ORIG FAC SALES TO CUSTOMERS	CALC OF FAC ADJ	FC FACTOR	ADJ TO FAC	NET FAC TO CUSTOMERS
Nov-08	438,778.84	(20,684)	0.01232	(254.83)	438,524.01
Dec-08	652,507.23	(104,045)	0.01530	(1,591.89)	650,915.34
Jan-09	580,260.76	628	0.01199	7.53	580,268.29
Feb-09	174,850.95	(17,054)	0.00434	(74.01)	174,776.94
Mar-09	217,037.46	66,649	0.00644	429.22	217,466.68
Apr-09	295,259.49	(14,795)	0.00952	(140.85)	295,118.64
May-09	316,941.24	(422,618)	0.01057	(4,467.07)	312,474.17
Jun-09	255,393.87	(3,999)	0.00721	(28.83)	255,365.04
Jul-09	149,712.78	2,083	0.00404	8.42	149,721.20
Aug-09	(40,745.65)	1,264	(0.00111)	(1.40)	(40,747.05)
Sep-09	29,673.24	3,978	0.00090	3.58	29,676.82
Oct-09	(323,365.06)	(13,919)	(0.01046)	145.59	(323,219.47)
Nov-09	(258,155.51)	(5,147)	(0.00771)	39.68	(258,115.83)
Dec-09	(594,414.53)	(4,449)	(0.01397)	62.15	(594,352.38)
Jan-10	(490,055.94)	(35,633)	(0.00996)	354.90	(489,701.04)
Feb-10	(264,067.32)	26,062	(0.00571)	(148.81)	(264,216.13)
Mar-10	(45,127.56)	(41,587)	(0.00128)	53.23	(45,074.33)
Apr-10	(100,809.64)	(30,441)	(0.00325)	98.93	(100,710.71)
May-10	(279,845.97)	(31,313)	(0.00850)	266.16	(279,579.81)
Jun-10	(607,989.03)	36,130	(0.01511)	(545.92)	(608,534.95)
Jul-10	(653,362.46)	21,396	(0.01525)	(326.29)	(653,688.75)
Aug-10	(238,302.45)	17,754	(0.00592)	(105.10)	(238,407.55)
Sep-10	(128,292.78)	(96,006)	(0.00345)	331.22	(127,961.56)
Oct-10	(241,410.70)	(6,560)	(0.00751)	49.27	(241,361.43)
	(1,155,528.74)	(672,306)		(5,835.13)	(1,161,363.87)



**SHELBY ENERGY COOPERATIVE, INC.**  
**INCREASE OR DECREASE IN SHELBY'S 12 MONTH AVERAGE LINE LOSS**  
**MONTHLY OVER-RECOVERY OR UNDER-RECOVERY OF FUEL COSTS**  
**NOVEMBER, 2008 - OCTOBER, 2010**

	KWH PURCHASED	KWH SALES TO CUSTOMERS	KWH LINE LOSS
Nov-08	37,239,691	33,985,853	3,253,838
Dec-08	44,738,996	42,557,736	2,181,260
Jan-09	48,501,077	48,409,892	91,185
Feb-09	39,370,550	40,283,729	(913,179)
Mar-09	36,583,083	33,780,187	2,802,896
Apr-09	31,774,330	31,012,547	761,783
May-09	31,950,489	29,575,089	2,375,400
Jun-09	37,640,664	35,432,247	2,208,417
Jul-09	36,705,109	37,078,935	(373,826)
Aug-09	39,846,940	36,734,628	3,112,312
Sep-09	33,506,766	33,008,152	498,614
Oct-09	32,700,757	30,912,892	1,787,865
Nov-09	34,130,546	33,490,231	640,315
Dec-09	44,850,202	42,558,422	2,291,780
Jan-10	50,915,993	49,178,317	1,737,676
Feb-10	45,891,868	46,285,962	(394,094)
Mar-10	38,013,528	35,226,023	2,787,505
Apr-10	31,202,935	30,995,585	207,350
May-10	35,231,530	32,903,102	2,328,428
Jun-10	42,041,164	40,285,657	1,755,507
Jul-10	44,250,251	42,878,031	1,372,220
Aug-10	44,586,689	40,283,886	4,302,803
Sep-10	36,522,988	37,106,732	(583,744)
Oct-10	32,843,454	32,151,585	691,869
	931,039,600	896,115,420	34,924,180

24 Month Average %	34,924,180 / 931,039,600	=	0.03751
Wholesale Power Supplier's Adjustment Per kWh		=	-0.00639
Shelby Energy's 24 Month Average Line Loss		=	0.03751
Shelby Energy's Change in Base Rate Per kWh	(0.00639) / 0.962489	=	-0.00664





## SHELBY ENERGY COOPERATIVE, INC.

	<b>Present Rate</b>	<b>Proposed Rate</b>
General Service - Rate 11 All kWh	0.09684	0.09020
Residential Service - Rate 12 All kWh	0.09525	0.08861
Large Power - Rate 2 All kWh	0.07099	0.06435
Optional TOD Demand - Rate 22 First 100 kWh per KW demand	0.07986	0.07322
Next 100 kWh per KW demand	0.07346	0.06682
All over 200 kWh per KW demand	0.06708	0.06044
Outdoor & Street Lighting Service - Rate 3 HPS 100 Watt Security Light (39 kWh)	9.69	9.43
HPS 100 Watt Decorative Colonial Light (39 kWh)	12.94	12.68
HPS 400 Watt Directional Flood & Security/Street Light (159 kWh)	20.25	19.19
HPS 250 Watt Directional Flood & Security/Street Light (87 kWh)	14.46	13.88
HPS 150 Watt Decorative Acorn Light (58 kWh)	15.54	15.15
Off-Peak Retail Marketing Rate - ETS All kWh	0.06782	0.06118
Large Industrial Rate - Schedule B1 All kWh	0.05900	0.05236
Large Industrial Rate - Schedule B2 All kWh	0.05326	0.04662
Large Industrial Rate - Schedule B3 All kWh	0.05210	0.04546
Large Industrial Rate - Schedule C1 All kWh	0.05900	0.05236
Large Industrial Rate - Schedule C2 All kWh	0.05326	0.04662
Large Industrial Rate - Schedule C3 All kWh	0.05210	0.04546
Special Outdoor Lighting - Rate 33	0.06700	0.06036



Form for filing Rate Schedule

FOR All Territory Served  
Community, Town or City

P.S.C. No. 5  
2nd Revised Sheet No. 103

Shelby Energy Cooperative, Inc.  
Shelbyville, KY  
Name of Issuing Corporation

Cancelling P.S.C. No. 5  
1st Revised Sheet No. 103

<b>CLASSIFICATION OF SERVICE</b>	
<b>GENERAL SERVICE - RATE 11</b>	Rate Per Unit
<u>AVAILABILITY</u>	
Available for commercial, small power and non-residential purposes for single phase and three phase loads below 50 kW, subject to the established Rules and Regulations.	
<u>TYPE OF SERVICE:</u>	
Single phase and three phase, 60 Hertz, at available secondary voltage.	
<u>MONTHLY RATE:</u>	
Consumer Facility Charge:	
Single Phase Service	\$ 13.03
Three Phase Service	\$ 33.88
Energy Charge per kWh:	\$ <del>0.09684</del> (1)
	\$ 0.09020
<u>MINIMUM MONTHLY CHARGE:</u>	
The minimum monthly charge under this schedule shall be the consumer facility charge. Where it is necessary to extend or reinforce existing facilities, the minimum charge may be increased to assure adequate compensation for added facilities.	
<u>TERMS OF PAYMENT:</u>	
The above rates are net; the gross rates are 10% higher. In the event the current monthly is not paid by the due date as shown on the bill, the gross rate shall apply.	

DATE OF ISSUE: January 20, 2011

DATE EFFECTIVE: January 14, 2011

ISSUED BY: \_\_\_\_\_  
Name of Officer

TITLE: President & CEO

Issued by authority of an Order of the Public Service Commission of Kentucky in

Case No: 2010-00181

Dated: January 14, 2011

Form for filing Rate Schedule

FOR All Territory Served  
Community, Town or City

P.S.C. No. 5  
2nd Revised Sheet No. 105

Shelby Energy Cooperative, Inc.  
Shelbyville, KY  
Name of Issuing Corporation

Cancelling P.S.C No. 5  
1st Revised Sheet No. 105

**CLASSIFICATION OF SERVICE**

**RESIDENTIAL SERVICE - RATE 12**

Rate  
Per Unit

AVAILABILITY

Available for residential homes for loads below 50 kW, subject to the established Rules and Regulations

TYPE OF SERVICE:

Single phase service for residential dwellings.

MONTHLY RATE:

Consumer Facility Charge:	\$	10.14	(I)
Energy Charge per kWh:	\$	<del>0.09525</del>	
		0.08861	

MINIMUM MONTHLY CHARGE:

The minimum monthly charge under this schedule shall be the consumer facility charge. Where it is necessary to extend or reinforce existing facilities, the minimum charge may be increased to assure adequate compensation for added facilities.

TERMS OF PAYMENT:

The above rates are net; the gross rates are 10% higher. In the event the current monthly is not paid by the due date as shown on the bill, the gross rate shall apply.

DATE OF ISSUE: January 20, 2011

DATE EFFECTIVE: January 14, 2011

ISSUED BY: \_\_\_\_\_  
Name of Officer

TITLE: President & CEO

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Case No: 2010-00181

Dated: January 14, 2011

Form for filing Rate Schedule

FOR All Territory Served  
Community, Town or City

P.S.C. No. 5

9th Revised Sheet No. 5

Shelby Energy Cooperative, Inc.  
Shelbyville, KY  
Name of Issuing Corporation

Canceling P.S.C. No. 5

8th Revised Sheet No. 5

<b>CLASSIFICATION OF SERVICE</b>										
<b>LARGE POWER SERVICE - RATE 2</b>	Rate Per Unit									
<p><u>AVAILABILITY</u></p> <p>Available to all consumers whose kW demand shall be greater than 50 kW including residential and farm consumers who do not qualify under availability of service under Rate 12 or Rate 11 respectively, located on or near Seller's line for all types of usage, subject to the established Rules and regulations of Seller.</p> <p><u>TYPES OF SERVICE:</u></p> <p>Three phase, 60 Hertz, available at Seller's standard voltage.</p> <p><u>MONTHLY RATE:</u></p> <table style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 60%;">Consumer Charge per Month</td> <td style="width: 20%; text-align: right;">\$ 52.18</td> <td style="width: 20%;"></td> </tr> <tr> <td>Demand Charge per kW of billing demand</td> <td style="text-align: right;">\$ 5.17</td> <td></td> </tr> <tr> <td>Energy Charge per kWh for all kWh</td> <td style="text-align: right;"><del>\$ 0.07000</del> 0.06435</td> <td style="text-align: center; vertical-align: bottom;">(l)</td> </tr> </table>		Consumer Charge per Month	\$ 52.18		Demand Charge per kW of billing demand	\$ 5.17		Energy Charge per kWh for all kWh	<del>\$ 0.07000</del> 0.06435	(l)
Consumer Charge per Month	\$ 52.18									
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Dated: January 14, 2011

Form for filing Rate Schedule

FOR All Territory Served  
Community, Town or City

P.S.C. NO. 5  
11th Revised Sheet No. 39

Shelby Energy Cooperative, Inc.  
Shelbyville, Kentucky  
Name of Issuing Corporation

Cancelling P.S.C. NO. 5  
10th Revised Sheet No. 39

<b>CLASSIFICATION OF SERVICE</b>				
<b>OPTIONAL T-O-D DEMAND - RATE 22</b>	<b>Rate Per Unit</b>			
<u>AVAILABILITY:</u>				
Available to all consumers whose KW demand shall be greater than 200 KW, including consumers who do not qualify under availability of service under Rate 1 or Rate 10, located on or near Seller's line for all types of usage, subject to the established Rules and Regulations of Seller.				
<u>TYPES OF SERVICE:</u>				
Three -phase, 60 Hertz, available at Sellers's standard voltage				
<u>RATE:</u>				
<u>Consumer Charge</u>				
\$45.92				
<u>Demand Charge</u>				
\$5.17 per month per KW of billing demand				
<u>Energy Charge</u>				
First	100 kWh per KW demand	<del>\$ 0.07986</del> 0.07322	per kWh	(1)
Next	100 kWh per KW demand	<del>\$ 0.07346</del> 0.06682	per kWh	(1)
All Over	200 kWh per KW demand	<del>\$ 0.06708</del> 0.06044	per kWh	(1)

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Dated January 14, 2011

Form for filing Rate Schedule

FOR All Territory Served  
Community, Town or City

P.S.C. No. 5  
10th Revised Sheet No. 9

Shelby Energy Cooperative, Inc.  
Shelbyville, KY

Canceling P.S.C. No. 5  
9th Revised Sheet No. 9

Name of Issuing Corporation

<b>CLASSIFICATION OF SERVICE</b>			
<b>Outdoor and Street Lighting - Rate 3</b>			Rate Per Unit
<u>AVAILABILITY:</u>			
Available to all consumers of the Cooperative, subject to the Rules and Regulation			
<u>TYPE OF SERVICE:</u>			
Cooperative will furnish, install, and maintain at no extra expense to the consumer, a lighting unit, in accordance with the rate schedule and conditions of service below. Cooperative will make all necessary electrical connections and furnish electricity for same which shall be controlled by a photocell to energize the unit from dusk to dawn.			
<u>RATES:</u>			
	Type of Fixtures		
A.	HPS (High Pressure Sodium) 100 Watt Security Light	\$ <u>9.69</u>	(I)
		\$ 9.43	
B.	HPS (High Pressure Sodium) 100 Watt Decorative Colonial Light	\$ <u>12.94</u>	(I)
		\$ 12.68	
C.	HPS (High Pressure Sodium) 400 Watt Directional Flood and Security and Street Light	\$ <u>20.25</u>	(I)
		\$ 19.19	
D.	HPS (High Pressure Sodium) 250 Watt Directional Flood and Security and Street Light	\$ <u>14.46</u>	(I)
		13.88	
E.	HPS (High Pressure Sodium) 150 Watt Decorative Acorn Light	\$ <u>15.54</u>	(I)
		\$ 15.15	

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FOR All Territory Served  
Community, Town or City

P.S.C. NO. 5  
11th Revised Sheet No. 15

Shelby Energy Cooperative, Inc.  
Shelbyville, Kentucky  
Name of Issuing Corporation

Cancelling P.S.C. NO. 5  
10th Revised Sheet NO 15

<b>CLASSIFICATION OF SERVICE</b>		Rate Per Unit
<b>OFF-PEAK RETAIL MARKETING RATE (ETS)</b>		
<u>AVAILABILITY OF SERVICE:</u>		
<p>This special marketing rate is made as an attachment to Rate GS-1 &amp; Rate 12 and all other terms of that rate apply except those covered here. It is available for specific marketing programs as approved by Shelby Energy's Board of Directors.</p> <p>The electric power furnished under this marketing program shall be separately metered for each point of delivery and is applicable during the below listed off-peak hours. This rate is available to customers already receiving service under Rate GS-1 &amp; Rate 12. This marketing rate applies only to programs which are expressly approved by the Public Service Commission to be offered under the Marketing Rate of East Kentucky Power Cooperative's Wholesale Power Rate Schedule E.</p>		
<u>Months</u>	<u>Hours Applicable - EST</u>	
May through September	10:00 P.M. to 10:00 A.M.	
October through April	12:00 Noon to 5:00 P.M. 10:00 P.M. to 7:00 A.M.	
<u>Rates</u>		
The energy rate for this program is as listed below:		
All kWh	<del>\$0.06782</del> per kWh 0.06118	(1)

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Form for filing Rate Schedule

FOR All Territory Served  
Community, Town or City

P.S.C. NO. 5  
8th Revised Sheet No. 17

Shelby Energy Cooperative, Inc.  
Shelbyville, Kentucky  
Name of Issuing Corporation

Cancelling P.S.C. NO. 5  
7th Revised Sheet No. 17

<b>CLASSIFICATION OF SERVICE</b>		Rate Per Unit												
<b>LARGE INDUSTRIAL RATE - SCHEDULE B1</b>														
<p><u>AVAILABILITY:</u></p> <p>Applicable to contracts with demands of 500 to 4,999 KW with a monthly energy usage equal to or greater than 400 hours per KW of contract demand.</p>														
<p><u>MONTHLY RATE:</u></p> <table style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 70%;">Consumer Charge</td> <td style="width: 10%; text-align: right;">\$</td> <td style="width: 20%; text-align: right;">614.28</td> </tr> <tr> <td>Demand Charge per KW of Contract Demand</td> <td style="text-align: right;">\$</td> <td style="text-align: right;">6.18</td> </tr> <tr> <td>Demand Charge per KW for Billing Demand in Excess of Contract Demand</td> <td style="text-align: right;">\$</td> <td style="text-align: right;">8.98</td> </tr> <tr> <td>Energy Charge per kWh</td> <td style="text-align: right;">\$</td> <td style="text-align: right;"> <del>0.05900</del> 0.05236                 </td> </tr> </table>		Consumer Charge	\$	614.28	Demand Charge per KW of Contract Demand	\$	6.18	Demand Charge per KW for Billing Demand in Excess of Contract Demand	\$	8.98	Energy Charge per kWh	\$	<del>0.05900</del> 0.05236	(1)
Consumer Charge	\$	614.28												
Demand Charge per KW of Contract Demand	\$	6.18												
Demand Charge per KW for Billing Demand in Excess of Contract Demand	\$	8.98												
Energy Charge per kWh	\$	<del>0.05900</del> 0.05236												
<p><u>BILLING DEMAND:</u></p> <p>The billing demand (kilowatt demand) shall be the contract demand plus any excess demand. Excess demand occurs when the consumer's peak demand during the current month exceeds the contract demand. The load center's peak demand is the highest average rate at which energy is used during any fifteen-minute interval in the below listed hours for each month and adjusted for power factor as provided herein:</p> <table style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="text-align: center;"><u>Months</u></th> <th style="text-align: center;"><u>Hours Applicable for Demand Billing - EST</u></th> </tr> </thead> <tbody> <tr> <td>October through April</td> <td>7:00 A.M. to 12:00 Noon 5:00 P.M. to 10:00 P. M.</td> </tr> <tr> <td>May through September</td> <td>10:00 A.M. to 10:00 P.M.</td> </tr> </tbody> </table>		<u>Months</u>	<u>Hours Applicable for Demand Billing - EST</u>	October through April	7:00 A.M. to 12:00 Noon 5:00 P.M. to 10:00 P. M.	May through September	10:00 A.M. to 10:00 P.M.							
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Case No. 2010-00181 Dated January 14, 2011

Form for filing Rate Schedule

FOR All Territory Served  
Community, Town or City

P.S.C. NO. 5  
8th Revised Sheet No. 20

Shelby Energy Cooperative, Inc.  
Shelbyville, Kentucky  
Name of Issuing Corporation

Cancelling P.S.C. No. 5  
7th Revised Sheet No. 20

<b>CLASSIFICATION OF SERVICE</b>		Rate Per Unit
<b>LARGE INDUSTRIAL RATE - SCHEDULE B2</b>		
<u>AVAILABILITY:</u>		
Applicable to contracts with demands of 5,000 to 9,999 KW with a monthly energy usage equal to or greater than 400 hours per KW of contract demand.		
<u>MONTHLY RATE:</u>		
Consumer Charge	\$ 1,227.41	
Demand Charge per KW of Contract Demand	\$ 6.18	
Demand Charge per KW for Billing Demand in Excess of Contract Demand	\$ 8.98	
Energy Charge per kWh	\$ <del>0.05326</del> 0.04662	(1)
<u>BILLING DEMAND:</u>		
The billing demand (kilowatt demand) shall be the contract demand plus any excess demand. Excess demand occurs when the consumer's peak demand during the current month exceeds the contract demand. The load center's peak demand is the highest average rate at which energy is used during any fifteen-minute interval in the below listed hours for each month and adjusted for power factor as provided herein:		
<u>Months</u>	<u>Hours Applicable for Demand Billing - EST</u>	
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FOR All Territory Served  
Community, Town or City

P.S.C. NO. 5  
8th Revised Sheet No. 23

Shelby Energy Cooperative, Inc.  
Shelbyville, Kentucky  
Name of Issuing Corporation

Cancelling P.S.C. No. 5  
7th Revised Sheet No. 23

<b>CLASSIFICATION OF SERVICE</b>		Rate Per Unit
<b>LARGE INDUSTRIAL RATE - SCHEDULE B3</b>		
<u>AVAILABILITY:</u>		
Applicable to contracts with demands of 10,000 kW and over with a monthly energy usage equal to or greater than 400 hours per kW of contract demand.		
<u>MONTHLY RATE:</u>		
Consumer Charge		
Transformer Size of 10,000 - 14,999 kVa	\$ 3,421.59	
Transformer Size of 15,000 kVa and greater	\$ 5,430.92	
Demand Charges per kW		
Contract Demand	\$ 6.18	
Billing Demand in Excess of Contract Demand	\$ 8.98	
Energy Charge per kWh	<del>\$ 0.05210</del> 0.04546	(1)
<u>BILLING DEMAND:</u>		
The billing demand (kilowatt demand) shall be the contract demand plus any excess demand. Excess demand occurs when the consumer's peak demand during the current month exceeds the contract demand. The consumer's peak demand is the highest average rate at which energy is used during any fifteen-minute interval in the below listed hours for each month and adjusted for power factor as provided herein:		
<u>Months</u>	<u>Hours Applicable for Demand Billing - EST</u>	
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Form for filing Rate Schedule

FOR All Territory Served  
Community, Town or City

P.S.C. NO. 5  
8th Revised Sheet No. 26

Shelby Energy Cooperative, Inc.  
Shelbyville, Kentucky  
Name of Issuing Corporation

Cancelling P.S.C. No. 5  
7th Revised Sheet No. 26

<b>CLASSIFICATION OF SERVICE</b>		Rate Per Unit
<b>LARGE INDUSTRIAL RATE - SCHEDULE C1</b>		
<u>AVAILABILITY:</u>		
Applicable to contracts with demands of 500 to 4,999 KW with a monthly energy usage equal to or greater than 400 hours per KW of contract billing demand. These contracts will be two "two-party" contracts with the first one being between the Seller and the Cooperative association and the second one being between the Seller and the ultimate consumer.		
<u>MONTHLY RATE:</u>		
Consumer Charge	\$ 614.28	(1)
Demand Charge per KW of billing demand	\$ 6.18	
Energy Charge per kWh	\$ <del>0.05900</del> 0.05236	
<u>BILLING DEMAND:</u>		
The monthly billing demand shall be the greater of (a) or (b) listed below:		
(a)	The contract demand	
(b)	The ultimate consumer's peak demand during the current month or preceding eleven months. The peak demand shall be the highest average rate at which energy is used during any fifteen-minute interval in the below listed hours for each month and adjusted for power factor as provided herein:	
<u>Months</u>	<u>Hours Applicable for Demand Billing - EST</u>	
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FOR All Territory Served  
Community, Town or City

P.S.C. NO. 5  
8th Revised Sheet No. 29

Shelby Energy Cooperative, Inc.  
Shelbyville, Kentucky  
Name of Issuing Corporation

Cancelling P.S.C. No. 5  
7th Revised Sheet No. 29

<b>CLASSIFICATION OF SERVICE</b>	
<b>LARGE INDUSTRIAL RATE - SCHEDULE C2</b>	<b>Rate Per Unit</b>
<u>AVAILABILITY:</u>	
Applicable to contracts with demands of 5,000 to 9,999 KW with a monthly energy usage equal to or greater than 400 hours per KW of contract billing demand. These contracts will be two "two-party" contracts with the first one being between the Seller and the Cooperative association and the second one being between the Seller and the ultimate consumer.	
<u>MONTHLY RATE:</u>	
Consumer Charge	\$ 1,227.41
Demand Charge per KW of Billing Demand	\$ 6.18
Energy Charge per kWh	\$ <del>0.05326</del> 0.04662
	<b>(1)</b>
<u>BILLING DEMAND:</u>	
The monthly billing demand shall be the greater of (a) or (b) listed below:	
(a)	The contract demand
(b)	The ultimate consumer's peak demand during the current month or preceding eleven months. The peak demand shall be the highest average rate at which energy is used during any fifteen-minute interval in the below listed hours for each month and adjusted for power factor as provided herein:
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FOR All Territory Served  
Community, Town or City

P.S.C. NO. 5  
8th Revised Sheet No. 32

Shelby Energy Cooperative, Inc.  
Shelbyville, Kentucky  
Name of Issuing Corporation

Cancelling P.S.C. No. 5  
7th Revised Sheet No. 32

### CLASSIFICATION OF SERVICE

#### LARGE INDUSTRIAL RATE - SCHEDULE C3

Rate  
Per Unit

AVAILABILITY:

Applicable to contracts with demands of 10,000 kW and over with a monthly energy usage equal to or greater than 400 hours per kW of contract demand.

MONTHLY RATE:

Consumer Charge			
Transformer Size of 10,000 - 14,999 kVa	\$	3,421.59	
Transformer Size of 15,000 kVa and greater	\$	5,430.92	
Demand Charge per kW	\$	6.18	
Energy Charge per kWh	\$	<del>0.05210</del>	(1)
		0.04546	

BILLING DEMAND:

The monthly billing demand shall be the greater of (a) or (b) listed below:

- (a) The contract demand
- (b) The consumer's peak demand during the current month or preceding eleven months. The peak demand shall be the highest average rate at which energy is used any fifteen-minute interval in the below listed hours for each month and adjusted for power factor as provided herein:

<u>Months</u>	<u>Hours Applicable for Demand Billing - EST</u>
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FOR All Territory Served  
Community, Town or City

P.S.C. NO. 5

5th Revised Sheet No. 60

Shelby Energy Cooperative, Inc.  
Shelbyville, Kentucky  
Name of Issuing Corporation

P.S.C. NO. 5

4th Revised Sheet No. 60

### CLASSIFICATION OF SERVICE

#### SPECIAL OUTDOOR LIGHTING SERVICE - RATE 33

Rate  
Per Unit

AVAILABILITY:

This schedule is available to any consumer requesting luminaries for dusk to dawn outdoor or street lighting service of a type not provided for under other rate schedules, and is subject to the established Rules & Regulations of the Cooperative.

TYPE OF SERVICE:

The Cooperative will install and maintain automatic outdoor or street lighting of the desired type by the consumer, single phase, 60 Hertz at available secondary voltage.

RATES:

The monthly charge will be the sum of items (1) and (2) below.

1. The Energy Rate for each type of lamp shall be ~~\$ 0.06700~~ per kWh  
as determined by the following formula: 0.06036

(1)

Monthly Rated kWh = (4100 hours per year X Manufacturer's total input rating in watts) divided by (12X1000).

2. Facilities Charge - The books of the Cooperative shall accurately reflect the Cooperative's total investment in facilities for each individual, agency or organization receiving service under this tariff. The monthly facilities charge shall be 1.4027 percent of the total investment in these special facilities

FUEL ADJUSTMENT CLAUSE:

This rate may be increased or decreased by an amount per kWh equal to the fuel adjustment amount per kWh as billed by the wholesale power supplier plus an allowance for line losses. The allowance for line losses will not exceed 10% and is based on a twelve-month moving average of such losses. The Fuel Clause is subject to all other applicable provisions as set out in KAR 5:056.

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