

COMMONWEALTH OF KENTUCKY **RECEIVED**
BEFORE THE PUBLIC SERVICE COMMISSION FEB 1 2017

In the Matter of Adjustment of Rates)
of Shelby Energy Cooperative, Inc.)

PUBLIC SERVICE
COMMISSION

Case No. 2016-00434

APPLICATION

Shelby Energy Cooperative, Inc. (herein designated as "Shelby Energy") hereby makes application for an adjustment of rates, as follows:

1. Shelby Energy is a non-profit electric cooperative organized under KRS Chapter 279 and is engaged in the business of distributing retail electric power to member customers in the Kentucky counties of Anderson, Carroll, Franklin, Henry, Jefferson, Oldham, Owen, Shelby, Spencer, and Trimble.
2. The mailing and street address for Shelby Energy Cooperative, Inc., is 620 Old Finchville Road, Shelbyville, Kentucky, 40065. Shelby Energy's email address is psc@shelbyenergy.com.
3. The current Articles of Incorporation for Shelby Energy were previously filed in Case No. 97-231. Shelby Energy was incorporated in the Commonwealth of Kentucky on June 14, 1937 and states that it is in good standing. [807 KAR 5:001, Section 14(2)]. Shelby Energy requests an adjustment of its existing rates that will result in additional annual revenues in the amount of \$1,997,640, pursuant to KRS 278.280 and 807 KAR 5:001, Section 16. This will be a 5.0% increase in base rate revenues and will result in a times interest earned ratio ("TIER") of approximately 1.88. Shelby Energy requires this adjustment of its rates to offset the increased costs in the cost of power, materials, equipment, labor and other fixed and variable costs. Shelby Energy last received a rate adjustment in August, 2010, and all of the aforementioned costs have increased since that time.

4. This application is supported by a twelve-month historical test period ending July 31, 2016 and includes adjustments for known and measurable changes [807 KAR 5:001, Section 16(1)(a)1].
5. The annual reports of Shelby Energy are on file with the Commission in accordance with 807 KAR 5:006, Section 4(1).
6. A Certificate of Good Standing is attached as Exhibit A. 807 KAR 5:001, Section 14(2).
7. A Certificate of Assumed Name is not necessary. [807 KAR 5:001, Section 16(1)(b)2].
8. Shelby Energy filed with the Commission a written Notice of Intent to file a rate application at least thirty (30) days prior to filing this application. Said Notice of Intent, stated that the rate application would be supported by a historical test period and was served upon the Office of the Attorney General, utility intervention and rate division, as shown on Exhibit E. 807 KAR 5:001, Sections 16(2), 16(2)(a), and 16(2)(c).
9. All affected member/customers will be notified of the filing of this application by providing notice as required under 807 KAR 5:001, Section 17. A copy of the notice is attached as Exhibit D. Affidavits from the publisher verifying that the notice has been published in Henry, Shelby and Trimble Counties and an Affidavit of a Shelby Energy employee verifying the notice was mailed to all members whose service is located in Anderson, Carroll, Franklin, Jefferson, Oldham, Owen and Spencer Counties will be filed with the Commission no later than forty-five (45) days of the filing date of this Application.
10. The Board of Directors of Shelby Energy has reviewed the current financial condition of the Cooperative and the need for a rate adjustment to maintain the financial stability and integrity of the Cooperative. The Board of Directors adopted a resolution directing the administrative staff and consultants to proceed with the necessary application and filings with the Public Service Commission to adjust the rates of the Cooperative. A copy of the resolution is attached hereto as Exhibit F.
11. Shelby Energy is neither a limited partnership nor a limited liability company [807 KAR 5:001, Section 14(3) and Section 14(4)].

12. The proposed tariff, in a form that complies with 807 KAR 5:001, is attached as Exhibit B. See 807 KAR 5:001, Section 16(1)(b)(3).
13. The proposed tariff changes, identified in compliance with 807 KAR 5:011, are shown by providing the present and proposed tariffs in comparative form on the same sheet, side by side, or on facing sheets, side by side, as Exhibit C. 807 KAR 5:001, Section 16(1)(b)4a.
14. A complete description and explanation for all proposed adjustments with proper support thereof for any proposed changes in price or activity levels, and any other factors which may affect the adjustment, including a Revenue Analysis is filed herewith as Exhibit J. 807 KAR 5:001, Section (16)(4)(a).
15. The prepared testimony of each witness supporting the application are attached as Exhibit H. 807 KAR 5:001, Section 16(4)(b).
16. A statement estimating the effect the new rates will have upon the revenues of Shelby Energy, including, at a minimum, the total amount of revenues resulting from the increase or decrease and the percentage of the increase or decrease is shown by Exhibit G. 807 KAR 5:001, Section 16(4)(d). The effect upon the average bill for each customer classification to which the proposed rate change will apply is shown by Exhibit I. 807 KAR 5:001, Section 16(4)(e).
17. An analysis of customers' bills in such detail that revenues from present and proposed rates can be readily determined for each customer class is shown by Exhibit J. 807 KAR 5:001, Section 16(4)(g).
18. A summary of Shelby Energy's determination of its revenue requirements based on return on net investment rate base, return on capitalization, interest coverage, debt service coverage or operating ratio, with supporting schedules is shown by Exhibit K. 807 KAR 5:001, Section 16(4)(h).

19. A reconciliation of the rate base and capital used to determine its revenue requirements is shown by Exhibit L. 807 KAR 5:001, Section 16(4)(i).
20. A current chart of accounts is shown by Exhibit M. 807 KAR 5:001, Section 16(4)(j).
21. The independent auditor's report is attached as Exhibit N. 807 KAR 5:001, Section 16(4)(k).
22. The Federal Energy Regulatory Commission or Federal Communications Commission have not audited Shelby Energy and no audit reports exist. 807 KAR 5:001, Section 16(4)(l).
23. No Federal Energy Regulatory Commission Form 1 exists for Shelby Energy. 807 KAR 5:001, Section 16(4)(m).
24. Shelby Energy had a depreciation study performed as of December 31, 2014 and has submitted it with this application as Exhibit 21. 807 KAR 5:001, Section 16(4)(n).
25. A list of commercially available or in-house developed computer software, programs, and models used in the development of the schedules and work papers associated with the filing of this application is attached as Exhibit O. 807 KAR 5:001, Section 16(4)(o).
26. No stock or bond offerings have been made by Shelby Energy. 807 KAR 5:001, Section 16(4)(p).
27. Annual Reports to members for 2015 and 2014 are attached as Exhibit P. 807 KAR 5:001, Section 16(4)(q).
28. The monthly managerial reports providing financial results of operations for the twelve (12) months in the test period are attached as Exhibit Q. 807 KAR 5:001, Section 16(4)(r).

29. No Securities and Exchange Commission Annual Reports exist as for Shelby Energy because it is not regulated by that agency. 807 KAR 5:001, Section 16(4)(s).

30. Shelby Energy had the amounts listed on Exhibit 22 allocated to it by its affiliate Shelby Energy Services, LLC. It did not pay monies to an affiliate or general or home office during the test period or during the previous three (3) calendar years. 807 KAR 5:001, Section 16(4)(t).

31. A cost of service study based on a methodology generally accepted within the electric industry and based on current and reliable data for the test period is attached as Exhibit R. 807 KAR 5:001, Section 16(4)(u).

32. Shelby Energy is not a Local Exchange Carrier or Company as set forth in 807 KAR 5:001, Section 16(4)(v).

33. A detailed income statement and balance sheet reflecting the impact of all proposed adjustments is attached as Exhibit S. 807 KAR 5:001, Section 16(5)(a).

34. No "proposed pro forma adjustments reflecting plant additions" exist or apply to Shelby Energy. 807 KAR 5:001, Section 16(5)(b) and Section 16(5)(c).

35. The operating budget for each month of the period encompassing the pro forma adjustments is attached as Exhibit T. 807 KAR 5:001, Section (16)(8)(d).

36. Additional financial exhibits required by 807 KAR 5:001, Section 16, financial information covering twelve (12) month historical test period ending July 31, 2016, and other information required to be filed are attached by exhibits, as follows:

Exhibit U By-Laws

Exhibit V Detailed comparative income statement, statement of cash flows and balance sheet

Exhibit W Schedule showing monthly comparison of balance sheet accounts from test year to preceding year.

Exhibit X	Monthly comparison on income statement accounts from test year to proceeding year
Exhibit Y	Trial Balance at end of test year
Exhibit Z	Capital structure
Exhibit 1	Adjustments for salaries and wages
Exhibit 2	Adjustments for payroll taxes
Exhibit 3	Adjustment for depreciation
Exhibit 4	Adjustment for property taxes
Exhibit 5	Adjustment for long term and short term interest
Exhibit 6	Adjustment for contract right-of-way
Exhibit 7	Adjustment for pension cost
Exhibit 8	Adjustment for donations
Exhibit 9	Adjustment for professional fees
Exhibit 10	Adjustment for director expenses
Exhibit 11	Adjustment for miscellaneous expenses
Exhibit 12	Adjustment for rate case expenses
Exhibit 13	Adjustment for G&T capital credits
Exhibit 14	Adjustment for purchase power
Exhibit 15	Adjustment for normalized revenue
Exhibit 16	Adjustment for end of year customers
Exhibit 17	KAEC Statistical Comparison

- Exhibit 18 Union contract
- Exhibit 19 Capitalization policies
- Exhibit 20 Equity Management Plan
- Exhibit 21 Depreciation study
- Exhibit 22 Affiliate transactions

37. Shelby Energy requests that the rate adjustments proposed herein be allowed to become effective on the date listed in the proposed tariff filed with this application.

38. Shelby Energy requests that a copy of any documents served in this matter be served upon each of the following persons:

Debra J. Martin, President & CEO
620 Old Finchville Road
Shelbyville, KY 40065
psc@shelbyenergy.com

Donald T. Prather, Attorney
500 Main Street
Shelbyville, KY 40065
donaldtprather@gmail.com

WHEREFORE, Shelby Energy Cooperative, Inc. requests that the Public Service Commission of the Commonwealth of Kentucky issue an Order approving of the adjustment of rates as set forth in this application, authorizing the new rates to take effect at the earliest possible date, and granting any and all other proper relief to which Shelby Energy may be entitled.

Dated: 2/1/17

I, Debra J. Martin, President & CEO of Shelby Energy Cooperative, Inc., state that the statements contained in the foregoing application are true to the best of my information and belief.
Shelby Energy Cooperative, Inc.

Debra J. Martin
Debra J. Martin President & CEO

STATE OF KENTUCKY
COUNTY OF SHELBY

I, the undersigned, a Notary Public, do hereby certify that on this 1st day of February, 2017, personally appeared before me DEBRA J. MARTIN, who being by me first duly sworn, subscribed to and acknowledged that she is the President & CEO of Shelby Energy Cooperative, Inc., a Kentucky corporation, that she signed the foregoing document as President & CEO of the corporation, and that the statements therein contained are true.

Lauren J. Gintermuth
NOTARY PUBLIC, State of Kentucky, At Large

My commission expires June 24, 2020



COUNSEL:

I hereby certify that the foregoing and its attachments, exhibits, and testimony has been submitted to the Commission along with ten (10) copies with the paper originals hand-delivered and further that the Attorney General of Kentucky, Office of Rate Intervention, 1024 Capital Center Drive, Frankfort, Kentucky 40601 has been also submitted a copy this 14th day of February, 2017.



Donald T. Prather, Attorney for
Shelby Energy Cooperative, Inc.
500 Main Street, Suite 5
Shelbyville, KY 40065
(502) 633-5220

Commonwealth of Kentucky
Alison Lundergan Grimes, Secretary of State

Alison Lundergan Grimes
Secretary of State
P. O. Box 718
Frankfort, KY 40602-0718
(502) 564-3490
<http://www.sos.ky.gov>

Certificate of Existence

Authentication number: 184980
Visit <https://app.sos.ky.gov/ftshow/certvalidate.aspx> to authenticate this certificate.

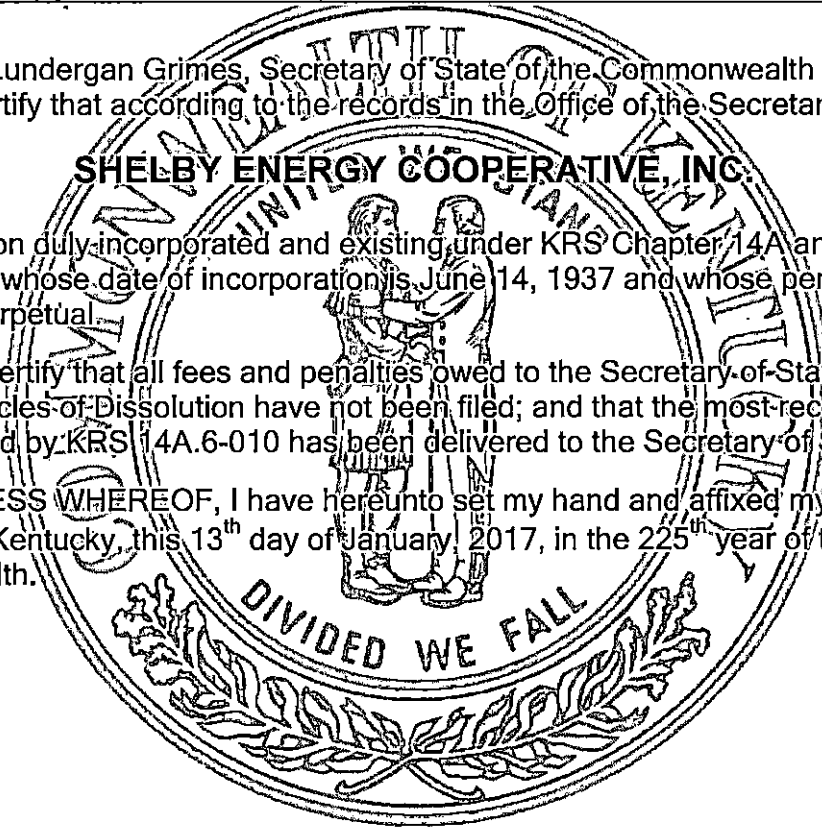
I, Alison Lundergan Grimes, Secretary of State of the Commonwealth of Kentucky, do hereby certify that according to the records in the Office of the Secretary of State,

SHELBY ENERGY COOPERATIVE, INC.

is a corporation duly incorporated and existing under KRS Chapter 14A and KRS Chapter 273, whose date of incorporation is June 14, 1937 and whose period of duration is perpetual.

I further certify that all fees and penalties owed to the Secretary of State have been paid; that Articles of Dissolution have not been filed; and that the most recent annual report required by KRS 14A.6-010 has been delivered to the Secretary of State.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my Official Seal at Frankfort, Kentucky, this 13th day of January, 2017, in the 225th year of the Commonwealth.



Alison Lundergan Grimes
Alison Lundergan Grimes
Secretary of State
Commonwealth of Kentucky
184980/0048230

FOR All Territory Served
Community, Town or City

P.S.C. KY. NO. 9

1st Revised SHEET NO. 300

CANCELLING P.S.C. KY. NO. 9

Original SHEET NO. 300

Shelby Energy Cooperative, Inc.
(Name of Utility)

LARGE POWER SERVICE – RATE 2

AVAILABILITY:

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.

TYPES OF SERVICE:

Three Phase, 60 Hertz, available at Seller’s standard voltage.

MONTHLY RATE:

	<u>Year 1</u>	<u>Year 2</u>	<u>Year 3</u>	
Consumer Facility Charge per Month	\$58.06	\$64.12	\$70.00	(I) (T)
Demand Charge per kW of billing demand	\$5.46	\$5.76	\$6.05	(I)
Energy Charge per kWh for all kWh	\$.06419	\$.06402	\$.06385	(I)

DETERMINATION OF BILLING DEMAND:

The billing demand shall be the maximum kilowatt demand established by the consumer for any period of fifteen (15) consecutive minutes during the month for which the bill is rendered, as indicated or recorded by a demand meter and adjusted for power factor as provided below.

DATE OF ISSUE February 1, 2017
Month / Date / Year

DATE EFFECTIVE March 6, 2017
Month / Date / Year

ISSUED BY _____
(Signature of Officer)

TITLE President and CEO

BY AUTHORITY OF ORDER OF THE PUBLIC SERVICE COMMISSION
IN CASE NO. 2016-00434 DATED _____

FOR All Territory Served
Community, Town or City

P.S.C. KY. NO. 9

1st Revised SHEET NO. 301

Shelby Energy Cooperative, Inc.
(Name of Utility)

CANCELLING P.S.C. KY. NO. 9

Original SHEET NO. 301

OUTDOOR AND STREET LIGHTING – RATE 3

AVAILABILITY

Available to all consumers of the Cooperative, subject to the Rules and Regulations.

TYPES OF SERVICE:

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.

RATES:

Type of Fixtures:

		<u>Year 1</u>	<u>Year 2</u>	<u>Year 3</u>	
A.	HPS (High Pressure Sodium) 100 Watt - Outdoor Light	\$9.86	\$10.03	\$10.17	(D)(T)
B.	HPS (High Pressure Sodium) 100 Watt - Decorative Colonial Light	\$13.29	\$13.49	\$13.69	(D)(T)
C.	HPS (High Pressure Sodium) 400 Watt - Directional Flood Light	\$20.11	\$20.42	\$20.73	(D)(T)
D.	HPS (High Pressure Sodium) 250 Watt - Directional Flood Light	\$14.55	\$14.77	\$14.99	(D)(T)
E.	HPS (High Pressure Sodium) 150 Watt - Decorative Acorn Light	\$15.88	\$16.12	\$16.36	(D)(T)

* All new lights will be LED. High Pressure Sodium will be phased out upon failure and replaced with LED. (T)

DATE OF ISSUE February 1, 2017
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ISSUED BY _____
(Signature of Officer)

TITLE President & CEO

BY AUTHORITY OF ORDER OF THE PUBLIC SERVICE COMMISSION
IN CASE NO. 2016-00434 DATED _____

FOR All Territory Served
Community, Town or City

P.S.C. KY. NO. 9

1st Revised SHEET NO. 322

Shelby Energy Cooperative, Inc.
(Name of Utility)

CANCELLING P.S.C. KY. NO. 9

Original SHEET NO. 322

LED Outdoor Lighting Facilities – RATE 3L

AVAILABILITY

Available to all consumers of the Cooperative, subject to the Rules and Regulations.

TYPES OF SERVICE:

Cooperative will furnish, install, and maintain at no extra expense to the consumer, a light-emitting diode (LED) lighting unit, in accordance with the rate schedule and conditions of service below. The lighting unit shall be controlled by a photocell to energize the unit from dusk to dawn.

RATES PER MONTH:

			<u>Year 1</u>	<u>Year 2</u>	<u>Year 3</u>	
Standard	Approximate Lumens	4,800-6,800	\$10.50	\$10.66	\$10.82	(I)
Decorative Colonial	Approximate Lumens	4,800-6,800	\$13.06	\$13.26	\$13.46	(I)
Cobra Head	Approximate Lumens	7,200-10,000	\$14.28	\$14.50	\$14.72	(I)
Directional Flood Light	Approximate Lumens	15,000-18,000	\$19.53	\$19.83	\$20.13	(I)

Service for the above units shall be unmetered and billed on the consumer's monthly bill for other electrical service furnished by the Cooperative, at a rate in accordance with the above rate schedule.

*All new lights will be LED. High Pressure Sodium lights will be phased out upon failure and replaced with LED.

DATE OF ISSUE February 1, 2017
Month / Date / Year

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ISSUED BY _____
(Signature of Officer)

TITLE President & CEO

BY AUTHORITY OF ORDER OF THE PUBLIC SERVICE COMMISSION

IN CASE NO. 2016-00434 DATED _____

FOR All Territory Served
Community, Town or City

P.S.C. KY. NO. 9

1st Revised SHEET NO. 303

Shelby Energy Cooperative, Inc.
(Name of Utility)

CANCELLING P.S.C. KY. NO. 9

Original SHEET NO. 303

OFF-PEAK RETAIL MARKETING (ETS) - RATE 9

(T)

AVAILABILITY OF SERVICE:

The special marketing rate is made as an attachment to Rate GS-11 & 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.

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-11 & 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.

<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

Rates

The energy rate for this program is as listed below:

All kWh	<u>Year 1</u>	<u>Year 2</u>	<u>Year 3</u>	(I)
	\$0.06216	\$0.06248	\$0.06281	

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TITLE President & CEO

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IN CASE NO. 2016-00434 DATED _____

FOR All Territory Served
Community, Town or City

P.S.C. KY. NO. 9

1st Revised SHEET NO. 304

Shelby Energy Cooperative, Inc.
(Name of Utility)

CANCELLING P.S.C. KY. NO. 9

Original SHEET NO. 304

GENERAL SERVICE – RATE 11

AVAILABILITY:

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.

TYPE OF SERVICE:

Single phase and three phase, 60 Hertz, at available secondary voltage.

MONTHLY RATE:

Consumer Facility Charge:	<u>Year 1</u>	<u>Year 2</u>	<u>Year 3</u>	
Single Phase Service	\$16.01	\$17.01	\$18.00	(I)
Three Phase Service	\$37.55	\$38.78	\$40.00	(I)
 Energy Charge per kWh	 \$0.09193	 \$0.09250	 \$0.09308	 (I)

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 bill is not paid by the due date as shown on the bill, the gross rate shall apply.

DATE OF ISSUE February 1, 2017
Month / Date / Year

DATE EFFECTIVE March 6, 2017
Month / Date / Year

ISSUED BY _____
(Signature of Officer)

TITLE President & CEO

BY AUTHORITY OF ORDER OF THE PUBLIC SERVICE COMMISSION

IN CASE NO. 2016-00434 DATED _____

FOR All Territory Served
Community, Town or City

P.S.C. KY. NO. 9

1st Revised SHEET NO. 305

Shelby Energy Cooperative, Inc.
(Name of Utility)

CANCELLING P.S.C. KY. NO. 9

Original SHEET NO. 305

RESIDENTIAL SERVICE – RATE 12

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:

	<u>Year 1</u>	<u>Year 2</u>	<u>Year 3</u>	
Consumer Facility Charge	\$13.06	\$14.03	\$15.00	(I)
Energy Charge per kWh	\$0.08989	\$0.09039	\$0.09088	(I)

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 bill is not paid by the due date as shown on the bill, the gross rate shall apply.

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ISSUED BY President & CEO
(Signature of Officer)

TITLE _____

BY AUTHORITY OF ORDER OF THE PUBLIC SERVICE COMMISSION
IN CASE NO. 2016-00434 DATED _____

FOR All Territory Served
Community, Town or City

P.S.C. KY. NO. 9

1st Revised SHEET NO. 306

Shelby Energy Cooperative, Inc.
(Name of Utility)

CANCELLING P.S.C. KY. NO. 9

Original SHEET NO. 306

PREPAY SERVICE – RATE 15

STANDARD RIDER:

Shelby Energy Cooperative’s Prepay Service (“Prepay”) is an optional rider to Rate 12 – Residential Service as defined by the Cooperative.

AVAILABILITY:

All Rate 12 - Residential services, excluding accounts on Levelized/Fixed Budget, Automatic Draft, Net Metering and three-phase accounts within the territory served by Shelby Energy Cooperative.

MONTHLY RATE:

	<u>Year 1</u>	<u>Year 2</u>	<u>Year 3</u>
Consumer Facility Charge:	\$13.05 (\$0.435 per day)	\$14.04 (\$0.468 per day)	\$15.00 (\$0.500 per day) (I)
Energy Charge per kWh:	\$0.08989	\$0.09039	\$0.09088 (I)
Prepay Service Fee:	\$3.00 (\$0.10 per day)	\$3.00 (\$0.10 per day)	\$3.00 (\$0.10 per day)

TERMS & CONDITIONS:

Members who qualify as defined above in “Availability” may choose to voluntarily enroll their electric account(s) in the Prepay service and are subject to the following:

1. Each member electing Prepay service will be subject to all other applicable rules and regulations which apply to members using the residential tariff, without the Prepay rider.
2. Members should have internet access or the ability to receive electronic communications, including texting services to participate in the voluntary Prepay service.
3. Any member choosing to enroll in Prepay service shall sign a *Prepay Service Agreement* (“Agreement”). The Agreement shall remain in effect until the member notifies Shelby Energy, in writing, to cancel the Agreement.
4. Upon written cancellation of the Agreement, the member shall be subject to the conditions of the applicable tariff, without the Prepay rider. In accordance with Shelby Energy’s current Rules and Regulations, this may require a security deposit to be paid by the member at the time of cancellation of the Prepay service.

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TITLE President & CEO

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FOR All Territory Served
Community, Town or City

P.S.C. KY. NO. 9

1st Revised SHEET NO. 310

CANCELLING P.S.C. KY. NO. 9

Original SHEET NO. 310

Shelby Energy Cooperative, Inc.
(Name of Utility)

LARGE INDUSTRIAL RATE – SCHEDULE B1

AVAILABILITY:

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.

MONTHLY RATE:

	<u>Year 1</u>	<u>Year 2</u>	<u>Year 3</u>	
Consumer Facility Charge	\$614.28	\$614.28	\$614.28	(T)
Demand Charge per KW of Contract Demand	\$ 6.51	\$ 6.84	\$ 7.17	(I)
Demand Charge per KW for Billing Demand in Excess of Contract Demand	\$ 9.31	\$ 9.65	\$ 9.98	(I)
Energy Charge per kWh	\$0.05232	\$0.05231	\$0.05230	(I)

BILLING DEMAND:

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 of each month and adjusted for power factor as provided herein:

<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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(Signature of Officer)

TITLE President & CEO

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FOR All Territory Served
Community, Town or City

P.S.C. KY. NO. 9

1st Revised SHEET NO. 311

CANCELLING P.S.C. KY. NO. 9

Original SHEET NO. 311

Shelby Energy Cooperative, Inc.
(Name of Utility)

LARGE INDUSTRIAL RATE – SCHEDULE B2

AVAILABILITY:

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.

MONTHLY RATE:

	<u>Year 1</u>	<u>Year 2</u>	<u>Year 3</u>	
Consumer Facility Charge	\$1,227.41	\$1,227.41	\$1,227.41	(T)
Demand Charge per KW of Contract Demand	\$6.77	\$6.97	\$7.17	(I)
Demand Charge per KW for Billing Demand in Excess of Contract Demand	\$9.58	\$9.78	\$9.98	(I)
Energy Charge per.kWh	\$0.04625	\$0.04612	\$0.04600	(I)

BILLING DEMAND:

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 of each month and adjusted for power factor as provided herein:

<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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FOR All Territory Served
Community, Town or City

P.S.C. KY. NO. 9

~~Original~~ 1st Revised SHEET NO. 300

CANCELLING P.S.C. KY. NO. 5 9

~~9th Revised~~ Original SHEET NO. 5 300

Shelby Energy Cooperative, Inc.
(Name of Utility)

LARGE POWER SERVICE – RATE 2

AVAILABILITY:

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.

TYPES OF SERVICE:

Three Phase, 60 Hertz, available at Seller's standard voltage.

MONTHLY RATE:

Consumer Charge per Month	\$	52.18
Demand Charge per kW of billing demand	\$	5.17
Energy Charge per kWh for all kWh	\$	0.06435

	<u>Year 1</u>	<u>Year 2</u>	<u>Year 3</u>	
Consumer Facility Charge per Month	\$58.06	\$64.12	\$70.00	(I) (T)
Demand Charge per kW of billing demand	\$5.46	\$5.76	\$6.05	(I)
Energy Charge per kWh for all kWh	\$.06419	\$.06402	\$.06385	(I)

DETERMINATION OF BILLING DEMAND:

The billing demand shall be the maximum kilowatt demand established by the consumer for any period of fifteen (15) consecutive minutes during the month for which the bill is rendered, as indicated or recorded by a demand meter and adjusted for power factor as provided below.

DATE OF ISSUE February 1, 2017
Month / Date / Year

DATE EFFECTIVE March 6, 2017
Month / Date / Year

ISSUED BY _____
(Signature of Officer)

TITLE President and CEO

BY AUTHORITY OF ORDER OF THE PUBLIC SERVICE COMMISSION
IN CASE NO. 2016-00434 DATED _____

FOR All Territory Served
Community, Town or City

P.S.C. KY. NO. 9

~~Original~~ 1st Revised SHEET NO. 301

Shelby Energy Cooperative, Inc.
(Name of Utility)

CANCELLING P.S.C. KY. NO. 5 9

~~10th Revised~~ Original SHEET NO. 9 301

OUTDOOR AND STREET LIGHTING – RATE 3

AVAILABILITY

Available to all consumers of the Cooperative, subject to the Rules and Regulations.

TYPES OF SERVICE:

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.

RATES:

Type of Fixtures:

- A. ~~HPS (High Pressure Sodium) 100 Watt Security Light \$ 9.43~~
- B. ~~HPS (High Pressure Sodium) 100 Watt Decorative Colonial Light \$ 12.68~~
- C. ~~HPS (High Pressure Sodium) 400 Watt Directional Flood and Security and Street Light \$ 19.19~~
- D. ~~HPS (High Pressure Sodium) 250 Watt Directional Flood and Security and Street Light \$ 13.88~~
- E. ~~HPS (High Pressure Sodium) 150 Watt Decorative Acorn Light \$ 15.15~~

		<u>Year 1</u>	<u>Year 2</u>	<u>Year 3</u>	
A.	HPS (High Pressure Sodium) 100 Watt - Outdoor Light	\$9.86	\$10.03	\$10.17	(I)(T)
B.	HPS (High Pressure Sodium) 100 Watt - Decorative Colonial Light	\$13.29	\$13.49	\$13.69	(I)(T)
C.	HPS (High Pressure Sodium) 400 - Watt Directional Flood Light	\$20.11	\$20.42	\$20.73	(I)(T)
D.	HPS (High Pressure Sodium) 250 - Watt Directional Flood Light	\$14.55	\$14.77	\$14.99	(I)(T)
E.	HPS (High Pressure Sodium) 150 - Watt Decorative Acorn Light	\$15.88	\$16.12	\$16.36	(I)(T)

DATE OF ISSUE February 1, 2017
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ISSUED BY _____
(Signature of Officer)

TITLE President & CEO

BY AUTHORITY OF ORDER OF THE PUBLIC SERVICE COMMISSION
IN CASE NO. 2016-00434 DATED _____

FOR All Territory Served
Community, Town or City

P.S.C. KY. NO. 9

~~Original~~ 1st Revised SHEET NO. 322

Shelby Energy Cooperative, Inc.
(Name of Utility)

CANCELLING P.S.C. KY. NO. 9

~~Original~~ SHEET NO. 322

LED Outdoor Lighting Facilities – RATE 3L

AVAILABILITY

Available to all consumers of the Cooperative, subject to the Rules and Regulations.

TYPES OF SERVICE:

Cooperative will furnish, install, and maintain at no extra expense to the consumer, a light-emitting diode (LED) lighting unit, in accordance with the rate schedule and conditions of service below. The lighting unit shall be controlled by a photocell to energize the unit from dusk to dawn.

RATES PER MONTH:

<u>TYPE</u>	<u>LUMENS</u>	<u>RATE</u>
Standard	Approximate Lumens 4,800-6,800	\$10.02
Decorative Colonial	Approximate Lumens 4,800-6,800	\$12.46
Cobra Head	Approximate Lumens 7,200-10,000	\$13.63
Directional Flood Light	Approximate Lumens 15,000-18,000	\$18.64

		<u>Year 1</u>	<u>Year 2</u>	<u>Year 3</u>	
Standard	Approximate Lumens 4,800-6,800	\$10.50	\$10.66	\$10.82	(1)
Decorative Colonial	Approximate Lumens 4,800-6,800	\$13.06	\$13.26	\$13.46	(1)
Cobra Head	Approximate Lumens 7,200-10,000	\$14.28	\$14.50	\$14.72	(1)
Directional Flood Light	Approximate Lumens 15,000-18,000	\$19.53	\$19.83	\$20.13	(1)

Service for the above units shall be unmetered and billed on the consumer's monthly bill for other electrical service furnished by the Cooperative, at a rate in accordance with the above rate schedule.

*All new lights will be LED. High Pressure Sodium lights will be phased out upon failure and replaced with LED.

DATE OF ISSUE February 1, 2017
Month / Date / Year

DATE EFFECTIVE March 6, 2017
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ISSUED BY _____
(Signature of Officer)

TITLE President & CEO

BY AUTHORITY OF ORDER OF THE PUBLIC SERVICE COMMISSION

IN CASE NO. 2016-00434 DATED _____

FOR All Territory Served
Community, Town or City

P.S.C. KY. NO. 9

~~Original~~ 1st Revised SHEET NO. 303

Shelby Energy Cooperative, Inc.
(Name of Utility)

CANCELLING P.S.C. KY. NO. 5 9

~~11th Revised~~ Original SHEET NO. ~~45~~ 303

OFF PEAK RETAIL MARKETING RATE (ETS)
OFF-PEAK RETAIL MARKETING (ETS) - RATE 9

(T)

AVAILABILITY OF SERVICE:

The special marketing rate is made as an attachment to Rate GS-11 & 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.

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-11 & 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.

<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.

Rates

The energy rate for this program is as listed below:

All kWh _____ 0.06118 per kWh

All kWh	<u>Year 1</u>	<u>Year 2</u>	<u>Year 3</u>	
	\$0.06216	\$0.06248	\$0.06281	(I)

DATE OF ISSUE February 1, 2017
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DATE EFFECTIVE March 6, 2017
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(Signature of Officer)

TITLE President & CEO

BY AUTHORITY OF ORDER OF THE PUBLIC SERVICE COMMISSION
IN CASE NO. 2016-00434 DATED _____

FOR All Territory Served
Community, Town or City

P.S.C. KY. NO. 9

~~Original~~ 1st Revised SHEET NO. 304

Shelby Energy Cooperative, Inc.
(Name of Utility)

CANCELLING P.S.C. KY. NO. 5 9

~~2nd Revised~~ Original SHEET NO. 103 304

GENERAL SERVICE – RATE 11

AVAILABILITY:

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.

TYPE OF SERVICE:

Single phase and three phase, 60 Hertz, at available secondary voltage.

MONTHLY RATE:

Consumer Facility Charge:	
Single Phase Service	_____ \$13.03
Three Phase Service	_____ \$33.88
Energy Charge per kWh	_____ \$0.09020

Consumer Facility Charge:	<u>Year 1</u>	<u>Year 2</u>	<u>Year 3</u>	
Single Phase Service	\$16.01	\$17.01	\$18.00	(I)
Three Phase Service	\$37.55	\$38.78	\$40.00	(I)
Energy Charge per kWh	\$0.09193	\$0.09250	\$0.09308	(I)

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 bill is not paid by the due date as shown on the bill, the gross rate shall apply.

DATE OF ISSUE February 1, 2017
Month / Date / Year

DATE EFFECTIVE March 6, 2017
Month / Date / Year

ISSUED BY _____
(Signature of Officer)

TITLE President & CEO

BY AUTHORITY OF ORDER OF THE PUBLIC SERVICE COMMISSION
IN CASE NO. 2016-00434 DATED _____

FOR All Territory Served
Community, Town or City

P.S.C. KY. NO. 9

~~Original~~ 1st Revised SHEET NO. 305

Shelby Energy Cooperative, Inc.
(Name of Utility)

CANCELLING P.S.C. KY. NO. 9

~~2nd Revised~~ Original SHEET NO. 405 305

RESIDENTIAL SERVICE – RATE 12

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
Energy Charge per kWh	\$	0.08861

	<u>Year 1</u>	<u>Year 2</u>	<u>Year 3</u>	
Consumer Facility Charge	\$13.06	\$14.03	\$15.00	(I)
Energy Charge per kWh	\$0.08989	\$0.09039	\$0.09088	(I)

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 bill is not paid by the due date as shown on the bill, the gross rate shall apply.

DATE OF ISSUE February 1, 2017
Month / Date / Year

DATE EFFECTIVE March 6, 2017
Month / Date / Year

ISSUED BY President & CEO
(Signature of Officer)

TITLE _____

BY AUTHORITY OF ORDER OF THE PUBLIC SERVICE COMMISSION
IN CASE NO. 2016-00434 DATED _____

FOR All Territory Served
Community, Town or City

P.S.C. KY. NO. 9

~~Original~~ 1st Revised SHEET NO. 306

Shelby Energy Cooperative, Inc.
(Name of Utility)

CANCELLING P.S.C. KY. NO. 5 9

~~Original~~ Original SHEET NO. 132 306

PREPAY SERVICE – RATE 15

STANDARD RIDER:

Shelby Energy Cooperative’s Prepay Service (“Prepay”) is an optional rider to Rate 12 – Residential Service as defined by the Cooperative.

AVAILABILITY:

All Rate 12 - Residential services, excluding accounts on Levelized/Fixed Budget, Automatic Draft, Net Metering and three-phase accounts within the territory served by Shelby Energy Cooperative.

MONTHLY RATE:

Consumer Facility Charge:	\$ 10.14 (\$0.338 per day)	(I)
Energy Charge per kWh:	\$ 0.08861	(I)
Prepay Service Fee:	\$ 3.00 (\$0.10 per day)	

	<u>Year 1</u>	<u>Year 2</u>	<u>Year 3</u>
Consumer Facility Charge:	\$13.05 (\$0.435 per day)	\$14.04 (\$0.468 per day)	\$15.00 (\$0.500 per day)
Energy Charge per kWh:	\$0.08989	\$0.09039	\$0.09088

TERMS & CONDITIONS:

Members who qualify as defined above in “Availability” may choose to voluntarily enroll their electric account(s) in the Prepay service and are subject to the following:

1. Each member electing Prepay service will be subject to all other applicable rules and regulations which apply to members using the residential tariff, without the Prepay rider.
2. Members should have internet access or the ability to receive electronic communications, including texting services to participate in the voluntary Prepay service.
3. Any member choosing to enroll in Prepay service shall sign a *Prepay Service Agreement* (“Agreement”). The Agreement shall remain in effect until the member notifies Shelby Energy, in writing, to cancel the Agreement.
4. Upon written cancellation of the Agreement, the member shall be subject to the conditions of the applicable tariff, without the Prepay rider. In accordance with Shelby Energy’s current Rules and Regulations, this may require a security deposit to be paid by the member at the time of cancellation of the Prepay service.

DATE OF ISSUE February 1, 2017
Month / Date / Year

DATE EFFECTIVE March 6, 2017
Month / Date / Year

ISSUED BY _____
(Signature of Officer)

TITLE President & CEO

BY AUTHORITY OF ORDER OF THE PUBLIC SERVICE COMMISSION
IN CASE NO. 2016-00434 DATED _____

FOR All Territory Served
Community, Town or City

P.S.C. KY. NO. 9

~~Original~~ 1st Revised SHEET NO. 310

Shelby Energy Cooperative, Inc.
(Name of Utility)

CANCELLING P.S.C. KY. NO. 9

~~8th~~ Revised Original SHEET NO. 47 310

LARGE INDUSTRIAL RATE – SCHEDULE B1

AVAILABILITY:

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.

MONTHLY RATE:

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				\$	0.05236	
		<u>Year 1</u>	<u>Year 2</u>	<u>Year 3</u>		
Consumer Facility Charge	\$614.28	\$614.28	\$614.28			(T)
Demand Charge per KW of Contract Demand	\$ 6.51	\$ 6.84	\$ 7.17			(I)
Demand Charge per KW for Billing Demand in						
Excess of Contract Demand	\$ 9.31	\$ 9.65	\$ 9.98			(I)
Energy Charge per kWh	\$0.05232	\$0.05231	\$0.05230			(I)

BILLING DEMAND:

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 of each month and adjusted for power factor as provided herein:

<u>Months</u>	Hours Applicable for <u>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.

DATE OF ISSUE February 1, 2017
Month / Date / Year

DATE EFFECTIVE March 6, 2017
Month / Date / Year

ISSUED BY _____
(Signature of Officer)

TITLE President & CEO

BY AUTHORITY OF ORDER OF THE PUBLIC SERVICE COMMISSION
IN CASE NO. 2016-00434 DATED _____

FOR All Territory Served
Community, Town or City

P.S.C. KY. NO. 9

~~Original~~ 1st Revised SHEET NO. 311

Shelby Energy Cooperative, Inc.
(Name of Utility)

CANCELLING P.S.C. KY. NO. 5 9

~~8th Revised~~ Original SHEET NO. 29 311

LARGE INDUSTRIAL RATE – SCHEDULE B2

AVAILABILITY:

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.

MONTHLY RATE:

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				\$ 0.04662	
		<u>Year 1</u>	<u>Year 2</u>	<u>Year 3</u>	
Consumer Facility Charge	\$1,227.41	\$1,227.41	\$1,227.41		(T)
Demand Charge per KW of Contract Demand	\$6.77	\$6.97	\$7.17		(I)
Demand Charge per KW for Billing Demand in Excess of Contract Demand	\$9.58	\$9.78	\$9.98		(I)
Energy Charge per kWh	\$0.04625	\$0.04612	\$0.04600		(I)

BILLING DEMAND:

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 of each month and adjusted for power factor as provided herein:

<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.

DATE OF ISSUE February 1, 2017
Month / Date / Year

DATE EFFECTIVE March 6, 2017
Month / Date / Year

ISSUED BY _____
(Signature of Officer)

TITLE President & CEO

BY AUTHORITY OF ORDER OF THE PUBLIC SERVICE COMMISSION
IN CASE NO. 2016-00434 DATED _____

Shelby Energy Cooperative, Inc., with its principal office at 620 Old Finchville Road Shelbyville, KY 40065 intends to file with the Kentucky Public Service Commission in Case No. 2016-00434 an application to adjust its retail rates and charges. This adjustment will result in a general rate increase to the member-consumers of Shelby Energy Cooperative, Inc. The proposed effective date of these rates is March 6, 2017 and these rates are to be filed with the Kentucky Public Service Commission on February 1, 2017.

Shelby Energy Cooperative, Inc. is proposing a three (3) step phase-in of this proposed increase. Phase 2 will begin one year after the effective date of Phase 1 and one year later Phase 3 will begin.

Shelby Energy Cooperative, Inc. is proposing to change the description of the monthly charge to Consumer Facility Charge for all rate classes.

The present and proposed rates for each customer classification are provided below:

Rate Class	Rates			
	Present	Proposed Phase 1	Proposed Phase 2	Proposed Phase 3
Residential - Rate 12				
Consumer facility charge	\$10.14	\$13.06	\$14.03	\$15.00
Energy charge per kwh	\$0.08861	\$0.08989	\$0.09039	\$0.09088
Off Peak Marketing Rate (ETS) - Rate 9				
Energy charge per kwh	\$0.06118	\$0.06216	\$0.06248	\$0.06281
Prepay Service - Rate 15				
Consumer facility charge (per day)	\$0.3380	\$0.4350	\$0.4680	\$0.5000
Energy charge per kwh	\$0.08861	\$0.08989	\$0.09039	\$0.09088
Prepay service fee (per day)	\$0.1000	\$0.1000	\$0.1000	\$0.1000
General Service - Rate 11				
Consumer facility charge, single phase	\$13.03	\$16.01	\$17.01	\$18.00
Consumer facility charge, three phase	\$33.88	\$37.55	\$38.78	\$40.00
Energy charge per kwh	\$0.09020	\$0.09193	\$0.09250	\$0.09308
Large Power Service - Rate 2				
Consumer facility charge	\$52.18	\$58.06	\$64.12	\$70.00
Demand charge	\$5.17	\$5.46	\$5.76	\$6.05
Energy charge per kwh	\$0.06435	\$0.06419	\$0.06402	\$0.06385
Large Industrial Rate - Rate B1				
Consumer facility charge	\$614.28	\$614.28	\$614.28	\$614.28
Demand charge, Contract	\$6.18	\$6.51	\$6.84	\$7.17
Demand charge, Excess	\$8.98	\$9.31	\$9.65	\$9.98
Energy charge per kwh	\$0.05236	\$0.05232	\$0.05231	\$0.05230
Large Industrial Rate - Rate B2				
Consumer facility charge	\$1,227.41	\$1,227.41	\$1,227.41	\$1,227.41
Demand charge, Contract	\$6.18	\$6.77	\$6.97	\$7.17
Demand charge, Excess	\$8.98	\$9.58	\$9.78	\$9.98
Energy charge per kwh	\$0.04662	\$0.04625	\$0.04612	\$0.04600
Outdoor and Street Lighting - Rate 3 (HPS)				
100 Watt HPS Security Light	\$9.43	\$9.86	\$10.03	\$10.17
100 Watt Decorative Colonial Light	\$12.68	\$13.29	\$13.49	\$13.69
400 Watt Directional Flood Light	\$19.19	\$20.11	\$20.42	\$20.73
250 Watt Directional Flood Light	\$13.88	\$14.55	\$14.77	\$14.99
150 Watt Decorative Acorn	\$15.15	\$15.88	\$16.12	\$16.36
Outdoor and Street Lighting - Rate 3L (LED)				
Standard	\$10.02	\$10.50	\$10.66	\$10.82
Decorative Colonial	\$12.46	\$13.06	\$13.26	\$13.46
Cobra Head	\$13.63	\$14.28	\$14.50	\$14.72
Directional Flood Light	\$18.64	\$19.53	\$19.83	\$20.13
Envirowatts				
Energy charge per kwh	\$0.02750	\$0.02750	\$0.02750	\$0.02750

The amount of the change requested in dollar amounts and percentage for each customer classification is presented below:

Rate Class	Increase-Phase 1		Increase-Phase 2		Increase-Phase 3	
	Amount	Percent	Amount	Percent	Amount	Percent
Residential - 12	\$674,960	3.6%	\$238,810	1.2%	\$236,859	1.2%
Off Peak Marketing (ETS) - 9	\$248	1.6%	\$81	0.5%	\$84	0.5%
Prepay Service - 15	\$59,887	6.6%	\$11,830	1.2%	\$11,520	1.2%
General Service - 11	\$172,189	5.0%	\$57,443	1.6%	\$57,373	1.6%
Large Power Service - 2	\$40,301	1.0%	\$41,592	1.0%	\$39,924	0.9%
Large Industrial - B1	\$81,175	1.0%	\$85,349	1.0%	\$85,100	1.0%
Large Industrial - B2	\$36,041	1.0%	\$11,915	0.3%	\$12,551	0.3%
Outdoor/Street Light - 3/3L	\$24,833	4.6%	\$9,356	1.7%	\$8,125	1.4%
Envirowatts	\$0	0.0%	\$0	0.0%	\$0	0.0%
Total	\$1,089,635	2.7%	\$456,378	1.1%	\$451,536	1.1%

The amount of the average usage and the effect upon the average bill for each customer classification is provided below:

Rate Class	Average Monthly Usage (kWh)	Increase Phase 1		Increase Phase 2		Increase Phase 3	
		Amount	%	Amount	%	Amount	%
Residential - 12	1,340	\$4.64	3.6%	\$1.64	1.2%	\$1.63	1.2%
Off Peak Marketing (ETS) - 9	379	\$0.37	1.6%	\$0.12	0.5%	\$0.13	0.5%
Prepay Service - 15	1,322	\$8.36	6.6%	\$1.65	1.2%	\$1.61	1.2%
General Service - 11	822	\$4.80	5.0%	\$1.60	1.6%	\$1.60	1.6%
Large Power Service - 2	82,680	\$63.37	1.0%	\$65.40	1.0%	\$62.77	0.9%
Large Industrial - B1	779,196	\$486.08	1.0%	\$511.07	1.0%	\$509.58	1.0%
Large Industrial - B2	5,296,678	\$3,003.43	1.0%	\$992.92	0.3%	\$1,045.88	0.3%
Outdoor/Street Light - 3/3L	48	\$0.48	4.6%	\$0.18	1.7%	\$0.16	1.4%
Envirowatts	100	\$0.00	0.0%	\$0.00	0.0%	\$0.00	0.0%

A person may examine this application at the offices of Shelby Energy Cooperative, Inc. located at 620 Old Finchville Road, Shelbyville, KY, 40065. A person may examine the application at the Commission's office located at 211 Sower Boulevard, Frankfort, KY, Monday through Friday at 8:00 a.m. to 4:30 p.m., or through the Commission's Web site at <http://psc.ky.gov>.

Comments regarding this application may be submitted to the Kentucky Public Service Commission through its Web site or by mail to the Public Service Commission, Post Office Box 615, Frankfort, Kentucky 40602.


The rates contained in this notice are the rates proposed by Shelby Energy Cooperative, Inc. but, the Public Service 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 Public Service Commission, 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.

Case No. 2016-00434



Shelby Energy Cooperative

® A Touchstone Energy Cooperative 

RECEIVED

DEC 14 2016

PUBLIC SERVICE
COMMISSION

December 13, 2016

Ms. Talina Matthews, Executive Director

Kentucky Public Service Commission

211 Sower Boulevard

P.O. Box 615

Frankfort, Kentucky 40602

Dear Ms. Matthews:

This is to advise, in accordance with the Commission's Administrative Regulation 807 KAR 5:001, Section 16(2), that, after 30 days from December 13, 2016, Shelby Energy Cooperative, Inc. intends to file an application for an increase in its retail rates based on a historical test year ending July 31, 2016.

If there are any questions concerning this matter, please contact me at your convenience.

Respectfully submitted,

Debra J. Martin, President & CEO

Copy to:

Attorney General
Utility Intervention and Rate Division
1024 Capital Center Drive
Frankfort, Kentucky 40601

www.shelbyenergy.com

620 Old Finchville Road • Shelbyville, Kentucky 40065-1714

1-800-292-6585 • Shelby Co. (502) 633-4420 • Trimble Co. (502) 255-3001 • Fax: (502) 633-2387

This institution is an equal opportunity provider and employer.

Matthew G. Bevin
Governor

Charles G. Snaveley
Secretary
Energy and Environment Cabinet



Commonwealth of Kentucky
Public Service Commission

211 Sower Blvd.
P.O. Box 615
Frankfort Kentucky 40602-0615
Telephone: (502) 564-3940
Fax: (502) 564-3460
psc.ky.gov

Exhibit E
Page 2 of 3
Witness: Debra Martin

Michael J. Schmitt
Chairman

Robert Cicero
Vice Chairman

Daniel E. Logsdon Jr.
Commissioner

December 14, 2016

PARTIES OF RECORD

RE: Case No. **2016-00434**

Shelby Energy Cooperative, Inc.
(General Rates)

This letter is to acknowledge receipt of notice of intent to file an application in the above case. The notice was date-stamped received December 14, 2016 and has been assigned Case No. 2016-00434. In all future correspondence or filings in connection with this case, please reference the above case number.

All documents submitted to the Commission in this proceeding must comply with the rules of procedure adopted by the Commission found in 807 KAR 5:001. Any deviation from these rules must be submitted in writing to the Commission for consideration as required by 807 KAR 5:001 (22). Additionally, confidential treatment of any material submitted must follow the requirements found in 807 KAR 5:001 (13).

Pursuant to the 2014 revisions to KRS 278.380, beginning on July 16, 2014, the Commission shall use electronic means to deliver orders. Please ensure a proper email address is included for each person to be included on the Commission's official service list.

Materials submitted to the Commission which do not comply with the rules of procedure, or that do not have an approved deviation, are subject to rejection by Commission pursuant to 807 KAR 5:001 (3). In order to insure cases are processed in a timely manner and accurate reliable records are created, please make sure that the rules of procedure are followed. Should you have any questions contact Renee Smith in the Filings Branch at 502-564-3940.

Sincerely,

A handwritten signature in black ink that reads "Talina R. Mathews".

Talina R. Mathews
Executive Director

TM/rs

*Debbie Martin
Shelby Energy Cooperative, Inc.
620 Old Finchville Road
Shelbyville, KY 40065

Exhibit E
Page 3 of 3
Witness: Debra Martin

*Shelby Energy Cooperative, Inc.
620 Old Finchville Road
Shelbyville, KY 40065

SHELBY ENERGY COOPERATIVE, INC.

Board Resolution


**AUTHORIZATION TO THE PRESIDENT & CEO TO FILE FOR A RATE
INCREASE WITH THE KENTUCKY PUBLIC SERVICE COMMISSION**

WHEREAS, to provide its members with a reliable source of power it is the opinion of the Board of Directors of Shelby Energy Cooperative, Inc. that a rate increase is necessary to maintain Shelby Energy Cooperative, Inc. in a sound financial condition, and

WHEREAS, the Board of Directors of Shelby Energy Cooperative, Inc. hereby authorizes and directs its' President & CEO, Debra J. Martin, to file with the Kentucky Public Service Commission for a rate increase.

NOW, THEREFORE BE IT RESOLVED, that this resolution was properly authorized by the Board of Directors during a monthly Board of Directors meeting held on December 16, 2016.

I, Roger Taylor Secretary/Treasurer of the Shelby Energy Cooperative, Inc. hereby certify that the foregoing is a full, true, and correct copy of the Resolution duly passed by the Board of Directors of Shelby Energy Cooperative, Inc. at a meeting duly called and held in compliance with the By-Laws of the Cooperative on the 16th day of December, 2016, at which meeting a quorum was present, and that the Resolution as set out above appears in the minutes of that meeting in the Minutes Book of the Cooperative dated this 16th day of December, 2016.



ROGER TAYLOR, SECRETARY/TREASURER

Shelby Energy Cooperative, Inc.
 Case No. 2016-00434
 Revenue Analysis
 July 31, 2016

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Rate Schedule	Kwh Usage	Test Year Revenue	Percent of Total	Normalized Case No. 2010-00509	Percent of Total	Proposed Revenue	Percent of Total	Increase					
								Phase 1		Phase 2		Phase 3	
								Amount	Percent	Amount	Percent	Amount	Percent
Rate 12, Residential Service	195,123,986	\$18,776,920	47%	\$18,776,920	47%	\$19,451,880	47%	\$674,960	3.6%	\$238,810	1.3%	\$236,859	1.3%
Rate 9, Off Peak Marketing Rate (ETS)	253,124	15,486	0%	15,486	0%	15,734	0%	248	1.6%	81	0.5%	84	0.5%
Rate 15, Prepay Service	9,471,107	906,485	2%	906,485	2%	966,372	2%	59,887	6.6%	11,830	1.3%	11,520	1.3%
Rate 11, General Service	31,793,552	3,429,381	9%	3,429,381	9%	3,601,570	9%	172,189	5.0%	57,443	1.7%	57,373	1.7%
Rate 2, Large Power	52,584,285	4,178,722	10%	4,178,722	10%	4,219,024	10%	40,301	1.0%	41,592	1.0%	39,924	1.0%
Rate B1, Large Industrial Rate	126,170,360	8,511,553	21%	8,511,553	21%	8,592,728	21%	81,175	1.0%	85,349	1.0%	85,100	1.0%
Rate B2, Large Industrial Rate	63,560,133	3,610,886	9%	3,610,886	9%	3,646,927	9%	36,041	1.0%	11,915	0.3%	12,551	0.3%
Rate 5, Outdoor and Street Lighting	2,450,356	536,355	1%	536,355	1%	561,188	1%	24,833	4.6%	9,356	1.7%	8,125	1.5%
Envirowatts	131,500	3,715	0%	3,715	0%	3,715	0%	0	0.0%	0	0.0%	0	0.0%
Rounding differences						0		0		0		0	
Total from base rates	<u>481,538,403</u>	<u>39,969,502</u>	100%	<u>\$39,969,502</u>	100%	<u>\$41,059,137</u>	100%	<u>\$1,089,635</u>	2.7%	<u>\$456,378</u>	1.1%	<u>\$451,536</u>	1.1%
Fuel adjustment billed		(2,016,170)											
Environmental surcharge billed		<u>4,779,689</u>											
Revenue per General Ledger		<u>\$42,733,022</u>											
			Increase	<u>(\$0)</u>		<u>\$1,089,635</u>							
				0.00%		2.73%							

**SHELBY ENERGY COOPERATIVE, INC.
CASE NO. 2016-00434**

DIRECT TESTIMONY OF DEBRA J. MARTIN

Q1. State your name, job title, and business address.

A1. I am Debra J. Martin, President and CEO of Shelby Energy Cooperative, Inc., ("Shelby"), 620 Old Finchville Road, Shelbyville, KY 40065-1714.

Q2. How long have you been employed by Shelby?

A2. I have been employed by Shelby since 1989, as President and CEO, since January, 2007, a period of approximately ten years.

Q3. What was your employment experience prior to working for Shelby?

A3. I worked in the banking industry for approximately fifteen years prior to employment with Shelby.

Q4. What is your educational background?

A4. I have a Bachelor of Science in Business Administration from McKendree College.

Q5. What is the main reason behind Shelby's request for an increase in rates?

A5. The primary reason for the request for an increase in rates is to continue to provide the necessary funds to properly maintain and operate the distribution system and provide safe and reliable service to our member-owners. Since our last rate adjustment approved by this Commission in the middle of 2010, costs

have risen and load growth has been small and erratic during the intervening years. The cooperative must also maintain financial stability and integrity in order to meet its loan covenants and requirements with the Rural Utilities Service ("RUS") and the National Rural Utilities Cooperative Finance Corporation ("CFC").

Q6. You attributed the increase in expenses as the primary reason for this requested increase and a lack of load growth as a secondary reason. Please explain to us what expenses have increased and why, and the main reasons for a lack of load growth?

A6. Some of the primary increases in costs have occurred in our vegetation management program, general labor costs, construction materials, system maintenance costs, property taxes, and depreciation. Cost drivers to most of these are driven primarily by year-to-year inflationary increases over the past seven years. Depreciation cost increases are due to growth in plant value as we have constructed new plant or replaced existing plant. Load growth has been low and inconsistent due to weather variation, increases in energy efficiency by members, and slow economic growth.

Q7. What were Shelby's Times Interest Earned Ratio ("TIER") and Operating Times Interest Earned Ratio ("OTIER") for the test year in this Application.

A7. Shelby's TIER and OTIER for the test year were 1.94 and 0.66 respectively. For the adjusted test year, these ratios were 0.59 for TIER and 0.53 for OTIER, Shelby is asking for a TIER of 1.88 in this Application and an OTIER of 1.83.

This would be the request if Shelby was asking the complete increase was granted at one time. Shelby is asking for a phase in of the requested increase in three increments.

Q8. Why is Shelby seeking to phase in this requested increase?

A8. A phase in of the proposed rate increase will lessen the burden on the member-consumers served by Shelby.

Q9. What steps has Shelby taken in regards to its current financial situation?

A9. First and foremost, Shelby's management and Board of Directors are always focused on cost containment and improving efficiency and service. All program activities are scrutinized for a positive benefit and whether they remain pertinent to providing the member-owners with value. We are focused on continual improvement in our operations while eliminating or reducing costs, where possible. The majority of Shelby's costs are fixed and are primarily a function of distribution system investment that gives us very little latitude in reacting to decreases in sales and the resulting margins used for operations. In the past years, Shelby has pared back its right-of-way trimming to maintain margins and try to meet long-term financial requirements of lenders. This has been done for several previous years, recognizing that this was only a temporary stop-gap measure. Prior to the test year in this Application, Shelby had to increase its right-of-way maintenance expense in order to maintain reliable service to its members. As a result, Shelby has developed a comprehensive vegetation management plan that was recently implemented. The adjustment in the

Application for a large reduction in right-of-way maintenance reflects the way Shelby anticipates the future for right-of-way maintenance expenses to trend as trimming is performed on a consistent rotation plan.

Q10. What has Shelby done to lower or control costs?

A10. Shelby has refinanced existing RUS loans twice since our last rate case to lower the long-term interest expense. In addition, Shelby has utilized short-term maturities and associated lower variable interest rates for advances on the more recent construction work plan loans.

Shelby participated in the opportunity of a prepay option to fund obligations for the Retirement and Security ("R&S") defined benefit plan with the National Rural Electric Cooperative Association ("NRECA"). The prepay option provided a reduction in the billing rates and savings on future funding of the plan.

Shelby continues to be a member of the Kentucky Rural Electric Cooperative ("KREC") self-funded medical insurance group which has controlled the cost of medical insurance premiums for several years.

Q11. Does this conclude your testimony?

A11. Yes, it does.

Affiant, Debra J. Martin, states that the answers given by her in the foregoing questions are true and correct to the best of her knowledge and belief.

Debra J. Martin

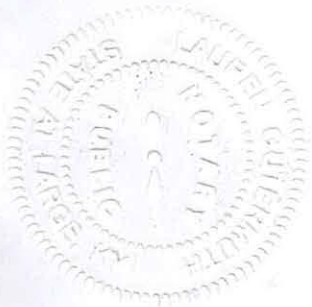
Debra J. Martin

Subscribed and sworn to before me by the affiant, Debra J. Martin, this 31st of January, 2017

Lauren Guterma

Notary Public, Kentucky State at Large

My Commission Expires June 24, 2020



**SHELBY ENERGY COOPERATIVE, INC.
APPLICATION FOR AN INCREASE IN ELECTRIC UTILITY RATES
CASE NO. 2016-00434**

DIRECT TESTIMONY OF JAMES R. ADKINS

Q1. State your name and business address.

A1. My name is James R. Adkins and my address is 2189 Roswell Dr., Lexington, KY 40513.

Q2. What is your past experience in cost of service studies and rate design for electric utilities?

A2. I have been dealing with electric utility cost of service studies, rate design, revenue requirements and many different types of projects in the accounting and financial aspects of an electric utility for over thirty-five years.

Q3. What is your experience in the electric utility industry?

A3. I spent twenty-five years as the rate/pricing manager for East Kentucky Power Cooperative ("EKPC"). For the last fifteen years, I have provided similar consulting services to electric cooperatives.

Q4. Have you ever appeared as a witness before this Commission?

A4. I have appeared as a witness before this Commission many times for East Kentucky Power Cooperative and for all the distribution cooperatives of EKPC and for two of the distribution cooperatives of Big Rivers Electric Corporation.

Q5. What is your education background?

A5. I have a Bachelor of Science Degree in Finance and a Master's Degree in Accounting. Both of my degrees are from the University of Kentucky.

Q6. What has been your role in the preparation of this Application?

A6. My role in this application has been to aid and support to Shelby Energy Cooperative, Inc. ("Shelby Energy") in the development of revenue requirements including the preparation of the test year adjustments, the determination of margin levels, the completion of the cost of service study, and the rate design proposed in this Application.

Q7. What is the basis for the proposed rates and increase amounts for each rate class in this Application?

A7. Guidance on the proposed rate design has been provided by the senior management and the board of directors of Shelby Energy. The general guidance in the proposed rates and increase amounts were the following ones:

- Use the results of the Cost of Service Study (“COSS”) as a general guide in the development of the proposed rates and in the determination of the increase amounts for each rate class;
- Determine the increase amounts for each rate class matching the results of the COSS as much as possible;
- Increase the customer charge for all rate classes to better reflect the customer related costs for each rate class; and
- The increase amount for the residential rate class is to be kept at a reasonable amount.
- The increase is to be phased in over three periods with a one year period between the phases. The first phase has a target for approximately sixty percent of the increase with phase two and phase three have a target amount of increase of twenty percent each.

Q8. The results of the COSS indicate that only a few rate classes are providing revenue that exceeds the costs to serve and many rate classes are providing revenues less than the costs to serve. Why are those rate classes with revenues more than the cost to service receiving an increase in their proposed rates?

A8. These classes are receiving some type of increased in the proposed rates primarily to keep the proposed increase for the residential rate class to the stated goal. See the table provided below which indicates the percentage the total increase proposed for each rate class.

PROPOSED INCREASE AMOUNT BY RATE CLASS					
	Phase 1	Phase 2	Phase 3	Total	Percent of Total
Rate 12 - Residential	674,960	238,810	236,859	1,150,629	57.6%
Rate 9 - Off-peak Mktg	248	81	84	413	0.0%
Rate 15- Prepay	59,887	11,830	11,520	83,237	4.2%
Rate 11 - General Serv	172,189	57,443	57,373	287,005	14.4%
Rate 2 - Large Power	40,301	41,592	39,924	121,817	6.1%
Rate B1 - Large Indust	81,175	85,349	85,100	251,624	12.6%
Rate B2 - Large Indust	36,041	11,915	12,551	60,507	3.0%
Rate 3/3:L Lighting	24,833	9,356	8,125	42,314	2.1%
Envirowatts		-	0	-	
TOTAL	1,089,634	456,376	451,536	1,997,546	100%

Q9. What are the major proposals in rate design that are being proffered in this application?

A9. It is very apparent that over fifty percent of the requested increase is going to Rate 12 – Residential Service. A large amount of the proposed increase is being placed on the customer charge. Additionally, Shelby Energy is attempting to bring the demand rates for Rates B1 and B2 in line with the wholesale demand rates since these two rate classes are on special wholesale rates.

Q10. What is the purpose for placing most of the proposed increase on the customer charge?

A10. The rationale for placing most of the requested increase on the customer charge is the following one.

- It better matches the customer/member related costs with the member cost to serve charge rate but it is still very significantly less than full cost recovery of the customer, related costs.
- With energy conservation and energy efficiency being promoted by all facets of society, increasing the customer charge raises the revenue floor for Shelby Energy and better insures that members pay a larger amount toward their total customer related costs.
- It lessens somewhat but does not eliminate the revenue volatility for Shelby Energy. that it now experiences especially during extreme weather seasons summer and winter.
- And, it is the better approach to take for the future rate and revenue stability of the Cooperative.

Q11. Do the proposed rates and increase meet the needs of Shelby Energy?

A11. It meets the immediate needs of Shelby Energy based on the guidance laid out by the senior management of the Cooperative and it has been approved by its Board of Directors.

Q12. Are you responsible for the Cost of Service Study ("COSS")?

A12. I am responsible for the COSS. The COSS is used in two primary ways in this Application. One, it is used to assist in the determination of the amount of proposed increase for each rate class and the proposed rate design. The COSS is comprised of three (3) major components: functionalization of costs with functions being based on type of plant, classification of costs into a demand, energy on consumer component, and the allocation of costs to each rate class. The results of the COSS do indicate that some rate classes are providing revenue greater than the cost to serve while others are providing revenue less than the cost to serve.

Q13. Why is Shelby Energy not proposing a larger increase amount that would result in a TIER of 2.0X?

A13. Shelby Energy is not seeking a larger increase amount for a couple of reasons. One, its Board of Directors did not wish to propose an increase amount greater than \$2,000,000. Two, a phase-in approach over three periods has been proposed so that the impact upon its members is not completely felt at one time.

Q14. Does this conclude your testimony?

A14. Yes, this concludes my testimony.

Affiant, James R. Adkins, states that the answers given by him in the foregoing questions are true and correct to the best of his knowledge and belief.

James R. Adkins
James R. Adkins

Subscribed and sworn to before me by the affiant, James R. Adkins, this 29th
of December, 2016

Lauren Gutermuth

Notary Public, Kentucky State at Large

My Commission Expires June 24, 2020



Shelby Energy Cooperative, Inc.
Case No. 2016-00434
Average Bill for Residential Rate Class
Schedule I - Farm and Home

	<u>Present</u>	<u>Proposed</u>	<u>Proposed</u>	<u>Proposed</u>
Consumer facility charge	\$10.14	\$13.06	\$14.03	\$15.00
Energy charge	\$0.08861	\$0.08989	\$0.09039	\$0.09088

<u>kwh Useage</u>	<u>Present</u> <u>Rate</u>	<u>Phase 1</u>				<u>Phase 2</u>			<u>Phase 3</u>		
		<u>Proposed</u> <u>Rate</u>	<u>Increase</u> <u>Amount</u>	<u>Percent</u>	<u>Proposed</u> <u>Rate</u>	<u>Increase</u> <u>Amount</u>	<u>Percent</u>	<u>Proposed</u> <u>Rate</u>	<u>Increase</u> <u>Amount</u>	<u>Percent</u>	
0	\$10.14	\$13.06	\$2.92	28.8%	\$14.03	\$0.97	7.4%	\$15.00	\$0.97	6.9%	
100	19.00	22.05	3.05	16.0%	\$23.07	\$1.02	4.6%	\$24.09	\$1.02	4.4%	
200	27.86	31.04	3.18	11.4%	\$32.11	\$1.07	3.4%	\$33.18	\$1.07	3.3%	
300	36.72	40.03	3.30	9.0%	\$41.15	\$1.12	2.8%	\$42.26	\$1.12	2.7%	
400	45.58	49.02	3.43	7.5%	\$50.19	\$1.17	2.4%	\$51.35	\$1.17	2.3%	
500	54.45	58.01	3.56	6.5%	\$59.23	\$1.22	2.1%	\$60.44	\$1.22	2.1%	
600	63.31	66.99	3.69	5.8%	\$68.26	\$1.27	1.9%	\$69.53	\$1.26	1.9%	
700	72.17	75.98	3.82	5.3%	\$77.30	\$1.32	1.7%	\$78.62	\$1.31	1.7%	
800	81.03	84.97	3.94	4.9%	\$86.34	\$1.37	1.6%	\$87.70	\$1.36	1.6%	
900	89.89	93.96	4.07	4.5%	\$95.38	\$1.42	1.5%	\$96.79	\$1.41	1.5%	
1,000	98.75	102.95	4.20	4.3%	\$104.42	\$1.47	1.4%	\$105.88	\$1.46	1.4%	
1,100	107.61	111.94	4.33	4.0%	\$113.46	\$1.52	1.4%	\$114.97	\$1.51	1.3%	
1,200	116.47	120.93	4.46	3.8%	\$122.50	\$1.57	1.3%	\$124.06	\$1.56	1.3%	
1,300	125.33	129.92	4.58	3.7%	\$131.54	\$1.62	1.2%	\$133.14	\$1.61	1.2%	
1,400	134.19	138.91	4.71	3.5%	\$140.58	\$1.67	1.2%	\$142.23	\$1.66	1.2%	
1,500	143.06	147.90	4.84	3.4%	\$149.62	\$1.72	1.2%	\$151.32	\$1.70	1.1%	
1,600	151.92	156.88	4.97	3.3%	\$158.65	\$1.77	1.1%	\$160.41	\$1.75	1.1%	
1,700	160.78	165.87	5.10	3.2%	\$167.69	\$1.82	1.1%	\$169.50	\$1.80	1.1%	
1,800	169.64	174.86	5.22	3.1%	\$176.73	\$1.87	1.1%	\$178.58	\$1.85	1.0%	
1,900	178.50	183.85	5.35	3.0%	\$185.77	\$1.92	1.0%	\$187.67	\$1.90	1.0%	
2,000	187.36	192.84	5.48	2.9%	\$194.81	\$1.97	1.0%	\$196.76	\$1.95	1.0%	
2,100	196.22	201.83	5.61	2.9%	\$203.85	\$2.02	1.0%	\$205.85	\$2.00	1.0%	
2,200	205.08	210.82	5.74	2.8%	\$212.89	\$2.07	1.0%	\$214.94	\$2.05	1.0%	
2,300	213.94	219.81	5.86	2.7%	\$221.93	\$2.12	1.0%	\$224.02	\$2.10	0.9%	
2,400	222.80	228.80	5.99	2.7%	\$230.97	\$2.17	0.9%	\$233.11	\$2.15	0.9%	
2,500	231.67	237.79	6.12	2.6%	\$240.01	\$2.22	0.9%	\$242.20	\$2.20	0.9%	
2,600	240.53	246.77	6.25	2.6%	\$249.04	\$2.27	0.9%	\$251.29	\$2.24	0.9%	
The average monthly useage											
1,340	128.88	133.51	4.64	3.6%	\$135.15	\$1.64	1.2%	\$136.78	\$1.63	1.2%	

Shelby Energy Cooperative, Inc.
Case No. 2016-00434
Revenue Analysis
July 31, 2016

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Rate Schedule	Kwh Usage	Test Year Revenue	Percent of Total	Normalized Case No. 2016-00434	Percent of Total	Proposed Revenue	Percent of Total	Phase 1		Increase Phase 2		Phase 3	
								Amount	Percent	Amount	Percent	Amount	Percent
Rate 12, Residential Service	195,123,986	\$18,776,920	47%	\$18,776,920	47%	\$19,451,880	47%	\$674,960	3.6%	\$238,810	1.3%	\$236,859	1.3%
Rate 9, Off Peak Marketing Rate (ETS)	253,124	15,486	0%	15,486	0%	15,734	0%	248	1.6%	81	0.5%	84	0.5%
Rate 15, Prepay Service	9,471,107	906,485	2%	906,485	2%	966,372	2%	59,887	6.6%	11,830	1.3%	11,520	1.3%
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Rate B1, Large Industrial Rate	126,170,360	8,511,553	21%	8,511,553	21%	8,592,728	21%	81,175	1.0%	85,349	1.0%	85,100	1.0%
Rate B2, Large Industrial Rate	63,560,133	3,610,886	9%	3,610,886	9%	3,646,927	9%	36,041	1.0%	11,915	0.3%	12,551	0.3%
Rate 3/3L, Outdoor & Street Lighting	2,450,356	536,355	1%	536,355	1%	561,188	1%	24,833	4.6%	9,356	1.7%	8,125	1.5%
Envirowatts	131,500	3,715	0%	3,715	0%	3,715	0%	0	0.0%	0	0.0%	0	0.0%
Rounding differences						0		0		0		0	
Total from base rates	481,538,403	39,969,502	100%	\$39,969,502	100%	\$41,059,137	100%	\$1,089,635	2.7%	\$456,378	1.1%	\$451,536	1.1%
Fuel adjustment billed		(2,016,170)											
Environmental surcharge billed		4,779,689											
Revenue per General Ledger		\$42,733,022											
			Increase	(\$0)		\$1,089,635							
				0.00%		2.73%							

Residential Service - Rate 12

Description	Billing Determinants	Test Year Revenues	Normalized 2016-00434		Phase 1 Proposed		Phase 2 Proposed		Phase 3 Proposed	
			Rates	Revenues	Rates	Revenues	Rates	Revenues	Rates	Revenues
Consumer Facility Charge	145,617	\$1,476,556	\$10.14	\$1,476,556	\$13.06	\$1,901,758	\$14.03	\$2,043,007	\$15.00	\$2,184,255
Energy charge per kWh	195,123,986	17,289,936	\$0.08861	17,289,936	\$0.08989	17,539,695	\$0.09039	17,637,257	\$0.09088	17,732,868
Difference to partials		<u>10,427</u>		<u>10,427</u>		<u>10,427</u>		<u>10,427</u>		<u>10,427</u>
Total from base rates		18,776,920		<u>\$18,776,920</u>		<u>\$19,451,880</u>		<u>\$19,690,691</u>		<u>\$19,927,550</u>
Fuel adjustment		(817,558)								
Environmental surcharge		<u>2,328,108</u>								
Total revenues		<u>\$20,287,470</u>								
Amount				\$0		\$674,960		\$238,810		\$236,859
Percent				0.0%		3.6%		1.2%		1.2%
Average monthly bill	1,340	\$128.95		\$128.95		\$133.58		\$135.22		\$136.85
Amount				\$0.00		\$4.64		\$1.64		\$1.63
Percent				0.0%		3.6%		1.2%		1.2%

Off-Peak Retail Marketing Rate (ETS)

Description	Billing Determinants	Test Year Revenues	Normalized 2016-00434		Phase 1 Proposed		Phase 2 Proposed		Phase 3 Proposed	
			Rates	Revenues	Rates	Revenues	Rates	Revenues	Rates	Revenues
Consumer Facility Charge	667									
Energy charge per kWh	253,124	15,486	\$0.06118	15,486	\$0.06216	15,734	\$0.06248	15,815	\$0.06281	15,899
Total from base rates		15,486		<u>\$15,486</u>		<u>\$15,734</u>		<u>\$15,815</u>		<u>\$15,899</u>
Fuel adjustment		(936)								
Environmental surcharge		<u>1,888</u>								
Total revenues		<u>\$16,438</u>								
Amount				\$0		\$248		\$81		\$84
Percent				0.0%		1.6%		0.5%		0.5%
Average monthly bill	379	\$23.22		\$23.22		\$23.59		\$23.71		\$23.84
Amount				\$0.00		\$0.37		\$0.12		\$0.13
Percent				0.0%		1.6%		0.5%		0.5%

Prepay Service - Rate 15

Description	Billing Determinants	Test Year Revenues	Normalized 2016-00434		Phase 1 Proposed		Phase 2 Proposed		Phase 3 Proposed	
			Rates	Revenues	Rates	Revenues	Rates	Revenues	Rates	Revenues
Consumer Facility Charge (per day)	7,166	\$51,896	\$0.338	\$51,896	\$0.4350	\$93,516	\$0.4680	\$100,611	\$0.5000	\$107,490
Energy charge per kWh	9,471,107	839,235	\$0.08861	839,235	\$0.08989	851,358	\$0.09039	856,093	\$0.09088	860,734
Prepay Service Fee (per day)	7,166	15,354	\$0.100	15,354	\$0.100	21,498	\$0.100	21,498	\$0.100	21,498
Total from base rates		906,485		<u>\$906,485</u>		<u>\$966,372</u>		<u>\$978,202</u>		<u>\$989,722</u>
Fuel adjustment		(43,891)								
Environmental surcharge		<u>113,313</u>								
Total revenues		<u>\$975,907</u>								
Amount				(\$0)		\$59,887		\$11,830		\$11,520
Percent				0.0%		6.6%		1.2%		1.2%
Average monthly bill	1,322	\$126.50		\$126.50		\$134.86		\$136.51		\$138.11
Amount				(\$0.00)		\$8.36		\$1.65		\$1.61
Percent				0.0%		6.6%		1.2%		1.2%

General Service - Rate 11

Description	Billing Determinants	Test Year Revenues	Normalized 2016-00434		Phase 1 Proposed		Phase 2 Proposed		Phase 3 Proposed	
			Rates	Revenues	Rates	Revenues	Rates	Revenues	Rates	Revenues
Consumer Facility Charge										
Single phase	35,906	\$467,855	\$13.03	\$467,855	\$16.01	\$574,855	\$17.01	\$610,761	\$18.00	\$646,308
Three phase	2,778	94,119	\$33.88	94,119	\$37.55	104,314	\$38.78	107,731	\$40.00	111,120
Demand charge (contract)	0	0	\$5.17	0	\$5.17	0	\$5.17	0	\$5.17	0
Energy charge per kWh	31,793,552	2,867,778	\$0.09020	2,867,778	\$0.09193	2,922,781	\$0.09250	2,940,904	\$0.09308	2,959,344
Primary metering discount 5%		(371)		(371)		(380)		(382)		(385)
Total from base rates		\$3,429,381		\$3,429,381		\$3,601,570		\$3,659,013		\$3,716,387
Fuel adjustment		(135,228)								
Environmental surcharge		424,585								
Total revenues		\$3,718,738								
Amount				\$0		\$172,189		\$57,443		\$57,373
Percent				0.0%		5.0%		1.6%		1.6%
Average monthly bill	822	\$95.51		\$95.51		\$100.31		\$101.91		\$103.50
Amount				\$0.00		\$4.80		\$1.60		\$1.60
Percent				0.0%		5.0%		1.6%		1.6%

Large Power Service - Rate 2

Description	Billing Determinants	Test Year Revenues	Normalized 2016-00434		Phase 1 Proposed		Phase 2 Proposed		Phase 3 Proposed	
			Rates	Revenues	Rates	Revenues	Rates	Revenues	Rates	Revenues
Consumer Facility Charge	636	\$33,186	\$52.18	33,186	\$58.06	\$36,926	\$64.12	\$40,780	\$70.00	\$44,520
Demand charge	157,131	812,367	\$5.17	812,367	\$5.46	857,935	\$5.76	905,075	\$6.05	950,643
Interruptible Credit \$4.90	0	0	(\$4.90)	0	(\$4.90)	0	(\$4.90)	0	(\$4.90)	0
Energy charge per kWh	52,584,285	3,383,799	\$0.06435	3,383,799	\$0.06419	3,375,385	\$0.06402	3,366,446	\$0.06385	3,357,507
Primary meter discount 5%		<u>(50,630)</u>		<u>(50,630)</u>		<u>(51,223)</u>		<u>(51,685)</u>		<u>(52,129)</u>
Total from base rates		4,178,722		<u>\$4,178,722</u>		<u>\$4,219,024</u>		<u>\$4,260,616</u>		<u>\$4,300,540</u>
Fuel adjustment		(220,288)								
Environmental surcharge		<u>495,351</u>								
Total revenues		<u>\$4,453,785</u>								
Amount				\$0		\$40,301		\$41,592		\$39,924
Percent				0.0%		1.0%		1.0%		0.9%
Average monthly bill	82,680	\$6,570.32		\$6,570.32		\$6,633.69		\$6,699.08		\$6,761.86
Amount				\$0.00		\$63.37		\$65.40		\$62.77
Percent				0.0%		1.0%		1.0%		0.9%

Large Industrial Rate - Schedule B1

Description	Billing Determinants	Test Year Revenues	Normalized 2016-00434		Phase 1 Proposed		Phase 2 Proposed		Phase 3 Proposed	
			Rates	Revenues	Rates	Revenues	Rates	Revenues	Rates	Revenues
Consumer Facility Charge	167	\$102,585	\$614.28	\$102,585	\$614.28	\$102,585	\$614.28	\$102,585	\$614.28	\$102,585
Demand Charge										
Contract Demand	240,100	1,483,818	\$6.18	1,483,818	\$6.51	1,563,051	\$6.84	1,642,284	\$7.17	1,721,517
Excess of contract Demand	25,252	226,763	\$8.98	226,763	\$9.31	235,096	\$9.65	243,682	\$9.98	252,015
Energy charge	126,170,360	6,606,280	\$0.05236	6,606,280	\$0.05232	6,601,233	\$0.05231	6,599,972	\$0.05230	6,598,710
Energy charge, contract minimum	3,955,428	207,106	\$0.05236	207,106	\$0.05232	206,948	\$0.05231	206,908	\$0.05230	206,869
Primary meter discount 5%		<u>(114,999)</u>		<u>(114,999)</u>		<u>(116,185)</u>		<u>(117,353)</u>		<u>(118,518)</u>
Total from base rates		8,511,553		<u>\$8,511,553</u>		<u>\$8,592,728</u>		<u>\$8,678,078</u>		<u>\$8,763,177</u>
Fuel adjustment		(534,455)								
Environmental surcharge		<u>994,045</u>								
Total revenues		<u>\$8,971,143</u>								
Amount				\$0		\$81,175		\$85,349		\$85,100
Percent				0.0%		1.0%		1.0%		1.0%
Average monthly bill	779,196	\$50,967.38		\$50,967.38		\$51,453.46		\$51,964.54		\$52,474.12
Amount				\$0.00		\$486.08		\$511.07		\$509.58
Percent				0.0%		1.0%		1.0%		1.0%

Large Industrial Rate - Schedule B2

Description	Billing Determinants	Test Year Revenues	Normalized 2016-00434		Phase 1 Proposed		Phase 2 Proposed		Phase 3 Proposed	
			Rates	Revenues	Rates	Revenues	Rates	Revenues	Rates	Revenues
Consumer Facility Charge	12	\$14,729	\$1,227.41	\$14,729	\$1,227.41	\$14,729	\$1,227.41	\$14,729	\$1,227.41	\$14,729
Demand Charge										
Contract Demand	97,500	602,550	\$6.18	602,550	\$6.77	660,075	\$6.97	679,575	\$7.17	699,075
Excess of contract Demand	3,389	30,433	\$8.98	30,433	\$9.58	32,467	\$9.78	33,144	\$9.98	33,822
Energy charge	63,560,133	2,963,173	\$0.04662	2,963,173	\$0.04625	2,939,656	\$0.04612	2,931,393	\$0.04600	2,923,766
Total from base rates		3,610,886		<u>\$3,610,886</u>		<u>\$3,646,927</u>		<u>\$3,658,842</u>		<u>\$3,671,392</u>
Fuel adjustment		(263,048)								
Environmental surcharge		<u>417,184</u>								
Total revenues		<u>\$3,765,021</u>								
Amount				\$0		\$36,041		\$11,915		\$12,551
Percent				0.0%		1.0%		0.3%		0.3%
Average monthly bill	5,296,678	\$300,907.13		\$300,907.13		\$303,910.56		\$304,903.47		\$305,949.35
Amount				\$0.00		\$3,003.43		\$992.92		\$1,045.88
Percent				0.0%		1.0%		0.3%		0.3%

Outdoor and Street Lighting Service - Rate 3 and 3L (LED)

Description	Billing Determinants	Test Year Revenues	Normalized 2016-00434		Phase 1 Proposed		Phase 2 Proposed		Phase 3 Proposed	
			Rates	Revenues	Rates	Revenues	Rates	Revenues	Rates	Revenues
Rate 3:										
100 Watt HPS Security Light	41,041	\$387,017	\$9.43	\$387,017	\$9.86	\$404,664	\$10.03	\$411,641	\$10.17	\$417,387
100 Watt Decorative Colonial Light	2,055	26,057	\$12.68	26,057	\$13.29	27,311	\$13.49	27,722	\$13.69	28,133
400 Watt Directional Flood Light	2,038	39,109	\$19.19	39,109	\$20.11	40,984	\$20.42	41,616	\$20.73	42,248
250 Watt Directional Flood Light	4,590	63,709	\$13.88	63,709	\$14.55	66,785	\$14.77	67,794	\$14.99	68,804
150 Watt Decorative Acorn	207	3,136	\$15.15	3,136	\$15.88	3,287	\$16.12	3,337	\$16.36	3,387
Rate 3L:										
Standard	1,224	12,264	\$10.02	12,264	\$10.50	12,852	\$10.66	13,048	\$10.82	13,244
Decorative Colonial	170	2,118	\$12.46	2,118	\$13.06	2,220	\$13.26	2,254	\$13.46	2,288
Cobra Head	4	55	\$13.63	55	\$14.28	57	\$14.50	58	\$14.72	59
Directional Flood Light	155	2,889	\$18.64	2,889	\$19.53	3,027	\$19.83	3,074	\$20.13	3,120
kWh	<u>2,450,356</u>			<u>0</u>		<u>0</u>		<u>0</u>		<u>0</u>
Total from base rates		536,355		<u>\$536,355</u>		<u>\$561,188</u>		<u>\$570,544</u>		<u>\$578,669</u>
Fuel adjustment		(766)								
Environmental surcharge		<u>5,215</u>								
Total revenues		<u>\$540,804</u>								
Amount				\$0		\$24,833		\$9,356		\$8,125
Percent				0.0%		4.6%		1.7%		1.4%
Average monthly bill	48	\$10.42		\$10.42		\$10.90		\$11.08		\$11.24
Amount				\$0.00		\$0.48		\$0.18		\$0.16
Percent				0.0%		4.6%		1.7%		1.4%

Shelby Energy Cooperative, Inc.
Case No. 2016-00434
Billing Analysis
July 31, 2016

Envirowatts

Description	Billing Determinants	Test Year Revenues	Normalized 2016-00434		Phase 1 Proposed		Phase 2 Proposed		Phase 3 Proposed	
			Rates	Revenues	Rates	Revenues	Rates	Revenues	Rates	Revenues
Envirowatts kWh	<u>131,500</u>	3,715	\$0.02825	3,715	\$0.02825	3,715	\$0.02825	3,715	\$0.02825	3,715
Billing Correction adjustments										
Total from base rates		3,715		<u>\$3,715</u>		<u>\$3,715</u>		<u>\$3,715</u>		<u>\$3,715</u>
Fuel adjustment Environmental surcharge										
Total revenues		<u>\$3,715</u>								
Amount Percent				\$0 0.0%		\$0 0.0%		\$0 0.0%		\$0 0.0%

Shelby Energy Cooperative
Case No. 2016-00434
Computation of Rate of Return
July 31, 2016

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	<u>Actual Test Year</u>	<u>Adjusted Test Year</u>
Net margins	\$ 1,387,711	\$ 1,342,865
G&T capital credits	(1,810,069)	-
Interest on long-term debt	<u>1,471,969</u>	<u>1,542,945</u>
Total	<u>\$ 1,049,611</u>	<u>\$ 2,885,810</u>
Net rate base	<u>\$ 72,272,097</u>	<u>\$ 71,855,405</u>
Rate of return	<u>1.45%</u>	<u>4.02%</u>
Equity Capitalization	<u>\$ 71,505,626</u>	<u>\$ 71,660,858</u>
Rate of return	<u>1.47%</u>	<u>4.03%</u>

Shelby Energy Cooperative

Case No. 2016-00434

Determination of Rate Base

July 31, 2016

	<u>Actual</u> <u>Test Year</u>	<u>Adjusted</u> <u>Test Year</u>
Gross rate base:		
Total electric plant	\$ 88,843,078	\$ 88,843,078
Material and supplies (13 months average for test year)	567,913	567,913
Prepayments (13 months average for test year)	164,245	164,245
Working capital: 12.5% of operating expense less cost of power	<u>873,319</u>	<u>882,448</u>
	90,448,555	90,457,684
Deductions from rate base:		
Accumulated depreciation	17,810,020	18,235,841
Consumer advances	<u>366,438</u>	<u>366,438</u>
Net rate base	<u>\$ 72,272,097</u>	<u>\$ 71,855,405</u>

	<u>Material</u>	<u>Prepayments</u>
July	589,490	115,555
August	580,268	102,996
September	579,194	164,008
October	531,996	163,773
November	463,172	216,988
December	503,125	198,744
January	532,345	227,979
February	525,312	207,403
March	564,579	188,301
April	561,871	167,880
May	598,976	142,872
June	586,282	125,812
July	766,261	112,875
Average	567,913	164,245

Shelby Energy Cooperative
Case No. 2016-00434
Computation of Rate of Return
July 31, 2016

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Test Year	Calendar Year					
	1st	2nd	3rd	4th	5th	
2016	2015	2014	2013	2012	2011	
Net margins	\$1,387,711	\$2,340,367	\$3,360,513	\$3,472,375	\$2,443,818	\$2,820,148
Interest on long-term debt	1,471,969	1,570,256	1,659,591	1,719,403	1,762,335	1,838,774
Total	2,859,680	3,910,623	5,020,104	5,191,778	4,206,153	4,658,922
Net rate base	72,272,097	69,969,224	68,522,300	65,560,735	63,914,565	61,215,120
Rate of return	<u>3.96%</u>	<u>5.59%</u>	<u>7.33%</u>	<u>7.92%</u>	<u>6.58%</u>	<u>7.61%</u>

Test Year				Calendar Year		
	1st	2nd		1st	2nd	3rd
2016	2015	2014		2013	2012	2011
Net margins	\$1,387,711	\$2,340,367	\$3,360,513	\$3,472,375	\$2,443,818	\$2,820,148
G & T patronage dividends	1,810,069	1,972,964	2,305,926	2,640,762	2,015,873	2,161,305
Interest on long-term debt	1,471,969	1,570,256	1,659,591	1,719,403	1,762,335	1,838,774
Total	1,049,611	1,937,659	2,714,178	2,551,016	2,190,280	2,497,617
Net rate base	72,272,097	69,969,224	68,522,300	65,560,735	63,914,565	61,215,120
Rate of return, excluding G & T	<u>1.45%</u>	<u>2.77%</u>	<u>3.96%</u>	<u>3.89%</u>	<u>3.43%</u>	<u>4.08%</u>

Shelby Energy Cooperative
Case No. 2016-00434
Determination of Rate Base
July 31, 2016

Test Year	Calendar Year					
	1st	2nd	3rd	4th	5th	
2016	2015	2014	2013	2012	2011	
Gross rate base:						
Total electric plant	\$88,843,078	\$87,093,838	\$84,455,568	\$80,277,981	\$77,709,311	\$74,702,741
Material and supplies (13 mo. ave t	567,913	503,125	550,768	429,320	415,446	409,924
Prepayments (13 mo. ave test year)	164,245	198,744	193,873	191,892	198,886	116,917
Working capital:						
12.5% of operating expense						
less cost of power	873,319	750,503	709,807	687,192	671,708	667,761
	90,448,555	88,546,210	85,910,016	81,586,385	78,995,351	75,897,343
Deductions from rate base:						
Accumulated depreciation	17,810,020	18,092,639	16,910,364	15,488,662	14,146,239	13,744,717
Consumer advances	366,438	484,347	477,352	536,988	934,547	937,506
Net rate base	\$72,272,097	\$69,969,224	\$68,522,300	\$65,560,735	\$63,914,565	\$61,215,120

Shelby Energy Cooperative
Case No. 2016-00434
TIER and DSC Calculations
July 31, 2016

	<u>Actual</u> <u>Test Year</u>	<u>Adjusted</u> <u>Test Year</u>
TIER:		
Margins, excluding G&T capital credits	(\$422,358)	\$1,342,865
Interest on long term debt	1,471,969	1,542,945
TIER	0.71	1.87
(Margins +Interest) / Interest		
DSC:		
Margins, excluding G&T capital credits	(\$422,358)	\$1,342,865
Depreciation expense	2,617,512	3,040,004
Interest on long term debt	1,471,969	1,542,945
Principal payment on long term debt	1,343,678	1,343,678
DSC	1.30	2.05

$$\text{DSC} = \frac{(\text{Margins} + \text{depreciation} + \text{interest})}{(\text{interest} + \text{principal payments})}$$

Shelby Energy Cooperative
Case No. 2016-00434
TIER and DSC Calculations
July 31, 2016

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Test Year	Calendar Year				
	1st	2nd	3rd	4th	5th
2016	2015	2014	2013	2012	2011

TIER calculations:

Margins, excluding G&T capital credits	(422,358)	367,403	1,054,587	831,613	427,945	658,843
Interest on long term debt	1,471,969	1,570,256	1,659,591	1,719,403	1,762,335	1,838,774
TIER, excluding G&T capital cr	0.71	1.23	1.64	1.48	1.24	1.36
Margins, including G&T capital credits	1,387,711	2,340,367	3,360,513	3,472,375	2,443,818	2,820,148
Interest on long term debt	1,471,969	1,570,256	1,659,591	1,719,403	1,762,335	1,838,774
TIER	1.94	2.49	3.02	3.02	2.39	2.53

DSC calculations:

$$\text{DSC} = ((\text{Margins} + \text{depreciation} + \text{interest}) / (\text{interest} + \text{principal payments}))$$

Margins, excluding G&T capital credits	(422,358)	367,403	1,054,587	831,613	427,945	658,843
Depreciation expense	2,617,512	2,474,514	2,332,128	2,516,331	2,270,691	2,159,641
Interest on long term debt	1,471,969	1,570,256	1,659,591	1,719,403	1,762,335	1,838,774
Principal payment on long term debt	1,599,527	1,668,993	1,570,616	1,524,668	1,043,981	1,266,981
DSC,excluding G&T capital crec	<u>1.19</u>	<u>1.36</u>	<u>1.56</u>	<u>1.56</u>	<u>1.59</u>	<u>1.50</u>
Margins, including G&T capital credits	1,387,711	2,340,367	3,360,513	3,472,375	2,443,818	2,820,148
Depreciation expense	2,617,512	2,474,514	2,332,128	2,516,331	2,270,691	2,159,641
Interest on long term debt	1,471,969	1,570,256	1,659,591	1,719,403	1,762,335	1,838,774
Principal payment on long term debt	1,599,527	1,668,993	1,570,616	1,524,668	1,043,981	1,266,981
DSC	<u>1.78</u>	<u>1.97</u>	<u>2.28</u>	<u>2.38</u>	<u>2.31</u>	<u>2.20</u>

Shelby Energy Cooperative
Case No. 2016-00434
Equity Capitalization
July 31, 2016

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Proposed	Test Year 2016	Calendar Year				
		2015	2014	2013	2012	2011

Equity Capitalization:
without G&T patronage capital

Total margins and equities	40,466,245	40,311,013	40,482,423	38,525,785	35,475,435	32,287,180	30,080,783
Less G&T Patronage capital	19,862,502	19,862,502	17,889,538	15,583,612	12,942,850	10,926,977	8,765,672
	20,603,743	20,448,511	22,592,885	22,942,173	22,532,585	21,360,203	21,315,111
Long-term debt	51,057,115	51,057,115	51,861,366	46,930,359	46,500,974	43,025,580	41,280,865
Total	71,660,858	71,505,626	74,454,251	69,872,532	69,033,559	64,385,783	62,595,976

Equity capitalization ratio 29% 29% 30% 33% 33% 33% 34%

Equity Capitalization:
with G&T patronage capital

Total margins and equities	40,466,245	40,311,013	40,482,423	38,525,785	35,475,435	32,287,180	30,080,783
Long-term debt	51,057,115	51,057,115	51,861,366	46,930,359	46,500,974	43,025,580	41,280,865
Total	91,523,360	91,368,128	92,343,789	85,456,144	81,976,409	75,312,760	71,361,648

Equity capitalization ratio 44% 44% 44% 45% 43% 43% 42%

Equity to Total Assets:
with G&T patronage capital

Total margins and equities	40,466,245	40,311,013	40,482,423	38,525,785	35,475,435	32,287,180	30,080,783
Total assets	100,207,353	100,052,121	99,917,093	96,225,564	90,646,967	86,474,540	80,743,966

Equity to total asset ratio 40% 40% 41% 40% 39% 37% 37%

Shelby Energy Cooperative
Case No. 2016-00434
Reconciliation of Rate Base and Capital
July 31, 2016

Reconciliation of Rate Base and Capital used to determine revenue requirements are as follows:

Equity Capitalization, with G&T capital credits	\$ 91,368,128
G&T capital credits	<u>(19,862,502)</u>
Equity, excluding G&T capital credits	71,505,626
Reconciling items:	
Capital credits from associated organizations	
(Allocated but unpaid)	(3,450,669)
Working capital requirements	873,319
Material and supplies, 13 month average	567,913
Prepayments, 13 month average	164,245
Cash and temporary investments	(979,041)
Accounts receivable	(3,838,184)
Material and supplies	(766,261)
Prepayments	(122,406)
Deferred debits	-
Accumulated operating provisions	1,995,976
Accounts payable	3,934,965
Short term borrowings	205,652
Consumer deposits	1,540,868
Accrued expenses	640,094
	<hr/>
Net Rate Base	<u><u>\$ 72,272,097</u></u>

ACCOUNT	DESCRIPTION	----RUS----		----TVA----		MARGIN ACCT	INACTIVE	BANK TRANSIT ABA NBR	BANK NAME BANK ACCOUNT	ACCT LENGTH
		B/S LINE	INC LINE	B/S LINE	INC LINE					
107.20	CONSTRUCTION WORK IN PROGRESS	2.00		2.00		107.20				
107.21	AMI SUBSTATION WORK IN PROGRESS	2.00				107.21				
107.28	CONSTRUCTION OVERHEAD INDIRECT	2.00		2.00		107.28				
107.29	CONSTRUCTION MISC. OVERHEAD	2.00		2.00		107.29				
107.30	SPECIAL EQUIP. WORK IN PROGRESS	2.00		2.00		107.30				
108.50	ACC PROVISION DEPR-TRANSMISSION	4.00		4.00		108.50				
108.60	ACC PROVISION FOR DEPR-DIST PLANT	4.00		4.00		108.60				
108.70	ACC PROVISION FOR DEPR-GEN. PLANT	4.00		4.00		108.70				
108.80	RETIREMENT WORK IN PROGRESS	4.00		4.00		108.80				
108.88	RETIREMENT OVERHEAD INDIRECT	4.00		4.00		108.88				
108.89	RETIREMENT MISC. OVERHEAD	4.00		4.00		108.89				
123.10	INVEST IN ASSOC ORG PATR CAP EKP	8.00		8.00		123.10				
123.20	INVEST IN ASSOC ORG PTR CAP KAEC	8.00		8.00		123.20				
123.22	INVESTMENTS CAPITAL TRM CERT.CFC	10.00		10.00		123.22				
123.23	OTHER INVEST. IN ASSOC. ORGANIZATN	10.00		10.00		123.23				
123.24	OTHER INVEST ENVISION ENERGY SER	10.00		10.00		123.24				
123.25	EQUITY INVESTMENT - C.R.C.	10.00		10.00		123.25				
123.30	INVEST ASSOC ORG PAT CAP U.U.S.	8.00		8.00		123.30				
123.40	INVEST ASSOC ORG PAT CAP C.F.C.	8.00		8.00		123.40				
123.42	INVEST ASSOC ORG PAT CAP C.R.C.	8.00		8.00		123.42				
123.60	INVEST ASSOC ORG PAT CAP NISC	8.00		8.00		123.60				
123.65	INVEST ASSOC ORG PAT CAP SEDC	8.00		8.00		123.65				
123.80	INVEST ASSOC PAT CAP TARHEEL EMA	8.00		8.00		123.80				
123.90	INVEST RUS RURAL ECONOMIC DEVMNT	11.00		11.00		123.90				
123.91	INVEST SUBSID. S E S EARNINGS	7.00		7.00		123.91				
123.92	INVEST SUBSID. SES CAPITAL STOCK	7.00		7.00		123.92				

Witness: Debra Martin

ACCOUNT	DESCRIPTION	----RUS----		----TVA----		MARGIN ACCT	INACTIVE	BANK TRANSIT ABA NBR	BANK NAME BANK ACCOUNT	ACCT LENGTH
		B/S LINE	INC LINE	B/S LINE	INC LINE					
124.00	OTHER INVESTMENTS	12.00		12.00		124.00				
124.10	INVESTMENT-CFC MEMBER CAP. SEC.	12.00				124.10				
131.00	CASH-PAYROLL-CITIZENS UNION BANK	15.00		15.00		131.00		083901621	CITIZENS UNION BANK 0001899	
131.10	CASH-GEN.FNDS-CITIZENS UNION BNK	15.00		15.00		131.10		083901621	CITIZENS UNION BANK 000 189 9	
131.11	CASH-GEN.FNDS-FARMERS BK AND TRT	15.00		15.00		131.11		083903069	FARMERS BANK AND TRUST 71-086-526	
131.13	CASH-ECON.DEV.COOP FUND-C.U.B	15.00		15.00		131.13		083901621	CITIZENS UNION BANK 401-683-1	
131.20	CASH-RUS / CFC CONSTRUCTION FUND	17.00		17.00		131.20		083901621	CITIZENS UNION BANK 000-286-0	
131.30	CASH-GEN.FND-BEDFORD LN / DEP.BK	15.00		15.00		131.30		083904314	BEDFORD LN AND DEPOSIT BANK 02 236 5	
131.40	CASH - TRANSFER OF FUNDS	15.00		15.00		131.40		083901621	CITIZENS UNION BANK 000-189-9	
131.50	CASH - GEN FNDS - UNITED CITIZEN	15.00		15.00		131.50		083905685	UNITED CITIZENS BANK 550-592-5	
131.60	CASH-CAPITAL CREDIT REFUNDS	15.00		15.00		131.60		083901621	CITIZENS UNION BANK 010 206 7	
131.70	CASH - GEN FUNDS - FARMERS BANK	15.00		15.00		131.70		083905546	FARMERS BANK OF MILTON 1122142	
131.80	CASH - HRA ACCT - CITIZENS UNION	15.00		15.00		131.80		083901621	CITIZENS UNION BANK 1509187	
134.00	OTHER SPECIAL DEPOSITS	17.00		17.00		134.00				
135.00	WORKING FUNDS - PERMANENT	15.00		15.00		135.00				
136.30	TEMP CASH INVEST CFC COM PAPER	18.00		18.00		136.30				
142.00	ACCOUNTS RECEIVABLE - CONSUMERS	20.00		20.00		142.00				
142.20	DEBT MANAGEMENT	20.00		20.00		142.20				
142.30	UNBILLED/(OVERBILLED) REVENUE	20.00		20.00		142.30				
142.42	LOAD MANAGEMENT CREDITS	21.00				142.42				
143.00	ACCOUNTS RECEIVABLE - OTHER	21.00		21.00		143.00				
143.10	ACCOUNTS RECEIVABLE - ACRE CONT.	21.00		21.00		143.10				
143.11	ACCT REC-SHELBY ENERGY SERVICES	21.00		21.00		143.11				
143.12	ACCT REC-SHELBY PROPANE PLUS	21.00		21.00		143.12				
143.13	ACCOUNTS REC - OTHER - MEDICAL	21.00		21.00		143.13				
143.14	ACCT.REC-OTHER-EMPLOYEE PURCHASE	21.00		21.00		143.14				

ACCOUNT	DESCRIPTION	----RUS----		----TVA----		MARGIN ACCT	INACTIVE	BANK TRANSIT ABA NBR	BANK NAME BANK ACCOUNT	ACCT LENGTH
		B/S LINE	INC LINE	B/S LINE	INC LINE					
143.15	CONSUMER BILL CONTRACT	21.00		21.00		143.15				
143.16	ACCOUNTS REC. - OTHER - UNION	21.00		21.00		143.16				
143.17	ACCT. REC. - EMPLOYEE ASSOC. DUE	21.00				143.17				
143.19	ACCOUNTS REC. OTHER COOPS	21.00				143.19				
143.20	ACCT REC-OTHER GROUP INS & 401K	21.00		21.00		143.20				
143.21	ACCOUNTS REC - OTHER - RETIREES	21.00		21.00		143.21				
143.22	EMPLOYEE - ROTH 401K	21.00		21.00		143.22				
143.25	YARD LIGHT ADVANCED PAYMENTS	21.00		21.00		143.25				
143.30	ACCT REC - EAST KENTUCKY POWER	21.00		21.00		143.30				
143.31	ACCOUNTS REC - E T S UNITS	21.00		21.00		143.31				
143.40	ACCOUNTS RECEIVABLE-MATERIAL SLD	21.00		21.00		143.40				
143.50	ACCOUNTS RECEIVABLE VOUCHERS	21.00		21.00		143.50				
143.58	ACCOUNTS RECEIVABLE - ONLINE COL	21.00		21.00		143.58				
143.60	ACCOUNTS RECEIVABLE - F.E.M.A.	21.00		21.00		143.60				
143.80	A/R ADV EXP-DIRECTORS AND ATTY.	21.00		21.00		143.80				
143.81	DIRECTOR AND ATTY-GUEST REIMBRMT	21.00		21.00		143.81				
143.91	ACCOUNTS RECEIVABLE - KATAYAMA	21.00		21.00		143.91				
143.92	ACCOUNTS RECEIVABLE - DIAGEO	21.00		21.00		143.92				
144.10	ACCUM PROV UNCOLLECT RES/SM COM	20.00		20.00		144.10				
144.11	ACCUM PROV FOR UNCOLL LG POWER	20.00		20.00		144.11				
154.00	MATERIAL AND SUPPLIES - ELECTRIC	23.00		22.00		154.00				
154.40	MATERIAL SOLD CLEARING ACCOUNT	23.00		22.00		154.40				
154.90	TRANSPORTATION INVENTORY	23.00		22.00		154.90				
155.10	MERCHANDISE RESALE MARKETING PGM	23.00		22.00		155.10				
163.00	STORES EXPENSE CLEARING ACCOUNT	23.00		22.00		163.00				
163.10	MINOR MATERIAL - STORES EXP. CL.	23.00		22.00		163.10				

Witness:
 ACCT LENGTH

ACCOUNT	DESCRIPTION	----RUS----		----TVA----		MARGIN ACCT	INACTIVE	BANK TRANSIT ABA NBR	BANK NAME BANK ACCOUNT	ACCT LENGTH
		B/S LINE	INC LINE	B/S LINE	INC LINE					
165.10	PREPAID INSURANCE	24.00		23.00		165.10				
165.20	OTHER PREPAYMENTS	24.00		23.00		165.20				
165.30	PREPAID SALES AND USE TAX	24.00		23.00		165.30				
171.00	INTEREST AND DIVIDEND RECEIVABLE	25.00		24.00		171.00				
184.10	TRANSPORTATION CLEARING ACCOUNT	28.00		27.00		184.10				
184.30	HEAVY WORK EQUIP CLEARING ACCT	28.00		27.00		184.30				
186.00	MISCELLANEOUS DEFERRED DEBITS	28.00		27.00		186.00				
186.30	MANAGEMENT AUDIT PROJECT	28.00		27.00		186.30				
186.40	DEFERRED DEBIT/ PROJECTS	28.00		27.00		186.40				
186.50	DEFERRED DEBIT - METERS RETIRED	27.00				186.50				
186.60	SERVICE UPGRADE - GENERAL PLANT	28.00		27.00		186.60				
186.70	DEFERRED DEBIT - INSURANCE SURPL	28.00		27.00		186.70				
186.80	R & S PENSION PLAN PREPAYMENT	27.00		27.00		186.80				
201.10	PATRONAGE CAPITAL CR ASSIGNED	31.00		30.00		201.10				
201.11	G & T PATRONAGE ASSIGNED	35.00		34.00		201.11				
201.20	PATRONAGE CAPITAL CR ASSIGNABLE	31.00		30.00		201.20				
208.00	DONATED CAPITAL	35.00		34.00		208.00				
208.10	GAINS - ESTATE REFUNDS	35.00		34.00		208.10				
208.20	GAINS - SEDC	35.00		34.00		208.20				
215.31	Other Comprehensive Income	35.00				215.31				
217.00	REACQUIRED CAPITAL STOCK	35.00		34.00		217.00				
219.10	OPERATING MARGINS	32.00		31.00		219.10				
219.11	OPERATING DEFICIT	32.00		31.00		219.11				
219.20	NON-OPERATING MARGINS	34.00		33.00		219.20				
219.21	NON-OPERATING DEFICIT	34.00		33.00		219.21				
219.40	OTHER MARGINS AND EQUITIES PRIOR	31.00		30.00		219.40				

ACCOUNT	DESCRIPTION	----RUS----		----TVA----		MARGIN ACCT	INACTIVE	BANK TRANSIT ABA NBR	BANK NAME BANK ACCOUNT	ACCT LENGTH
		B/S LINE	INC LINE	B/S LINE	INC LINE					
224.12	OTHER LT DEBTS - CFC CONST LOAN	40.00		40.00		224.12				
224.13	CFC - NOTES EXECUTED - DEBIT	40.00		40.00		224.13				
224.30	LT DEBT - RUS OBLIGATION	37.00		36.00		224.30				
224.31	LT DEBT - RUS ECOMONIC DEVELOPMT	41.00		37.00		224.31				
224.32	LONG TERM DEBT FFB OBLIGATION	38.00		38.00		224.32				
224.40	RUS NOTES EXECUTED-CONST-DEBT	37.00		36.00		224.40				
224.41	FFB NOTES EXECUTED	38.00		38.00		224.41				
224.50	OTHER LONG TERM DEBT - NRECA	40.00		40.00		224.50				
224.60	ADVANCE PAYMENTS - UNAPPLIED RUS	37.00		36.00		224.60				
224.70	OTHER LT DEBT - CFC CONST LOAN	40.00		40.00		224.70				
226.00	INTEREST ACCRUED-DEFERRED-REA	37.00		36.00		226.00				
227.00	ADVANCED PYMTS APPLIED LT DEBT	37.00		36.00		227.00				
228.30	ACCUM PROV PENSION / BEN SEC 125	45.00		43.00		228.30				
228.31	ACC PROV PENSION / BEN-FASB 106	45.00		43.00		228.31				
228.32	ACCUM PROV BENEFIT C/A AND AEGON	45.00		43.00		228.32				
228.33	ACC PROV BENEFITS DEFERRED COMP.	45.00		43.00		228.33				
228.34	ACCUM PROV BENEFITS - DENTALCARE	45.00		43.00		228.34				
228.35	ACCUM. PROV. BENEFITS - GROUP ME	45.00		43.00		228.35				
228.36	ACCUM PROV BENEFITS - CANCER INS	45.00		43.00		228.36				
231.00	NOTES PAYABLE-CFC LINE OF CREDIT	47.00		45.00		231.00				
231.10	NOTES PAYABLE CFC SHELBY EN SERV	47.00		45.00		231.10				
232.10	ACCOUNTS PAYABLE	48.00		46.00		232.10				
232.11	WINTERCARE ENERGY FUND	48.00		46.00		232.11				
232.12	ACCOUNTS PAYABLE - POWER BILL	48.00		46.00		232.12				
232.14	ACCOUNTS PAYABLE DAVIS H.ELLIOT	48.00		46.00		232.14				
232.15	ACCOUNTS PAYABLE DOBSON POWER LN	48.00		46.00		232.15				

ACCOUNT	DESCRIPTION	----RUS----		----TVA----		MARGIN ACCT	INACTIVE	BANK TRANSIT ABA NBR	BANK NAME BANK ACCOUNT	ACCT LENGTH
		B/S LINE	INC LINE	B/S LINE	INC LINE					
232.16	ACCOUNTS PAYABLE M&M ELECTRICIAL	48.00		46.00		232.16				
232.17	ACCOUNTS PAYABLE - STS	48.00				232.17				
232.18	ACCOUNTS PAYABLE - PAYROLL	48.00		46.00		232.18				
232.25	PLAN 457F - DEFERRED COMP	48.00				232.25				
232.40	ACCOUNTS PAYABLE - UNION DUES	48.00		46.00		232.40				
232.50	ACCOUNTS PAYABLE - ONLINE COLL	48.00		46.00		232.50				
232.60	ACCOUNTS PAYABLE - BLDG ADDITION	48.00				232.60				
232.70	ACCOUNTS PAYABLE FISHEL	48.00		46.00		232.70				
232.90	A/P Health Reimbursement Account	48.00		46.00		232.90				
232.98	AP PURCHASE ORDER ACCRUAL	48.00		46.00		232.98				
232.99	AP PLANT PO ACCRUAL	48.00		46.00		232.99				
235.00	CONSUMER DEPOSITS	49.00		47.00		235.00				
236.10	ACCRUED PROPERTY TAXES	53.00		51.00		236.10				
236.20	ACCRUED FEDERAL UNEMPLOYMENT	53.00		51.00		236.20				
236.30	ACCRUED FICA TAX	53.00		51.00		236.30				
236.40	ACCRUED STATE UNEMPLOYMENT TAX	53.00		51.00		236.40				
236.50	ACCRUED KENTUCKY SALES TAX	53.00		51.00		236.50				
236.60	DISTRICT TAX TOTAL	53.00		51.00		236.60				
236.61	SHELBY COUNTY SCHOOL TAX	53.00		51.00		236.61				
236.62	HENRY COUNTY SCHOOL TAX	53.00		51.00		236.62				
236.63	TRIMBLE COUNTY SCHOOL TAX	53.00		51.00		236.63				
236.64	CARROLL COUNTY SCHOOL TAX	53.00		51.00		236.64				
236.65	EMINENCE SCHOOL TAX	53.00		51.00		236.65				
236.66	SPENCER COUNTY SCHOOL TAX	53.00		51.00		236.66				
236.67	ANDERSON COUNTY SCHOOL TAX	53.00		51.00		236.67				
236.68	FRANKLIN COUNTY SCHOOL TAX	53.00		51.00		236.68				

ACCOUNT	DESCRIPTION	----RUS----		----TVA----		MARGIN ACCT	INACTIVE	BANK TRANSIT ABA NBR	BANK NAME BANK ACCOUNT	ACCT LENGTH
		B/S LINE	INC LINE	B/S LINE	INC LINE					
236.69	FRANCHISE TX - SIMPSONVILLE	53.00		51.00		236.69				
236.71	FRANCHISE TX-S'VILLE-RES AND COM	53.00		51.00		236.71				
236.72	FRANCHISE TX-S'VILLE-LARGE POWER	53.00		51.00		236.72				
236.73	FRANCHISE TAX - CAMPBELLSBURG	53.00		51.00		236.73				
236.80	DISCRETIONARY ANNUAL BONUS	53.00		51.00		236.80				
236.90	ACCRUED FOR UNION ALLOWANCE	53.00		51.00		236.90				
237.10	INTEREST ACCRUED-RUS OBLIGATION	53.00		51.00		237.10				
237.11	INTEREST ACCRUED FFB OBLIGATION	53.00		51.00		237.11				
237.30	OTHER INTEREST ACCRUED	53.00		51.00		237.30				
237.40	INTEREST ACCRUED CFC OBLIGATION	53.00		51.00		237.40				
237.50	INTEREST ACCRUED CONS. DEPOSITS	53.00		51.00		237.50				
238.10	PATRONAGE CAPITAL - PAYABLE	53.00		51.00		238.10				
241.00	ACC. FEDERAL INCOME TAX EMPLOYEE	53.00		51.00		241.00				
241.10	ACC STATE INCOME TAX EMPLOYEE	53.00		51.00		241.10				
241.20	ACCRUED EMPLOYEE OCCUPATIONAL TX	53.00		51.00		241.20				
242.00	MISC CURRENT / ACCRUED LIABILITS	53.00		51.00		242.00				
242.01	PAYROLL CLEARING ACCOUNT	53.00		51.00		242.01				
242.10	ACCRUED VACATION	53.00		51.00		242.10				
242.20	AWARDED SICK LEAVE	53.00		51.00		242.20				
252.10	CONS ADV PYMT 150' THRU 300'	56.00		54.00		252.10				
252.20	CONS ADV PYMT 301' THRU 1000'	56.00		54.00		252.20				
252.30	CONS ADV PYMT ALL OVER 1000'	56.00		54.00		252.30				
253.10	OTHER DEFERRED CREDITS	56.00		54.00		253.10				
364.00	POLES, TOWERS AND FIXTURES	1.00		1.00		364.00				
365.00	OVERHEAD CONDUCTORS AND DEVICES	1.00		1.00		365.00				
366.00	UNDERGROUND CONDUIT	1.00		1.00		366.00				

ACCOUNT	DESCRIPTION	----RUS----		----TVA----		MARGIN ACCT	INACTIVE	BANK TRANSIT ABA NBR	BANK NAME BANK ACCOUNT	ACCT LENGTH
		B/S LINE	INC LINE	B/S LINE	INC LINE					
367.00	UNDERGROUND CONDUCTORS / DEVICES	1.00		1.00		367.00				
368.00	LINE TRANSFORMERS	1.00		1.00		368.00				
369.00	SERVICES	1.00		1.00		369.00				
370.00	METERS	1.00		1.00		370.00				
371.00	INSTALLATION ON CONS PREMISES	1.00		1.00		371.00				
373.00	STREET LIGHTS AND SIGNAL SYSTEM	1.00		1.00		373.00				
389.00	LAND AND LAND RIGHTS (NEW OFFICE)	1.00		1.00		389.00				
389.10	LAND AND LAND RIGHTS	1.00		1.00		389.10				
390.00	STRUCTURES AND IMPROVEMENTS	1.00		1.00		390.00				
390.10	STRUCTURE AND IMPROVEMENTS-LEASE	1.00		1.00		390.10				
391.00	OFFICE FURNITURE AND FIXTURES	1.00		1.00		391.00				
392.00	TRANSPORTATION EQUIPMENT	1.00		1.00		392.00				
393.00	STORES EQUIPMENT	1.00		1.00		393.00				
394.00	TOOLS, SHOP AND GARAGE EQUIPMENT	1.00		1.00		394.00				
395.00	LABORATORY EQUIPMENT	1.00		1.00		395.00				
396.00	POWER OPERATED EQUIPMENT	1.00		1.00		396.00				
397.00	COMMUNICATIONS EQUIPMENT	1.00		1.00		397.00				
398.00	MISCELLANEOUS EQUIPMENT	1.00		1.00		398.00				
403.60	DEPR. EXPENSE-DISTRIBUTION PLANT	33.00	13.00	32.00	12.00	219.10				
403.70	DEPR. EXPENSE - GENERAL PLANT	33.00	13.00	32.00	12.00	219.10				
407.00	AMORTIZATION OF PROPERTY LOSSES	33.00	13.00			219.10				
408.50	TAXES - STATE ASSESSMENT	33.00	15.00	32.00	14.00	219.10				
408.60	TAXES - HEALTH CARE / PCOR	33.00	15.00			219.10				
415.00	REVENUE FROM MERCHANDISING	34.00	25.00	33.00	24.00	219.20				
416.00	COST AND EXP. FROM MERCHANDISING	34.00	25.00	33.00	24.00	219.20				
417.00	MANAGEMENT/CONSULTING SERVICES	34.00	25.00	33.00	24.00	219.20				

ACCOUNT	DESCRIPTION	----RUS----		----TVA----		MARGIN ACCT	INACTIVE	BANK TRANSIT ABA NBR	BANK NAME BANK ACCOUNT	ACCT LENGTH
		B/S LINE	INC LINE	B/S LINE	INC LINE					
418.10	EQUITY EARNINGS-SUBSIDIARY - SES	34.00	24.00	33.00	23.00	219.20				
418.20	EQUITY EARNINGS-SUBSID ENVISION	34.00	24.00	33.00	23.00	219.20				
419.00	INVESTMENT AND DIVIDEND INCOME	34.00	22.00	33.00	21.00	219.20				
421.00	NON-OPERATING MARGIN - OTHER	34.00	25.00	33.00	24.00	219.20				
421.10	GAIN ON DISPOSITION OF PROPERTY	34.00	25.00	33.00	24.00	219.20				
421.20	LOSS ON DISPOSITION OF PROPERTY	34.00	25.00	33.00	24.00	219.20				
423.00	G AND T CAPITAL CREDITS	33.00	26.00	32.00	25.00	219.10				
424.00	OTHER CAPITAL CR / PAT DIVIDENDS	33.00	27.00	32.00	26.00	219.10				
426.10	DONATIONS	33.00	19.00	32.00	18.00	219.10				
426.40	CIVIC,POLITICAL / RELATED ACTVTS	33.00	19.00	32.00	18.00	219.10				
427.10	INTEREST ON REA CONSTRUCTION LN	33.00	16.00	32.00	15.00	219.10				
427.20	INTEREST ON CFC CONSTRUCTION LN	33.00	16.00	32.00	15.00	219.10				
427.30	INTEREST ON FFB CONSTRUCTION LN	33.00	16.00	32.00	15.00	219.10				
430.00	INT ON DEBT TO ASSOC ORGANIZATNS	33.00	18.00	32.00	17.00	219.10				
431.10	INTEREST EXP.-CONSUMER DEPOSITS	33.00	18.00	32.00	17.00	219.10				
431.30	SHORT TERM INTEREST - CFC	33.00	18.00	32.00	17.00	219.10				
440.10	RESIDENTIAL SALES-RESIDENTIAL	33.00	1.00	32.00	1.00	219.10				
440.11	RESIDENTIAL SALES-07 CORRECTION	33.00	1.00			219.10				
440.20	RESIDENTIAL SALES - SEASONAL	32.00	1.00	32.00		219.10				
442.10	COMMERCIAL / INDUSTRIAL SALES-SM	33.00	1.00	32.00	1.00	219.10				
442.11	COMMERCIAL-IND-SM-07 CORRECTION	33.00	1.00			219.10				
442.20	COMMERCIAL / INDUSTRIAL SALES-LG	33.00	1.00	32.00	1.00	219.10				
442.21	COMMERICAL-IND-LG-07 CORRECTION	33.00	1.00			219.10				
444.00	PUBLIC STREET / HIGHWAY LIGHTING	33.00	1.00	32.00	1.00	219.10				
444.10	PUBLIC ST-HWY LIGHT-07 CORRECTIN	33.00	1.00			219.10				
450.00	FORFEITED DISCOUNTS	33.00	1.00	32.00	1.00	219.10				

ACCOUNT	DESCRIPTION	----RUS----		----TVA----		MARGIN ACCT	INACTIVE	BANK TRANSIT ABA NBR	BANK NAME BANK ACCOUNT	ACCT LENGTH
		B/S LINE	INC LINE	B/S LINE	INC LINE					
454.00	RENT FROM ELECTRIC PROPERTY	33.00	1.00	32.00	1.00	219.10				
456.00	OTHER ELECTRIC REVENUE	33.00	1.00	32.00	1.00	219.10				
555.00	PURCHASE POWER	33.00	3.00	32.00	3.00	219.10				
580.00	OPERATION, SUPERVISION AND ENGR.	33.00	6.00	32.00	5.00	219.10				
583.00	OVERHEAD LINE EXPENSE	33.00	6.00	32.00	5.00	219.10				
584.00	UNDERGROUND LINE EXPENSE	33.00	6.00	32.00	5.00	219.10				
585.00	STREET LIGHTING / SIGNAL EXPENSE	33.00	6.00	32.00	5.00	219.10				
586.00	METER EXPENSE	33.00	6.00	32.00	5.00	219.10				
586.10	METER TESTING	33.00	6.00	32.00	5.00	219.10				
586.20	METERS CHANGED FOR TESTING	33.00	6.00	32.00	5.00	219.10				
586.30	METER RECORD KEEPING (D.GRAHAM)	33.00	6.00	32.00	5.00	219.10				
587.00	CONSUMER INSTALLATION EXPENSE	33.00	6.00	32.00	5.00	219.10				
588.00	MISCELLANEOUS DISTRIBUTION EXP.	33.00	6.00	32.00	5.00	219.10				
590.00	MAINTENANCE-SUPERVISION / ENGR.	33.00	7.00	32.00	6.00	219.10				
593.00	MAINTENANCE OF OVERHEAD LINES	33.00	7.00	32.00	6.00	219.10				
593.01	MAINTENANCE - STANDBY TIME	33.00	7.00	32.00	6.00	219.10				
593.10	PATROLLING - PLANNED	33.00	7.00	32.00	6.00	219.10				
593.20	O.C.R. MAINTENANCE - PLANNED	33.00	7.00	32.00	6.00	219.10				
593.30	RIGHT OF WAY - PLANNED	33.00	7.00	32.00	6.00	219.10				
593.35	RIGHT OF WAY - SPRAYING	33.00	7.00	32.00	6.00	219.10				
593.40	AIR PATROL	33.00	7.00	32.00	6.00	219.10				
593.50	TREATMENT OF POLES	33.00	7.00	32.00	6.00	219.10				
593.60	FUSE MAINTENANCE - SHELBY LABOR	33.00	7.00	32.00	6.00	219.10				
594.00	MAINTENANCE OF UNDERGROUND LINES	33.00	7.00	32.00	6.00	219.10				
595.00	MAINTENANCE OF LINE TRANSFORMERS	33.00	7.00	32.00	6.00	219.10				
597.00	MAINTENANCE OF METERS	33.00	7.00	32.00	6.00	219.10				

Witness:
 ACCT LENGTH

ACCOUNT	DESCRIPTION	----RUS----		----TVA----		MARGIN ACCT	INACTIVE	BANK TRANSIT ABA NBR	BANK NAME BANK ACCOUNT	ACCT LENGTH
		B/S LINE	INC LINE	B/S LINE	INC LINE					
598.00	MAINTENANCE OF MISC. DIST. PLANT	33.00	7.00	32.00	6.00	219.10				
599.99	CLEARING ACCOUNT FOR BALANCING	33.00	11.00	32.00	10.00	599.99				
777.77	CA/GA INTEGRATION DEFAULT					777.77				
901.00	SUPERVISION	33.00	8.00	32.00	7.00	219.10				
902.00	METER READING EXPENSE	33.00	8.00	32.00	7.00	219.10				
903.00	CONSUMER RECORDS / COLLECT. EXP.	33.00	8.00	32.00	7.00	219.10				
904.00	UNCOLLECTIBLE ACCOUNTS	33.00	8.00	32.00	7.00	219.10				
907.00	SUPERVISION	33.00	9.00	32.00	8.00	219.10				
908.00	CUSTOMER ASSISTANCE EXPENSE	33.00	9.00	32.00	8.00	219.10				
909.00	INFORMATIONAL / INSTRUCTIONAL EP	33.00	9.00	32.00	8.00	219.10				
910.00	MISCELLANEOUS CUSTOMER SERV.EXP.	33.00	9.00	32.00	8.00	219.10				
912.00	DEMONSTRATING / SELLING EXPENSE	33.00	10.00	32.00	9.00	219.10				
920.00	ADMINISTRATIVE / GENERAL SALARY	33.00	11.00	32.00	10.00	219.10				
921.00	OFFICE SUPPLIES AND EXPENSE	33.00	11.00	32.00	10.00	219.10				
921.10	OFFICE SUPPLIES / EXP.-CLEARING	33.00	11.00	32.00	10.00	219.10				
923.00	OUTSIDE SERVICES EMPLOYED	33.00	11.00	32.00	10.00	219.10				
925.00	INJURIES AND DAMAGES	33.00	11.00	32.00	10.00	219.10				
926.10	EMPLOYEE PENSIONS / BENEFIT CLR	33.00	11.00	32.00	10.00	219.10				
928.00	REGULATORY COMMISSION EXPENSES	33.00	11.00	32.00		219.10				
930.20	MISCELLANEOUS GENERAL EXPENSE	33.00	11.00	32.00	10.00	219.10				
930.21	MISC.GENERAL EXP-DUES/MAGAZINE	33.00	11.00	32.00	10.00	219.10				
930.30	DIRECTORS FEES AND EXPENSES	33.00	11.00	32.00	10.00	219.10				
931.00	RENTS	33.00	11.00	32.00	10.00	219.10				
935.10	MAINT.OF STRUCTURES / IMPROVMTS	33.00	11.00	32.00	10.00	219.10				
935.20	MAIN.OF OFFICE FURNITURE / FIXTS	33.00	11.00	32.00	10.00	219.10				
935.30	MAIN.OF COMMUNICATIONS EQUIPMENT	33.00	11.00	32.00	10.00	219.10				

SHELBY ENI HOOP. INC.
PRG. GLACC --- (GALA)

ACCOUNT MASTER LIST I
ACTIVE ACCOUNTS

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Debra Martin

ACCOUNT	DESCRIPTION	----RUS----		----TVA----		MARGIN	INACTIVE	BANK TRANSIT	BANK NAME	BANK ACCOUNT	ACCT LENGTH	
		B/S	INC	B/S	INC							ACCT
		LINE	LINE	LINE	LINE			ABA NBR				
935.40	MAIN. OF GENERAL PROPERTY	33.00	11.00	32.00	10.00	219.10						
999.00	PAYROLL EST. HRS. CLEARING ACCT.	33.00	11.00	32.00	10.00	219.10						
TOTAL ACCOUNTS		288										
INCOME		88										
BAL/SHEET		200										

Kentucky 30
Shelby Energy Cooperative, Inc.
and Subsidiary
Shelbyville, Kentucky

Audited Financial Statements
December 31, 2015 and 2014

Alan M. Zumstein
Certified Public Accountant
1032 Chetford Drive,
Lexington, Kentucky 40509

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MEMBER
• AMERICAN INSTITUTE OF CPA'S
• KENTUCKY SOCIETY OF CPA'S
• INDIANA SOCIETY OF CPA'S
• AICPA DIVISION FOR FIRMS

Independent Auditor's Report

To the Board of Directors
Shelby Energy Cooperative

Report on the Financial Statements

I have audited the accompanying consolidated financial statements of Shelby Energy Cooperative and Subsidiary, which comprise the balance sheets as of December 31, 2015 and 2014, and the related statements of revenue and comprehensive income, changes in equities, and cash flows for the years then ended, and the related notes to the financial statements.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

My responsibility is to express an opinion on these financial statements based on my audits. I conducted my audits in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that I plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, I express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

I believe the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinion.

To the Board of Directors
Shelby Energy Cooperative

Opinion

In my opinion, the consolidated financial statements referred to above present fairly, in all material respects, the financial position of Shelby Energy Cooperative and Subsidiary as of December 31, 2015 and 2014, and the results of their operations and cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, I have also issued a report dated February 10, 2016, on my consideration of Shelby Energy Cooperative and Subsidiary's internal control over financial reporting and my tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of my testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering internal control over financial reporting and compliance.

Report on Supplemental Information

My audits were conducted for the purpose of forming an opinion on the basic financial statements taken as a whole. The supplementary information included in the consolidated financial statements is presented for purposes of additional analysis and is not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and related directly to underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In my opinion, the information is fairly stated in all material respects in relation to the basic financial statements taken as a whole.

Alan Zumstein

Alan M. Zumstein, CPA
February 10, 2016

Shelby Energy Cooperative and Subsidiary
 Consolidated Balance Sheets, December 31, 2015 and 2014

<u>Assets</u>	<u>2015</u>	<u>2014</u>
Utility Plant, at original cost:		
In service	\$ 88,647,786	\$ 85,976,010
Under construction	881,620	760,075
	<u>89,529,406</u>	<u>86,736,085</u>
Less accumulated depreciation	19,274,359	18,041,406
	<u>70,255,047</u>	<u>68,694,679</u>
Investments:		
Associated organizations	21,800,426	19,900,873
Goodwill, net of amortization	368,414	368,414
	<u>22,168,840</u>	<u>20,269,287</u>
Current Assets:		
Cash and cash equivalents	3,900,145	2,825,075
Accounts receivable, less allowance for 2015 of \$375,409 and 2014 of \$502,611	3,390,326	4,244,344
Material and supplies, at average cost	552,845	624,650
Prepayments and other current assets	236,156	241,728
	<u>8,079,472</u>	<u>7,935,797</u>
Total	<u>\$ 100,503,359</u>	<u>\$ 96,899,763</u>
<u>Members' Equities and Liabilities</u>		
Members' Equities:		
Patronage capital and retained earnings	\$ 38,478,257	\$ 36,730,211
Other equities and minority interests	2,198,199	2,557,702
Accumulated other comprehensive income	(209,741)	(220,780)
	<u>40,466,715</u>	<u>39,067,133</u>
Long Term Debt	<u>50,602,021</u>	<u>45,305,359</u>
Accumulated Postretirement Benefits	<u>1,984,457</u>	<u>1,970,182</u>
Current Liabilities:		
Accounts payable	3,307,962	3,532,708
Short term borrowings	-	2,934,118
Current portion of long term debt	1,800,000	1,700,328
Consumer deposits	1,543,140	1,517,534
Accrued expenses	314,717	395,049
	<u>6,965,819</u>	<u>10,079,737</u>
Consumer Advances for Construction	<u>484,347</u>	<u>477,352</u>
Total	<u>\$ 100,503,359</u>	<u>\$ 96,899,763</u>

The accompanying notes are an integral part of the financial statements.

Consolidated Statements of Revenue and Comprehensive Income
for the years ended December 31, 2015 and 2014

Exhibit N
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Witness: Debra Martin
Case No. 2016-00434

	<u>2015</u>	<u>2014</u>
Operating Revenues:	<u>\$ 45,375,822</u>	<u>\$ 48,031,677</u>
Operating Expenses:		
Cost of power and propane:	34,007,521	36,432,399
Distribution - operations	1,953,195	1,809,657
Distribution - maintenance	2,618,855	2,108,820
Consumer accounts	535,083	760,117
Customer service and information	450,669	437,118
Sales	(66,722)	(41,634)
Administrative and general	1,210,328	1,228,651
Depreciation, excluding \$141,651 in 2015 and \$141,651 in 2014 charged to clearing accounts	2,581,132	2,420,711
Taxes	221,304	185,762
Other	4,251	15,214
	<u>43,515,616</u>	<u>45,356,815</u>
Operating Margins before Interest Charges	<u>1,860,206</u>	<u>2,674,862</u>
Interest Charges:		
Interest on long-term debt	1,580,936	1,663,552
Other interest	28,644	28,933
	<u>1,609,580</u>	<u>1,692,485</u>
Operating Margins after Interest Charges	<u>250,626</u>	<u>982,377</u>
Patronage Capital assigned from:		
East Kentucky Power Cooperative, Inc.	1,972,964	2,305,926
Other organizations	72,162	72,480
	<u>2,045,126</u>	<u>2,378,406</u>
Nonoperating Margins:		
Interest income	36,819	66,708
Subsidiary and others	254,300	(103,126)
	<u>291,119</u>	<u>(36,418)</u>
Net Margins	<u>2,586,871</u>	<u>3,324,365</u>
Other Comprehensive Income:		
Postretirement benefits	11,039	86,053
Noncontrolling interests	-	(55,756)
Total Comprehensive Income	<u>\$ 2,597,910</u>	<u>\$ 3,354,662</u>

The accompanying notes are an integral part of the financial statements.

Statements of Changes in Members' Equity
 for the years ended December 31, 2014 and 2015

	Patronage Capital	Other Equity	Accumulated Other Comprehensive Income	Total Members' Equity
Balance - Beginning of year	\$ 34,232,084	\$ 2,032,498	\$ (306,833)	\$ 35,957,749
Comprehensive income:				
Net margins	3,324,365			3,324,365
Postretirement benefit obligation				
Amortization			86,053	
Adjustments				86,053
Total comprehensive income:				3,410,418
Refunds of capital credits:	(499,051)			(499,051)
Transfers to other equity and minority interests	36,148			36,148
Other equities	(363,335)	525,204		161,869
Balance - December 31, 2014	36,730,211	2,557,702	(220,780)	39,067,133
Comprehensive income:				
Net margins	2,586,871			2,586,871
Postretirement benefit obligation				
Amortization			11,039	
Adjustments				11,039
Total comprehensive income				2,597,910
Refunds of capital credits	(592,321)			(592,321)
Transfers to other equity and minority interests	(246,504)	(557,057)		(803,561)
Other equities		197,554		197,554
Balance - December 31, 2015	\$ 38,478,257	\$ 2,198,199	\$ (209,741)	\$ 40,466,715

The accompanying notes are an integral part of the financial statements.

Consolidated Statements of Cash Flows
for the years ended December 31, 2015 and 2014

Witness: Debra Martin

Case No. 2016-00434

	<u>2015</u>	<u>2014</u>
Cash Flows from Operating Activities:		
Net margins	\$ 2,340,367	\$ 3,360,513
Adjustments to reconcile to net cash provided by operating activities:		
Depreciation		
Charged to expense	2,581,132	2,420,711
Charged to clearing accounts	165,713	141,651
Patronage capital credits	(2,045,126)	(2,378,406)
Accumulated postretirement benefits	25,314	67,008
Change in assets and liabilities:		
Receivables	824,548	351,730
Material and supplies	71,805	(152,855)
Prepayments	5,572	55,364
Payables	(235,952)	(147,789)
Consumer deposits	25,606	268,336
Accrued expenses and accumulated benefits	(80,332)	43,133
Consumer advances for construction	6,995	(59,636)
	<u>3,685,642</u>	<u>3,969,760</u>
Cash Flows from Investing Activities:		
Plant additions	(3,758,337)	(4,985,641)
Salvage, net of removal costs	(493,487)	(367,845)
Other investments, net	145,574	(157,220)
	<u>(4,106,251)</u>	<u>(5,510,707)</u>
Cash Flows from Financing Activities:		
Other equities and minority interests	197,553	514,491
Additional long term borrowings	7,160,886	2,000,000
Short term borrowings (repayments)	(2,974,118)	1,920,662
Payments on long term debt	(1,764,552)	(1,696,973)
Retirement of patronage capital	(592,321)	(862,386)
Invest in cushion of credit	(531,769)	-
	<u>1,495,679</u>	<u>1,875,794</u>
Net increase in cash	1,075,070	334,847
Cash balances - beginning of period	<u>2,825,075</u>	<u>2,490,228</u>
Cash balances - end of period	<u>\$ 3,900,145</u>	<u>\$ 2,825,075</u>
Supplemental cash flows information:		
Interest paid on long term debt	\$1,585,673	\$1,663,553

The accompanying notes are an integral part of the financial statements.

Note 1: Summary of Significant Accounting Policies

Shelby Energy Cooperative ("Shelby Energy") maintains its records in accordance with the policies prescribed or permitted by the Kentucky Public Service Commission ("PSC") and the United States Department of Agriculture, Rural Utilities Service ("RUS"), which conform in all material respects with generally accepted accounting principles. The more significant of these policies are as follows:

Principles of Consolidation The consolidated financial statements include the accounts of Shelby Energy, Shelby Energy Services Corporation ("Service Corporation") and Shelby Propane Plus, LLC ("Propane Plus"). During 2015 Service Corporation purchased the 25% of outstanding stock that East Kentucky Power Cooperative ("East Kentucky") owned. Service Corporation owns 100% of the outstanding stock of Propane Plus. All significant inter company accounts and transactions have been eliminated.

Business Activity Shelby Energy provides distribution electric service to residential, business and commercial consumers in a ten (10) county area of central Kentucky. Service Corporation provides overall business direction to Propane Plus. Propane Plus sells propane and related accessories to residential and commercial customers in central Kentucky.

Cash and Cash Equivalents Shelby Energy considers all short-term, highly liquid investments with original maturities of three months or less to be cash equivalents.

Restricted Cash Included in cash and cash equivalents are funds that are solely for economic development activities in the amount of \$320,416 and \$200,466, for 2015 and 2014, respectively. At December 31, 2015, Shelby Energy had \$335,157 advanced for economic development activities.

Off Balance Sheet Risk Shelby Energy has some off-balance sheet risk in that they maintain cash deposits in financial institutions in excess of the amounts insured by the Federal Deposit Insurance Corporation (FDIC). At December 31, 2015, the financial institutions reported deposits in excess of the \$250,000 FDIC insured limit several times during the audit period. Deposits in excess of the FDIC limit are 100% secured with collateral at the financial institution.

Revenue Shelby Energy records revenue as billed to its consumers based on monthly meter-reading cycles. Consumers are required to pay a refundable deposit, however, it may be waived under certain circumstances. Shelby Consumers must pay their bill within 15 days of billing, or consumers will forfeit a 10% discount, at which time a disconnect notice is sent with payment to be within 15 days. If not paid, then consumers are subject to disconnect. Accounts are written off when they are deemed to be uncollectible. The allowance for uncollectible accounts is based on the aging of receivables. There were no individual account balances that exceeded 10% of outstanding accounts receivable at December 31, 2015 and 2014.

Propane Plus recognizes revenue when earned, regardless of the period in which they are billed. Propane sales are recognized when deliveries are made; tank rental is recognized monthly; and sales of related accessories at the time of sale.

The Companies are required to collect, on behalf of the Commonwealth of Kentucky, sales taxes based on 6 percent of gross sales from non-residential consumers, a 3 percent school tax from certain counties on most gross sales, and franchise fees in certain cities. The Company's policy is to exclude sales tax from revenue when collected and expenses when paid and instead, record collection and payment of sales taxes through a liability account.

Propane Inventory Propane is measured at the end of each month and valued based on the current purchase price of propane.

Shelby Energy Cooperative
Notes to Financial Statements, continued

Note 1. Summary of Significant Accounting Policies, continued

Propane Purchased Propane Plus purchases all of its propane requirements from an unrelated party through Kentucky Propane Plus, LLC, which is a related party. Propane is delivered to bulk tanks owned by Propane Plus, then delivered to customers on an as needed basis.

Cost of Power Shelby Energy is one of sixteen (16) members of East Kentucky Power Cooperative ("East Kentucky"). Under a wholesale power agreement, Shelby Energy is committed to purchase its electric power and energy requirements from East Kentucky until 2051. The rates charged by East Kentucky are subject to approval of the PSC. The cost of purchased power is recorded monthly during the period in which the energy is consumed, based upon billings from East Kentucky. There are certain surcharges, clauses, and credits that East Kentucky includes to Shelby Energy that are passed on to consumers using a methodology prescribed by the Commission.

Utility Plant Electric plant is stated at original cost, which is the cost when first dedicated to public service. Such amount includes applicable supervisory and overhead cost including any construction period interest and taxes. There was no interest required to be capitalized during the year.

The cost of maintenance and repairs, including renewals of minor items of property, is charged to operating expense. The cost of replacement of depreciable property units, as distinguished from minor items, is charged to electric plant. The units of property replaced or retired, including cost of removal, net of any salvage value, is charged to accumulated depreciation.

Propane Plus's fixed assets consist primarily of propane tanks located on customer's premises, bulk tanks, trucks used for delivery, and buildings and office equipment.

The major classifications of utility plant in service consist of:

	<u>2015</u>	<u>2014</u>
Distribution plant	\$82,166,935	\$79,812,477
General plant	<u>4,045,283</u>	<u>3,883,016</u>
Subtotal electric plant	<u>86,212,218</u>	<u>83,695,493</u>
Propane tanks on customer premises	1,050,798	1,068,764
Bulk tanks	306,940	306,940
Delivery and other trucks	707,399	535,739
Land and buildings	307,529	306,990
Office and other equipment	<u>62,902</u>	<u>62,084</u>
Subtotal propane plant	<u>2,435,568</u>	<u>2,280,517</u>
	<u>\$88,647,786</u>	<u>\$85,976,010</u>

Depreciation Shelby Energy's provision has been made for depreciation on the basis of the estimated lives of assets, using the straight-line method. Distribution plant depreciation is based on a composite rate of 2.98% per annum. General plant rates are as follows:

Structures and improvements	2.5%
Transportation equipment	10% - 20%
Other general plant	5% - 10%

Propane Plus' depreciation is computed using the straight-line method over the useful lives of its assets.

Shelby Energy Cooperative
Notes to Financial Statements, continued

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Witness: Debra Martin
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Note 1. Summary of Significant Accounting Policies, continued

Management Services Propane Plus is one of four (4) members of a group of propane companies that utilize the abilities of an individual who manages the day to day operations of each propane company and arranges for the purchase of bulk propane. Propane Plus shares the cost equally for the labor, benefits, and other costs of this manager.

Advertising Shelby Energy expenses advertising costs as incurred.

Goodwill The goodwill has been recorded in connection with the purchase of one-half (1/2) of the interest from an unrelated party on June 30, 2000. The excess of the payment price over the value of assets acquired has been recorded as goodwill. Goodwill was tested for impairment and it was determined that goodwill has not been impaired, therefore, there was no amortization for 2015 or 2014.

Fair Value Measurements The Fair Value Measurements and Disclosures Topic of the FASB ASC 820, *Fair Value Measurements and Disclosures*, defines fair value as the exchange price that would be received for an asset or paid to transfer a liability (an exit price) in the principal, or most advantageous, market for the asset or liability in an orderly transaction between market participants at the measurement date. The Fair Values Measurements Topic establishes a three-level fair value hierarchy that prioritizes the inputs used to measure fair value. This hierarchy requires entities to maximize the use of observable inputs when possible. The three levels of inputs used to measure fair value are as follows:

Level 1: Unadjusted quoted prices in active markets that are accessible at the measurement date for identical, unrestricted assets or liabilities

Level 2: Quoted prices in markets that are not considered to be active or financial instruments for which all significant inputs are observable, either directly or indirectly.

Level 3: Prices or valuations that require inputs that are both significant to the fair value measure and unobservable.

A financial instrument's level within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement.

The carrying amounts of Shelby Energy's cash and cash equivalents, other receivables, investments, inventories, other assets, trade accounts payable, accrued expenses and liabilities, and other liabilities approximate fair value due to their short maturity. Investments in associated organizations are not considered a financial instrument because they represent nontransferable interests in associated organizations. Other assets and liabilities are not considered financial instruments because they represent activities specifically related to Shelby Energy. Long term debt can not be traded in the market, and is specifically for electric cooperatives and, therefore, a value other than its outstanding principal cannot be determined.

Shelby Energy may, and also does, invest idle funds in local banks and CFC Commercial Paper. The inputs used to measure idle funds are Level 1 measurements, as these funds are exchange traded funds in an active market.

Estimates The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosures of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates used in the preparation of the financial statements.

Shelby Energy Cooperative
Notes to Financial Statements, continued

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Witness: Debra Martin
Case No. 2016-00434

Note 1. Summary of Significant Accounting Policies, continued

Risk Management Shelby Energy is exposed to various forms of losses of assets associated with, but not limited to, fire, personal liability, theft, vehicular accidents, errors and omissions, fiduciary responsibility, workers compensation, etc. Each of these areas is covered through the purchase of commercial insurance.

Income Tax Status Shelby Energy is exempt from federal and state income taxes under provisions of Section 501(c)(12). Accordingly, the financial statements for Shelby Energy include no provision for income taxes. Income taxes for Service Corporation are provided on income as reported in the accompanying statements regardless of when such taxes are payable. Propane Plus is a limited liability company treated as a partnership for federal income tax purposes. All tax related issues would be passed on to Service Corporation. Propane Plus uses the same depreciation for book and taxes, therefore, deferred taxes are considered immaterial and are not recorded.

Effective January 1, 2008, Shelby Energy adopted the provisions of the *Income Taxes Topic* of the FASB ASC that pertains to accounting for uncertainty in income taxes. Shelby Energy had no prior unrecognized tax benefits as a result of the implementation. Management evaluates its potential exposures from tax positions taken that have or could be challenged by taxing authorities. These potential exposures result because taxing authorities may take positions that differ from those taken by management in the interpretation and application of statutes, regulations, and rules. There are no tax positions for which the ultimate deductibility is highly uncertain included in the accompanying financial statements. Shelby Energy recognizes interest accrued related to unrecognized tax benefits in interest expense and penalties in operating expenses. Shelby Energy did not recognize any interest or penalties during the years ended December 31, 2015 or 2014. Shelby Energy's income tax return is subject to possible examination by taxing authorities until the expiration of related statutes of limitations on the return, which is generally three years.

Comprehensive Income Comprehensive income includes both net margin and other comprehensive income. Other comprehensive income represents the change in funded status of the accumulated postretirement benefit obligation.

Subsequent Events Management has evaluated subsequent events through February 10, 2016; the date the financial statements were available to be issued. There were no significant subsequent events to report.

Note 2. Investments in Associated Organizations

Investments in associated organizations consist of:

	2015	2014
East Kentucky, patronage capital	\$19,862,502	\$17,889,538
CFC, CTC's	638,073	640,165
CFC, patronage capital	240,343	227,068
CFC, Member capital security	25,000	25,000
Other associated organizations	699,351	669,626
Economic development loans	335,157	449,476
Total	<u>\$21,800,426</u>	<u>\$19,900,873</u>

Shelby Energy records patronage capital assigned by associated organizations in the year in which such assignments are received. The Capital Term Certificates ("CTCs") of CFC are recorded at cost. The CTCs were purchased from CFC as a condition of obtaining long-term financing. The CTCs bear interest at 0%, 3%, and 5% and are scheduled to mature at varying times from 2020 to 2080.

Shelby Energy Cooperative
Notes to Financial Statements, continued

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Note 3. Patronage Capital

Under provisions of the long-term debt agreement, return to patrons of capital contributed by them is limited to amounts which would not allow the total equities and margins to be less than 30% of total assets, except that distributions may be made to estates of deceased patrons. The debt agreement provides, however, that should such distributions to estates not exceed 25% of the net margins for the next preceding year, Shelby Energy may distribute the difference between 25% and the payments made to such estates. The equity at December 31, 2015 was 40% of total assets. Patronage capital consists of:

	<u>2015</u>	<u>2014</u>
Assigned to date	\$43,136,250	\$39,976,260
Assignable margins	2,340,367	3,360,513
Unassigned margins	1,274,270	1,035,519
Retirements to date	<u>(8,272,630)</u>	<u>(7,642,081)</u>
Total	<u>\$38,478,257</u>	<u>\$36,730,211</u>

Note 4. Long Term Debt

All assets of Shelby Energy Cooperative, except vehicles, are pledged as collateral on the long term debt to RUS, Federal Financing Bank ("FFB"), and CFC under a joint mortgage agreement. During 2015 Shelby Energy Services executed a \$560,886 loan from East Kentucky for the purchase of treasury stock. The note is for ten (10) years. Long term debt consists of:

	<u>2015</u>	<u>2014</u>
<i>Shelby Energy Cooperative</i>		
RUS, 0.625% to 6.0%	\$18,143,913	\$18,669,837
FFB, 0.01% to 5.316%	29,072,308	23,191,290
CFC:		
3.20% to 6.65% notes	2,553,180	2,732,137
Refinance RUS loans 3.5% to 5.05%	<u>2,091,965</u>	<u>2,337,095</u>
	51,861,366	46,930,359
Less current portion	<u>1,750,000</u>	<u>1,625,000</u>
Long term portion	<u>\$50,111,366</u>	<u>\$45,305,359</u>
 <i>Shelby Energy Services</i>		
East Kentucky Power Cooperative 2.75%	\$540,655	
Less current portion	<u>50,000</u>	
Long term portion	<u>\$490,655</u>	

The interest rates on the notes to CFC are subject to repricing at various dates for each individual note. The long term debt is due in quarterly and monthly installments of varying amounts through 2039. RUS assesses 12.5 basis points to administer the FFB loans. At December 31, 2015, there was \$13,400,000 of FFB loan funds unadvanced. During 2011, Shelby Energy refinanced \$3,154,070 of higher interest rate loans from RUS with funds from CFC.

As of December 31, 2015, the annual principal payments for the next five years are as follows: 2016 - \$1,795,000; 2017 - \$1,850,000; 2018 - \$1,925,000; 2019 - \$1,950,000; 2020 - \$1,975,000.

Shelby Energy Cooperative
Notes to Financial Statements, continued

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Note 4. Short Term Borrowings

At December 31, 2015, Shelby Energy had a short term line of credit of \$6,000,000 available from CFC. All advances against this line of credit have been repaid.

Note 5. Pension Plan

All eligible employees of Shelby Energy participate in the NRECA Retirement and Security Plan ("R&S Plan"), a defined benefit pension plan qualified under section 401 and tax exempt under section 501(a) of the Internal Revenue Code. It is a multiemployer plan under the accounting standards. The Plan sponsor's identification number is 53-0116145 and the Plan Number is 333. Eligible employees include employees hired prior to September 2, 2009. Non-eligible employees are those hired after September 2, 2009. A unique characteristic of a multiemployer plan compared to a single employer plan is that all plan assets are available to pay benefits of any plan participant. Separate asset accounts are not maintained for participating employers. This means that assets contributed by one employer may be used to provide benefits to employees of other participating employers.

Shelby Energy's contributions to the R&S Plan in 2015 and 2014 represent less than 5 percent of the total contributions made to the plan by all participating employers. Shelby Energy made contributions to the plan of \$260,202 in 2015 and \$272,407 in 2014. There have been no significant changes that affect the comparability of 2015 and 2014. Employees hired after September 2, 2009 can only participate in the NRECA 401(k) plan. Shelby Energy will contribute 6% of base wages, plus it will match the employee contribution up to an additional 4%. Employer contributions to the 401(k) plan amounted to \$82,741 for 2015 and \$78,382 for 2014.

In the R&S Plan, a "zone status" determination is not required, and therefore not determined, under the Pension Protection Act ("PPA") of 2006. In addition, the accumulated benefit obligations and plan assets are not determined or allocated separately by individual employer. In total, the R&S Plan was over 80 percent funded at January 1, 2015 and 2014 based on the PPA funding target and PPA actuarial value of assets on those dates. Because the provisions of the PPA do not apply to the R&S Plan, funding improvement plans and surcharges are not applicable. Future contribution requirements are determined each year as part of the actuarial valuation of the plan and may change as a result of plan experience.

At the December 2012 meeting of the I&FS Committee of the NRECA Board of Directors, the Committee approved an option to allow participating cooperatives in the Retirement Security ("R&S") Plan (a defined benefit multiemployer pension plan) to make a prepayment and reduce future required contributions. The prepayment amount is a cooperative share, as of January 1, 2013, of future contributions required to fund the R&S Plan's unfunded value of benefits earned to date using Plan actuarial valuation assumptions. The prepayment amount will typically equal approximately 2.5 times a cooperative's annual R&S Plan required contribution as of January 1, 2013. After making the prepayment, for most cooperatives the billing rate is reduced by approximately 25%, retroactive to January 1, 2013. The 25% differential in billing rates is expected to continue for approximately 15 years. However, changes in interest rates, asset returns and other plan experience different from that expected, plan assumptions changes, and other factors may have an impact on the differential in billing rates and the 15 year period. During 2013 Shelby Energy made the prepayment contribution.

Propane Plus has a profit sharing plan of 10% of net profits before the pension amount, where managers receive 5% of the plan amount and the remaining employees sharing 5%. The pension amount for 2015 was \$8,795 and 2014 was \$8,296.

Shelby Energy Cooperative
Notes to Financial Statements, continued

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Note 7. Postretirement Benefits

Shelby Energy sponsors a defined benefit plan that provides medical insurance coverage to retired employees hired prior to July 1, 1996. Employees hired after July 1, 1996 are not eligible to participate. The plan calls for benefits to be paid at retirement based primarily upon years of service with Shelby Energy. The following is a reconciliation of the postretirement obligation:

The discount rate used in determining the APBO was 5.0% for 2015 and 2014. The health care cost trend rate used to compute the APBO is an 8% annual rate of increase for 2015, and decreasing gradually to 5.5%, then remain at that level thereafter.

The funded status of the plan is as follows:

	<u>2015</u>	<u>2014</u>
Projected benefit obligation	(1,984,457)	(\$1,970,182)
Plan assets at fair value	-	-
Total	<u>(1,984,457)</u>	<u>(\$1,970,182)</u>

The components of net periodic postretirement benefit costs are as follows:

	<u>2015</u>	<u>2014</u>
Benefit obligation at beginning of year	<u>\$1,970,182</u>	<u>\$1,989,227</u>
Components of net periodic benefit cost:		
Service cost	34,365	59,882
Interest cost	98,500	98,985
Net periodic benefit cost	132,865	158,867
Benefits paid	(118,590)	(177,912)
Adjustments	-	-
Benefit obligation at end of year	<u>\$1,984,457</u>	<u>\$1,970,182</u>

Projected retiree benefit payments for the next five years are expected to be as follows: 2016 - \$125,000; 2017 - \$120,000; 2018 - \$115,000; 2019 - \$105,000; 2020 - \$94,000.

Note 8. Commitments

Shelby Energy has various other agreements outstanding with local contractors. Under these agreements, the contractors will perform certain construction, maintenance, and other work at specified hourly rates or unit cost, or on an as needed basis. The duration of these contracts are one to three years.

Note 9. Related Party Transactions

Several of the Directors of Shelby Energy, its President & CEO, and another employee are on the boards of directors of various associated organizations.

Note 10. Labor Force

Approximately 35% of Shelby Energy's labor force is subject to a collective bargaining agreement. A three (3) year agreement was negotiated and approved for the period starting September, 2014 between Shelby Energy and the International Brotherhood of Electric Workers ("IBEW").

Shelby Energy Cooperative
Notes to Financial Statements, continued

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Note 11. Environmental Contingency

Shelby Energy from time to time is required to work with and handle PCBs, herbicides, automotive fluids, lubricants, and other hazardous materials in the normal course of business. As a result, there is the possibility that environmental conditions may arise which would require Shelby Energy to incur cleanup costs. The likelihood of such an event, or the amount of such costs, if any, cannot be determined at this time. However, management does not believe such costs, if any, would materially affect Shelby Energy's financial position or its future cash flows.

Note 12. Contingencies

Shelby Energy, on occasion, is involved in litigation arising in the normal course of business. While the results of such litigation cannot be predicted with certainty, management, based upon advice of counsel, believes that the final outcome will not have a material adverse effect on the financial statements.

* * * * *

Shelby Energy Cooperative and Subsidiary
Consolidating Balance Sheet, December 31, 2015

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<u>Assets</u>	<u>Energy</u>	<u>Services</u>	<u>Propane</u>	<u>Eliminations</u>	<u>Consolidated</u>
Utility Plant, at original cost:					
In service	\$86,212,218		\$2,435,568		\$88,647,786
Under construction	881,620				881,620
	87,093,838		2,435,568		89,529,406
Less accumulated depreciation	18,092,639		1,181,720		19,274,359
	69,001,199		1,253,848		70,255,047
Investments and Other Assets:					
Associated organizations	21,800,426				21,800,426
Goodwill, net of amortization			368,414		368,414
Subsidiary	1,660,573	2,180,181		(3,840,754)	
	23,460,999	2,180,181	368,414	(3,840,754)	22,168,840
Current Assets:					
Cash and cash equivalents	3,535,475	1,985	362,685		3,900,145
Accounts receivable, less allowance for Energy of \$354,542 and Propane of \$20,867	3,210,339		179,987		3,390,326
Material and supplies, at average cost	503,125		49,720		552,845
Prepayments	205,956		30,200		236,156
	7,454,895	1,985	622,592		8,079,472
Total	\$99,917,093	\$2,182,166	\$2,244,854	(\$3,840,754)	\$100,503,359
Members' Equities and Liabilities					
Members' and Stockholder's Equities:					
Capital investment		\$1,379,000	\$860,941	(\$2,239,941)	\$0
Patronage capital and retained earnings	38,478,257	281,573	1,322,594	(1,604,167)	38,478,257
Minority interests and other equities	2,213,907	(19,062)		3,354	2,198,199
Accum other comprehensive income	(209,741)				(209,741)
	40,482,423	1,641,511	2,183,535	(3,840,754)	40,466,715
Long Term Debt	50,111,366	490,655			50,602,021
Accumulated Postretirement Benefits	1,984,457				1,984,457
Current Liabilities:					
Accounts payable	3,246,643		61,319		3,307,962
Short term borrowings					
Current portion of long term debt	1,750,000	50,000			1,800,000
Consumer deposits	1,543,140				1,543,140
Accrued expenses	314,717				314,717
	6,854,500	50,000	61,319		6,965,819
Consumer Advances for Construction	484,347				484,347
Total	\$99,917,093	\$2,182,166	\$2,244,854	(\$3,840,754)	\$100,503,359

The accompanying notes are an integral part of the financial statements.

**Consolidating Statement of Revenue and Comprehensive Income
for the year ended December 31, 2015**

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Case No. 2016-00434

	<u>Energy</u>	<u>Services</u>	<u>Propane</u>	<u>Eliminations</u>	<u>Consolidated</u>
Operating Revenues	\$43,507,714		\$1,868,108		\$45,375,822
Operating Expenses:					
Cost of purchases	33,144,801		862,720		34,007,521
Distribution - operations	1,507,071		446,124		1,953,195
Distribution - maintenance	2,618,855				2,618,855
Consumer accounts	420,839		114,244		535,083
Customer service and information	450,669				450,669
Sales	(66,722)				(66,722)
Administrative and general	1,073,309	6,257	130,762		1,210,328
Depreciation, excluding \$165,713 charged to clearing accounts	2,474,514		106,618		2,581,132
Taxes	53,496	163,796	4,012		221,304
Other	4,251				4,251
	<u>41,681,083</u>	<u>170,053</u>	<u>1,664,480</u>		<u>43,515,616</u>
Operating Margins before Interest	<u>1,826,631</u>	<u>(170,053)</u>	<u>203,628</u>		<u>1,860,206</u>
Interest Charges:					
Interest on long term debt	1,570,256	6,334	4,346		1,580,936
Other interest	28,644				28,644
	<u>1,598,900</u>	<u>6,334</u>	<u>4,346</u>		<u>1,609,580</u>
Operating Margins after Interest	<u>227,731</u>	<u>(176,387)</u>	<u>199,282</u>		<u>250,626</u>
Patronage Capital assigned from:					
East Kentucky Power Cooperative	1,972,964				1,972,964
Other organizations	72,162				72,162
	<u>2,045,126</u>				<u>2,045,126</u>
Nonoperating Margins:					
Interest income	35,909	85	825		36,819
Subsidiary and others	31,601	211,403	11,296		254,300
	<u>67,510</u>	<u>211,488</u>	<u>12,121</u>		<u>291,119</u>
Net Margins	<u>2,340,367</u>	<u>35,101</u>	<u>211,403</u>		<u>2,586,871</u>
Other comprehensive Income:					
Postretirement benefits	11,039				11,039
Noncontrolling interests					0
Total Comprehensive Income	<u>\$2,351,406</u>	<u>\$35,101</u>	<u>\$211,403</u>	<u>\$0</u>	<u>\$2,597,910</u>

The accompanying notes are an integral part of the financial statements.

ALAN M. ZUMSTEIN
CERTIFIED PUBLIC ACCOUNTANT

Witness: Debra Martin
Case No. 2016-00434

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MEMBER:
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• INDIANA SOCIETY OF CPA'S
• AICPA DIVISION FOR FIRMS

**Report on Internal Control Over Financial Reporting and on Compliance
and Other Matters Based on an Audit of Financial Statements
Performed in Accordance with *Government Auditing Standards***

To the Board of Directors
Shelby Energy Cooperative

I have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of Shelby Energy Cooperative, which comprise the balance sheets as of December 31, 2015 and 2014, and the related statements of revenue and comprehensive income, members' equities, and cash flows for the years then ended, and related notes to the financial statements, and have issued my report thereon dated February 10, 2016.

Internal Control Over Financial Reporting

In planning and performing my audit of the financial statements, I considered Shelby Energy's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing my opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of Shelby Energy's internal control. Accordingly, I do not express an opinion on the effectiveness of Shelby Energy's internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

My consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during my audit I did not identify any deficiencies in internal control that I consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether Shelby Energy's financial statements are free of material misstatement, I performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the

To the Board of Directors
Shelby Energy Cooperative

determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of my audit, and accordingly, I do not express such an opinion. The results of my tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of this Report

The purpose of this report is solely to describe the scope of my testing on internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the organization's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the organization's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Alan Zumstein

Alan M. Zumstein, CPA
February 10, 2016

ALAN M. ZUMSTEIN
CERTIFIED PUBLIC ACCOUNTANT

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Witness: Debra Martin
Case No. 2016-00434

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MEMBER
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• KENTUCKY SOCIETY OF CPAs
• INDIANA SOCIETY OF CPAs
• AICPA DIVISION FOR FIRMS

**Independent Auditor's Report on Compliance with Aspects of Contractual
Agreements and Regulatory Requirements for Electric Borrowers**

Board of Directors
Shelby Energy Cooperative

Independent Auditor's Report

I have audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of Shelby Energy Cooperative ("the Cooperative"), which comprise the balance sheet as of December 31, 2015, and the related statements of revenue and comprehensive income, patronage capital, and changes in cash flows for the year then ended, and the related notes to the financial statements, and have issued my report thereon dated February 10, 2016. In accordance with *Government Auditing Standards*, we have also issued my report dated February 10, 2016, on my consideration of the Cooperative's internal control over financial reporting and on my tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. No reports other than the reports referred to above related to my audit have been furnished to management.

In connection with my audit, nothing came to my attention that caused me to believe that the Cooperative failed to comply with the terms, covenants, provisions, or conditions of their loan, grant, and security instruments as set forth in 7 CFR Part 1773, *Policy on Audits of Rural Utilities Service Borrowers*, §1773.33 and clarified in the RUS policy memorandum dated February 7, 2016, insofar as they relate to accounting matters as enumerated below. However, my audit was not directed primarily toward obtaining knowledge of noncompliance. Accordingly, had I performed additional procedures, other matters may have come to my attention regarding the Cooperative's noncompliance with the above-referenced terms, covenants, provisions, or conditions of the contractual agreements and regulatory requirements, insofar as they relate to accounting matters. In connection with my audit, I noted no matters regarding the Cooperative's accounting and records to indicate that the Cooperative did not:

- Maintain adequate and effective accounting procedures;
- Utilize adequate and fair methods for accumulating and recording labor, material, and overhead costs, and the distribution of these costs to construction, retirement, and maintenance or other expense accounts;
- Reconcile continuing property records to the controlling general ledger plant accounts;
- Clear construction accounts and accrue depreciation on completed construction;
- Record and properly price the retirement of plant;
- Seek approval of the sale, lease, or transfer of capital assets and disposition of proceeds for the sale or lease of plant, material, or scrap;

- Maintain adequate control over material and supplies;
- Prepare accurate and timely Financial and Operating Reports;
- Obtain written RUS approval to enter into any contract for the management, operation, or maintenance of the borrower's system if the contract covers all or substantially all of the electric system;
- Disclose material related party transactions in the financial statements, in accordance with requirements for related parties in generally accepted accounting principles;
- Record depreciation in accordance with RUS requirements ("See RUS Bulletin 183-1, Depreciation Rates and Procedures");
- Comply with the requirements for the detailed schedule of deferred debits and deferred credits; and
- Comply with the requirements for the detailed schedule of investments, which are listed below.

The deferred credits are as follows:

Consumer advances for construction	<u>\$484,347</u>
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Shelby Energy is a 75% owner of a subsidiary, Shelby Energy Services Corporation, which is engaged in the distribution sales of propane gas through a limited liability company (LLC) in and around the areas in which Shelby Energy provides electric service. The investment is accounted for using the equity method of accounting. The original investment was \$7,500. The investment is as follows:

	<u>Investment</u>	<u>Profits</u>
Balance, beginning of year	\$1,379,000	\$246,472
Activity for 2015	-	35,101
Balance, end of year	<u>\$1,379,000</u>	<u>\$281,573</u>

This report is intended solely for the information and use of the board of directors, management, RUS, and supplemental lenders and is not intended to be and should not be used by anyone other than these specified parties. However, this report is a matter of public record and its distributions is not limited.

Alan Zumstein

Alan M. Zumstein, CPA
February 10, 2016

ALAN M. ZUMSTEIN
CERTIFIED PUBLIC ACCOUNTANT

Exhibit N
Pg 23 of 24

Witness: Debra Martin
Case No. 2016-00434

1032 CHETFORD DRIVE
LEXINGTON, KENTUCKY 40509
(859) 264-7147
zumstein@windstream.net

MEMBER:
• AMERICAN INSTITUTE OF CPA'S
• KENTUCKY SOCIETY OF CPA'S
• INDIANA SOCIETY OF CPA'S
• AICPA DIVISION FOR FIRMS

February 10, 2016

To the Board of Directors:
Shelby Energy Cooperative

I have audited the financial statements of Shelby Energy Cooperative for the year ended December 31, 2015, and have issued my report thereon dated February 10, 2016. Professional standards require that I provide you with the following information related to my audit.

My Responsibility under U.S. Generally Accepted Auditing Standards As stated in my engagement letter, my responsibility, as described by professional standards, is to express an opinion about whether the financial statements prepared by management with your oversight are fairly presented, in all material respects, in conformity with U.S. generally accepted accounting principles. My audit of the financial statements does not relieve you or management of your responsibilities.

Planned Scope and Timing of the Audit I performed the audit according to the planned scope and timing previously communicated to you in our meeting about planning matters.

Significant Audit Findings There was no significant findings as a result of my audit procedures performed.

Adoption of New Accounting Principles Management is responsible for the selection and use of appropriate accounting policies. In accordance with the terms of my engagement letter, I will advise management about the appropriateness of accounting policies and their application. The significant accounting policies used by Shelby Energy are described in the Notes to the financial statements. During the year ended December 31, 2015, there were no significant new accounting principles adopted.

Unusual Transactions Lacking Authoritative Guidance I noted no transactions entered into by Shelby Energy during the year for which there is a lack of authoritative guidance or consensus. There are no significant transactions that have been recognized in the financial statements in a different period than when the transaction occurred.

Accounting Estimates Accounting estimates are an integral part of the financial statements prepared by management and are based on management's knowledge and experience about past and current events and assumptions about future events. Certain accounting estimates are particularly sensitive because of their significance to the financial statements and because of the possibility that future events affecting them may differ significantly from those expected.

Difficulties Encountered in Performing the Audit I encountered no significant difficulties in dealing with management in performing and completing our audit.

To the Board of Directors
Shelby Energy Rural Electric Cooperative
Page 2

Exhibit N
Pg 24 of 24
Witness: Debra Martin
Case No. 2016-00434

Corrected and Uncorrected Misstatement Professional standards require us to accumulate all known and likely misstatements identified during the audit, other than those that are trivial, and communicate them to the appropriate level of management. There were no significant audit adjustments required, nor were there any significant uncorrected misstatements not posted into the general ledger of Shelby Energy.

Disagreements with Management For purposes of this letter, professional standards define a disagreement with management as a financial accounting, reporting, or auditing matter, whether or not resolved to our satisfaction, that could be significant to the financial statements or the auditor's report. I am pleased to report that no such disagreements arose during the course of my audit.

Management Representations I have requested certain representations from management that are included in the management representation letter dated February 10, 2016.

Consultation with Other Accountants In some cases, management may decide to consult with other accountants about auditing and accounting matters, similar to obtaining a "second opinion" on certain situations. If a consultation involves application of an accounting principle to Shelby Energy's financial statements or a determination of the type of auditor's opinion that may be expressed on those statements, my professional standards require the consulting accountant to check with me to determine that the consultant has all the relevant facts. I did not consult with any outside accountants regarding accounting and auditing issues relevant to Shelby Energy.

Other Audit Findings or Issues There were no other audit findings or other issues required by my professional standards to be reported to the audit committee.

This information is intended solely for the use of the Audit Committee, Board of Directors, and management of Shelby Energy and is not intended to be and should not be used by anyone other than these specified parties.

Very truly yours,

Alan Zumstein

Alan M. Zumstein, CPA

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Exhibit O
page 1 of 1
Witness: Debra Martin

Shelby Energy Cooperative
Case No. 2016-00434
July 31, 2016
Computer Software Programs

Shelby Energy has used Microsoft Excel, Word, and Adobe in the preparation of this Application.

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Witness: Debra Martin

Shelby Energy Cooperative
Case No. 2016-00434
July 31, 2016

Annual Meeting Information

The most recent Shelby Energy Cooperative annual meeting was held June 23, 2016. The minutes of that annual meeting are attached, along with the insert in the Kentucky Living Magazine, describing the annual meeting.


Data for the last five (5) annual meetings are as follows:


<u>Year</u>	<u>Members- Attending</u>	<u>Members Voting</u>	<u>Cost</u>
2016	182	671	\$ 27,113
2015	205	717	\$ 28,359
2014	210	714	\$ 29,186
2013	210	764	\$ 27,345
2012	200	947	\$ 36,763

GUIDING PRINCIPLES

Owned by you, working for you



 **Shelby Energy Cooperative**

A Touchstone Energy® Cooperative 

SHELBY ENERGY COOPERATIVE CORPORATION
2015 ANNUAL REPORT

Cover: (in front sitting) Shelby Energy CEO Debbie Martin. (Second row left to right) Manager of Accounting Denise Hume, Assistant Manager of Accounting Jared Routh, Executive Assistant Laurie Gutermuth, Manager of Member Services Candi Waford, Manager of Engineering Nick Morris, Billing Manager Mary Federle, and VP of Operations and Engineering Jason Ginn. Photo: Barbie Goodwin

Right: Energy Advisor Barbie Goodwin, left, helps keep member Stuart Monohan's energy affordable by showing him how energy-efficient appliances like this heat pump can save money. Photo: Emma Redmon



THE GOING PRINCIPLES

Shelby Energy Cooperative is proud to be unique.

We are unique in that we are a cooperative business, owned by you, working for you, and guided by

The Seven Cooperative Principles, which 171 years after they were first written, are still relevant today.

This annual report highlights the achievements your cooperative has made by adhering to these principles.

For instance, we rely on the principle of **Cooperation Among Cooperatives** as we work with our partner co-ops to deal with new EPA regulations.

Kentucky enjoys inexpensive and reliable electricity thanks to its coal-

fired power plants, which supply about 90 percent of our electricity. As the EPA's Clean Power Plan places steep limits on carbon emissions from those plants, Shelby Energy Cooperative is working with our national association and a network of 900 co-ops across the country to craft innovative solutions and a united response.

While the regulations may ultimately impact how we generate your energy, our mission of safe, reliable, and affordable electric service does not change.

KEEPING ENERGY AFFORDABLE

The principles of **Open and Voluntary Membership** and **Democratic Member**



HOW REGULATIONS IMPACT YOUR ELECTRIC RATES

Current and yet-to-be implemented regulations affect the cost to generate electricity. To comply, our co-op power supplier has invested hundreds of millions of dollars in environmental control equipment.

Because the new EPA regulations will force us to use less coal to generate electricity, we expect to see energy prices gradually increase for Kentuckians over the next several years.

We take our **Members' Economic Participation** very seriously as we watch out for your interests. Unlike investor-owned utilities, Shelby Energy Cooperative does not create profits for investors and shareholders. Any excess dollars or margins are either reinvested in the co-op or returned to our members in the form of a capital credit refund.

We provide energy audits, rebates, and energy-efficiency tools to

encourage you to actually use less electricity, which keeps costs lower for all members.

STAYING SAFE AND STAYING INFORMED

Since delivery of electricity is a complex process, Shelby Energy places a high value on providing **Education, Training, and Information**. Working with the Kentucky Association of Electric Cooperatives' Safety & Loss

Below: Perhaps the most important cooperative principle we follow at Shelby Energy is Concern for Community. We give back to our community in various ways like sponsoring community events such as Simpsonville's Red, White and Boom and the Trimble County Apple Festival. Below, Tyler Workman and Johnna Dewitt pack bags for the local Backpack Program. Photo: Barbie Goodwin

Control ensure you have a say in how Shelby Energy does business.

Elected by you, our board of directors sets policy and hires a co-op president/CEO, who in turn hires professionals to carry out our mission.

Shelby Energy exerts its **Autonomy and Independence** in crafting strategy and hiring decisions.

We employ experts in the fields of engineering and operations, information technology, finance, communications, member services, and community and economic development. Some of the best, brightest, most creative, and dedicated people have chosen careers that serve their communities working at Shelby Energy.



Prevention team, we are proud of our safety record. In 2015, Shelby Energy had ZERO lost-time accidents and worked a total of 83,159 hours.

Timely and important information about your electric cooperative and member benefits can be found on shelbyenergy.com, in *Kentucky Living* magazine, and look for us on Facebook and Twitter.

YOUR COMMUNITY IS OUR COMMUNITY

Your cooperative employees are your neighbors. Because of our **Concern for Community**, we support and participate in many area causes and events. Shelby Energy Cooperative is part of your community, and we will continue to participate in events and activities that help us all. You'll see co-op employees volunteering for

local community groups, conducting school safety programs, and sponsoring local events.

Each day, Shelby Energy remembers who owns our co-op—you do. Thank you for your trust as we remain guided by **The Seven Cooperative Principles** in each of our decisions to protect and improve the quality of life for our community.

7 COOPERATIVE PRINCIPLES

Cooperatives operate according to the same core principles and values. Cooperatives trace the roots of these principles to the first modern cooperative founded in Rochdale, England, in 1844.

VOLUNTARY AND OPEN MEMBERSHIP

Cooperatives are voluntary organizations, open to all people able to use its services and willing to accept the responsibilities of membership, without gender, social, racial, political, or religious discrimination.

DEMOCRATIC MEMBER CONTROL

Cooperatives are democratic organizations controlled by members—those who buy the goods or use the services of the cooperative—who actively participate in setting policies and making decisions.

MEMBERS' ECONOMIC PARTICIPATION

Members contribute equally to, and democratically control, the capital of the

cooperative benefiting members in proportion to the business they conduct with the cooperative rather than on the capital invested.

AUTONOMY AND INDEPENDENCE

Cooperatives are autonomous, self-help organizations controlled by members. If the co-op enters into agreements with other organizations or raises capital from external sources, it is done so based on terms that ensure democratic control by members and maintains the cooperative's autonomy.

EDUCATION, TRAINING, AND INFORMATION

Cooperatives provide education and training for members, elected representatives, managers, and employees so they can

contribute effectively to the development of their co-op.

COOPERATION AMONG COOPERATIVES

Cooperatives serve their members most effectively and strengthen the cooperative movement by working together through local, national, regional, and international structures.

CONCERN FOR COMMUNITY

While focusing on member needs, cooperatives work for the sustainable development of communities through policies and programs accepted by the members.



*Ashley Chilton
Chairman*



*Randy Stevens
Vice Chairman*



*Roger G. Taylor
Secretary-Treasurer*



R. Wayne Stratton



Diana Arnold



Pat Hargadon



*Debbie Martin
President/CEO*



*Donald Prather
Attorney*

OFFICIAL BUSINESS MEETING AGENDA ANNUAL MEETING OF MEMBERS SHELBY ENERGY COOPERATIVE

Where: Henry County High School

When: Thursday, June 23

Registration Time: 4:30 p.m.

Business Meeting Time: 6:30 p.m.

The annual membership meeting of this co-op organizes to take action on the following matters:

1. Report on the number of members present in person in order to determine the existence of a quorum
2. Reading of the notice of the meeting and proof of the due publication or mailing thereof, or the waiver or waivers of notice of the meeting, as the case may be
3. Reading of approved meeting of the members and the taking of necessary action thereon
4. Presentation and consideration of reports of officers, trustees, and committees
5. Report on the election of board members
6. Unfinished business
7. New business (or other business if properly raised)
8. Adjournment

 **Shelby Energy Cooperative**

A Touchstone Energy® Cooperative 

ACCOUNTS BILLED

2015..... 15,854

Average Kilowatt-hour Use

(Residential per month)

2015..... 1,259

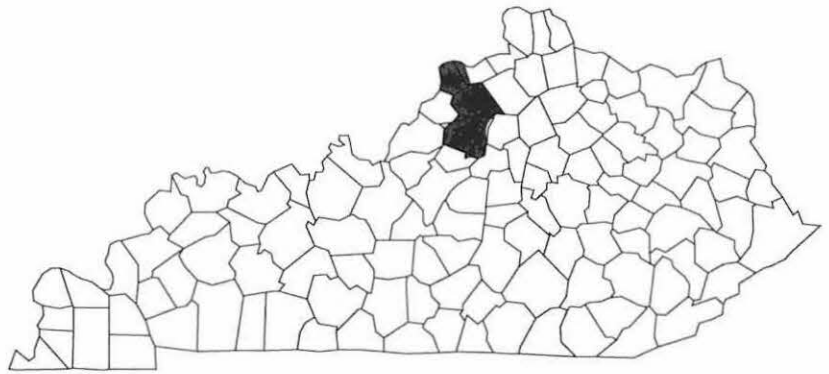
Miles of Line

2015..... 2,125.9

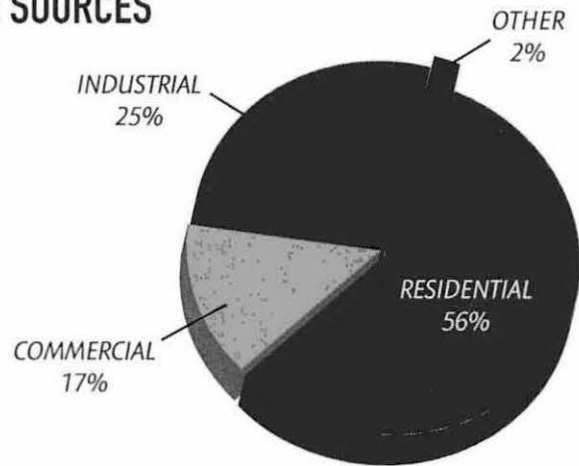
Consumers Per Mile

2015..... 7.4

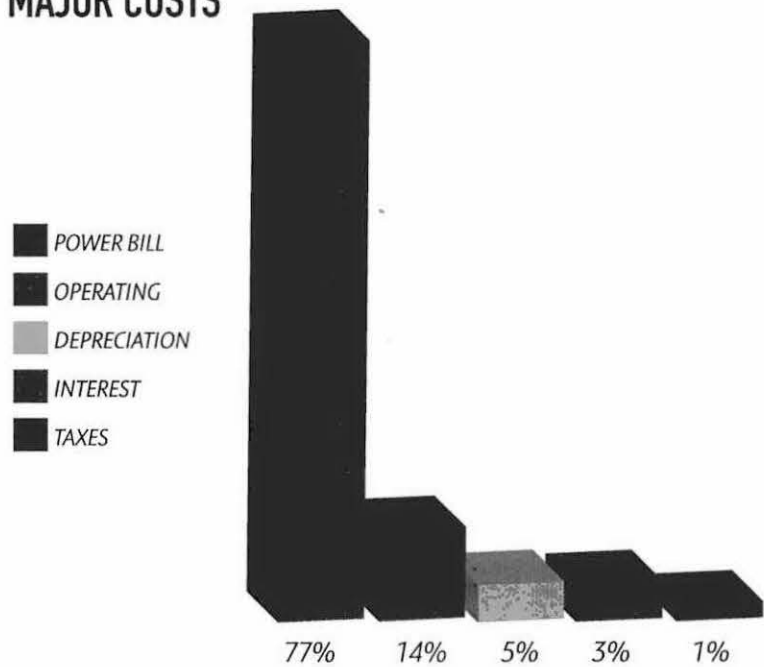
SERVICE AREA



REVENUE SOURCES



MAJOR COSTS



STATEMENT OF OPERATIONS

For the Year Ending December 31, 2015

Operating Revenue	\$43,507,714
Operating Expense	
Purchased Power	\$33,144,801
Operating System	\$5,163,410
Depreciation.....	\$2,474,514
Taxes.....	\$894,107
Interest on Loans.....	\$1,570,256
Other Deductions	\$32,895
Total Cost of Electric Service.....	\$43,279,983
Operating Margins.....	\$227,731
Non-Operating Margins.....	\$35,910
G & T Capital Credits	\$1,972,964
Other Capital Credits	\$103,762
Patronage Capital and Margins	\$2,340,367

BALANCE SHEET

For the Year Ending December 31, 2015

ASSETS	
Total Utility Plant	\$87,093,838
Less Depreciation	\$18,092,639
Net Utility Plant.....	\$69,001,199
Investment in Assoc.	
Organization.....	\$23,460,999
Cash.....	\$3,535,475
Notes Receivable.....	\$0
Accounts Receivable	\$3,210,339
Inventory.....	\$503,125
Expenses Paid in Advance	\$198,744
Deferred Debits and	
Other Assets.....	\$7,212
Total Assets	\$99,917,093
LIABILITIES	
Consumer Deposits	\$1,543,140
Membership and Other	
Equities	\$40,482,423
Long-Term Debt	\$51,861,366
Notes and Accounts Payable	\$3,246,643
Non-Current Liabilities.....	\$1,984,457
Other Current Liabilities	\$799,064
Total Liabilities.....	\$99,917,093

2016 ANNUAL MEETING

Thursday, June 23



Food & Giveaways

Henry County High School
New Castle, KY

Registration: 4:30 p.m.

Business Meeting: 6:30 p.m.

Featuring
Relic



FREE Energy-saving
light bulbs for members
who attend!



Caricaturist:
Denny Whalen



Shelby Energy Cooperative

A Touchstone Energy® Cooperative





Shelby Energy Cooperative

Exhibit P
Pg 10 of 17

A Touchstone Energy Cooperative



2014

ANNUAL REPORT

RELIABILITY

& EFFICIENCY



A HERITAGE OF
MAKING YOUR
POWER THE
TOP PRIORITY

Reliability and Efficiency: a heritage of making your power the top priority



TOP: Nick Morris, Manager of Engineering; Candi Waford, Manager of Member Services; Debra Martin, President & CEO; Mary Federle, Manager of Billing and Customer Service; Denise Hume, Manager of Accounting; and Jason Ginn, Vice President of Operations & Engineering.

ON THE COVER: Jason Ginn, Vice President of Operations & Engineering, Nick Morris, Manager of Engineering, David Graham, System Engineer, Pete Bohannon, Materials Technician, and the Shelby Energy Line Technicians.

Nothing is more important for Shelby Energy Cooperative than making sure you have electricity when you want it as safely and efficiently as possible.

Reliable electricity motivated farmers more than 75 years ago, when batteries, generators, or no power at all separated them from the people in town. They organized themselves into user-owned utilities so they could be part of modern American society.

Much has changed over the decades, but what will never change is Shelby Energy's mission of making your power the top priority.

This annual report gives you the basics of the past year. For an even better sense of Shelby Energy, come to the 2015 Annual Meeting for some important business, and an entertaining and fulfilling sense of community.

Fuel factor

Over the past year you've heard a lot from Shelby Energy about the effects of environmental rules, especially about the Environmental Protection Agency proposals to regulate carbon dioxide emissions from coal-fired power plants.

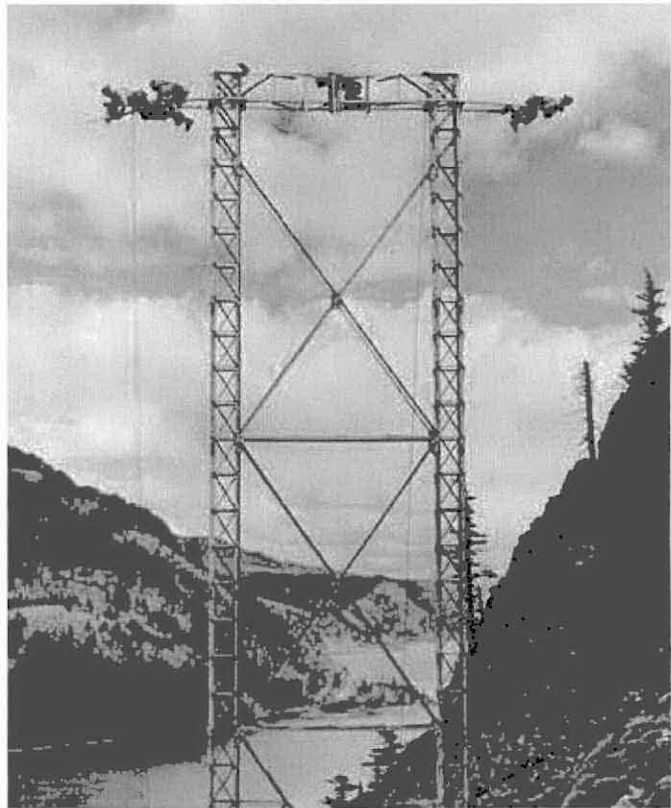
There's a good reason for that attention: those proposals will affect the reliability and availability of your electricity.

During the past two winters we've had extended cold spells that required Shelby Energy to use all its available sources of electricity to allow you to heat your home.

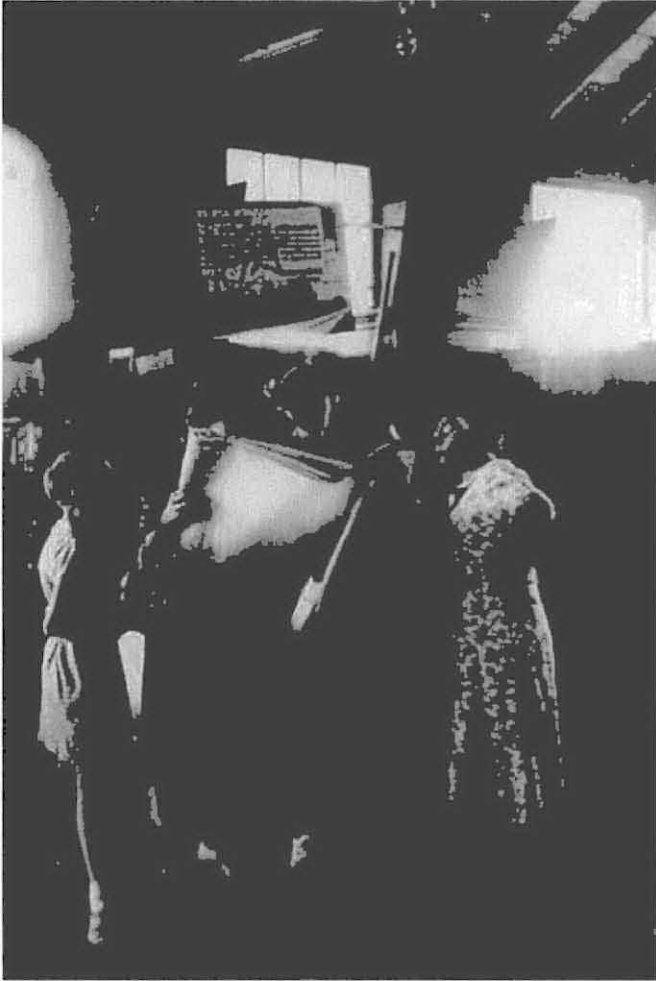
The EPA's proposed regulations make it so difficult to continue to operate coal powered plants that some of them are being shut down, even here in Kentucky, where coal provides the fuel for nearly all of our electricity.

Replacing coal with renewable fuels like solar and wind energy would be extremely expensive and difficult, and maybe even impossible. For now, natural gas is currently being used to meet near-term needs.

Shelby Energy will continue working with cooperatives and other utilities across the state and nation to make any proposed rules as fair as possible to our community. Electric cooperative representatives in Frankfort and Washington, D.C., will continue to work with officials at all levels to protect the reliability and availability of affordable electricity.



The heritage of electric co-ops' reliable and affordable electricity in America goes back more than 75 years, shown in these photos. Top, death-defying crews built transmission lines in the fast-growth years after World War II. Today, workers follow much stricter safety procedures. Above, workers in the 1930s hard at work installing power lines. But before that could happen, shown at the top of the next page, rural people had to learn about the new technology of electricity, and be persuaded to part with a precious \$5 deposit—a tough decision during The Great Depression. Bottom of the next page, a co-op truck and substation in the 1940s. During World War II the co-op program changed its focus to the "electro-economy," using rural electrification to increase farm productivity for the war effort. Photos: National Rural Electric Cooperative Association

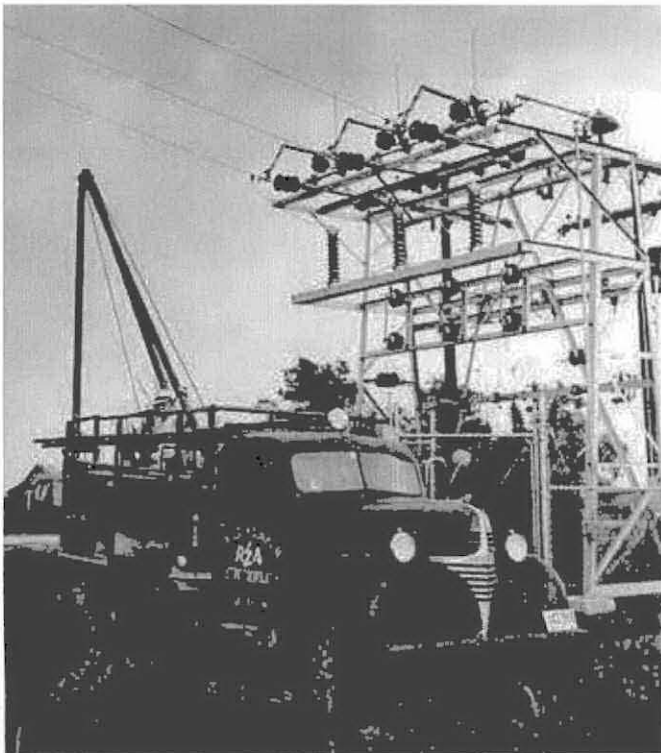


24/7 safety

Shelby Energy Cooperative practices attention to safety around electricity at all times. For employees, especially line technicians regularly out in the field, strict procedures are followed. No shortcuts are allowed. Our line technicians regularly attend training and awareness workshops. For our members at home, Shelby Energy uses every means of communication to remind you how to stay safe around electricity. You'll be able to see a live demonstration of the power of electricity at the Shelby Energy annual meeting this summer, by watching one of the presentations at our electrical safety exhibit.

Save energy, save money

Shelby Energy helps you use your electricity as efficiently as possible through information and incentive programs. It's good business, making the best use of resources, and it's good for your budget as well. Contact Shelby Energy for advice on getting the best value from your energy dollar.



Community neighbor

Electricity means more than keeping your lights on. As your member-owned utility, Shelby Energy sees reliable and affordable electricity as an essential part of a strong community. Involvement in economic development, youth and scholarship programs, and other local priorities are part of what makes Shelby Energy a good neighbor in our community.



*Ashley Chilton
Chairman*



*Randy Stevens
Vice Chairman*



*Roger G. Taylor
Secretary/Treasurer*



R. Wayne Stratton



Diana Arnold



Pat Hargadon



*Debra J. Martin
President & CEO*



*Donald Prather
Attorney*

Official Business Meeting Agenda Annual Meeting of Members Shelby Energy Cooperative

Where: Henry County High School

When: June 25, 2015

Registration Time: 4:30 p.m.

Business Meeting Time: 6:30 p.m.

The annual membership meeting of this co-op organizes to take action on the following matters:

1. Report on the number of members present in person or by valid proxy, in order to determine the existence of a quorum;
2. Reading of the notice of the meeting and proof of the due publication or mailing thereof, or the waiver or waivers of notice of the meeting, as the case may be;
3. Reading of unapproved minutes of the previous meeting of the members and the taking of necessary action thereon;
4. Presentation and consideration of reports of officers, trustees, and committees;
5. Report on the election of board members;
6. Unfinished business;
7. New business (or other business if properly raised), other agenda items, if any, and
8. Adjournment



**Shelby Energy
Cooperative**

© A Touchstone Energy Cooperative 

ACTIVE MEMBERS

(as of December 31, 2014)

Shelby County	5,740
Henry County	3,119
Trimble County	2,613
Carroll County	650
Jefferson County	6
Spencer County	49
Anderson County	10
Franklin County	5
Owen County	80
Oldham County	80
Total	12,352

Accounts Billed

2014.....	15,726
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Average Kilowatt-hour Use (Residential per month)

2014.....	1,336
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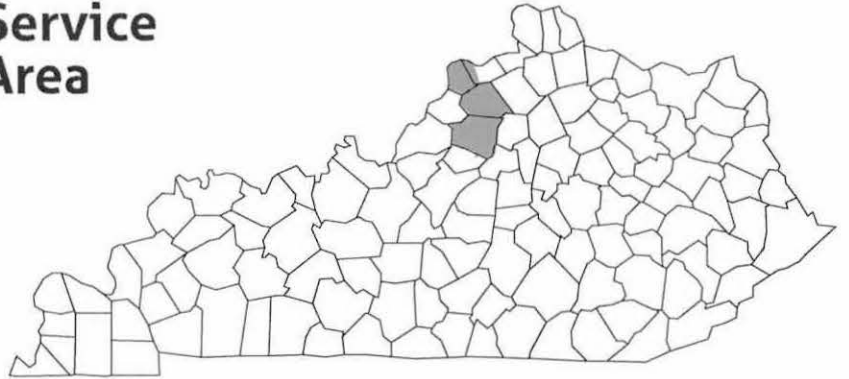
Miles of Line

2014.....	2,127.5
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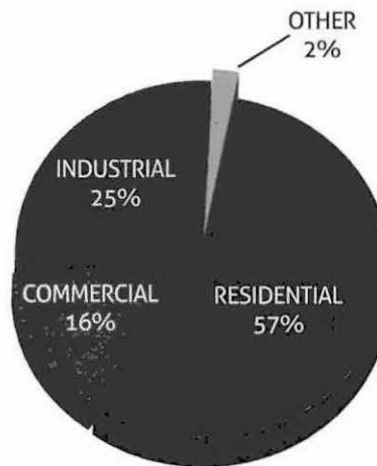
Consumers Per Mile

2014.....	7.4
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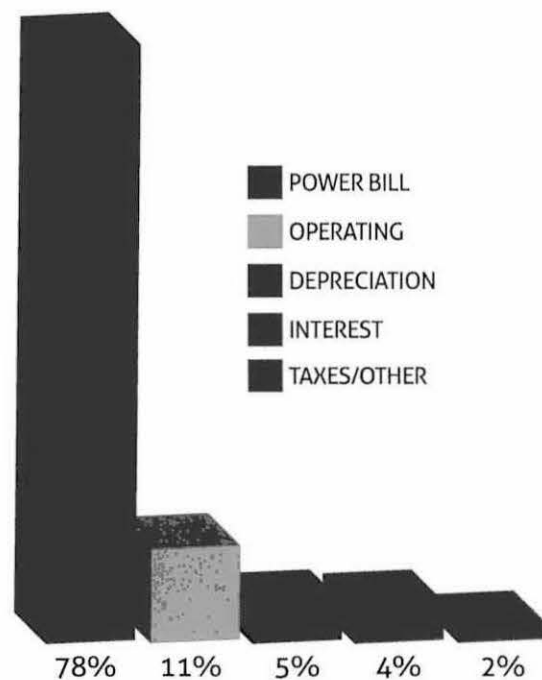
Service Area



Revenue Sources



Major Costs



Statement of Operations

For the Year Ending December 31, 2014

Operating Revenue.....	\$45,771,621
Operating Expense	
Purchased Power.....	\$35,260,862
Operating System.....	4,923,125
Depreciation.....	2,332,128
Taxes.....	808,410
Interest on Loans.....	1,659,591
Other Deductions.....	44,148
Total Cost of Electric Service.....	\$45,028,264
Operating Margins.....	\$743,357
Non-Operating Margins.....	238,750
G & T Capital Credits.....	2,305,926
Other Capital Credits.....	72,480
Patronage Capital and Margins.....	3,360,513

Balance Sheet

For the Year Ending December 31, 2014

ASSETS	
Total Utility Plant.....	\$84,455,568
Less Depreciation.....	16,910,364
Net Utility Plant.....	\$67,545,204
Investment in Assoc. Organization.....	\$21,526,345
Cash.....	2,355,731
Notes Receivable.....	0
Accounts Receivable.....	4,043,905
Inventory.....	550,768
Expenses Paid in Advance.....	193,873
Deferred Debits and Other Assets.....	9,738
Total Assets.....	\$96,225,564
LIABILITIES	
Consumer Deposits.....	\$1,517,534
Membership and Other Equities	38,525,785
Long-Term Debt.....	46,930,359
Notes and Accounts Payable.....	6,409,303
Non-current Liabilities.....	1,970,182
Other Current Liabilities.....	395,049
Other Deferred Credits.....	477,352
Total Liabilities.....	\$96,225,564





Shelby Energy Cooperative

A Touchstone Energy Cooperative



2015 ANNUAL MEETING THURSDAY, JUNE 25

Henry County High School
New Castle, KY

Registration: 4:30 p.m.

Business Meeting: 6:30 p.m.



FREE
Energy-saving light
bulbs for members
who attend!



KENTUCKY BLUE



- Food
- Information booths
- Video game trailer
- Balloon artist
- Health screenings
- Music by Kentucky Blue



Balloon Artist:
Terry Kelley

Caricaturist
Denny Whalen

USDA-RUS FINANCIAL AND STATISTICAL REPORT	BORROWER DESIGNATION	Case No. 2016-00434
	KY0030	
	PERIOD ENDED	08/2015

Part A. Statement of Operations

ITEM	Year-to-Date Last Year (a)	Year-to-Date This Year (b)	Year-to-Date Budget (c)	This Month (d)
1. Operating Revenue and Patronage Capital	30,844,029	29,886,935	30,745,605	3,809,764
2. Power Production Expense	0	0	0	0
3. Cost of Purchased Power	24,122,301	22,862,445	23,935,557	2,865,437
4. Transmission Expense	0	0	0	0
5. Regional Market Operations Expense	0	0	0	0
6. Distribution Expense - Operation	945,936	986,681	1,042,932	132,338
7. Distribution Expense - Maintenance	1,807,374	1,287,025	1,907,952	302,401
8. Consumer Accounts Expense	448,232	371,344	389,715	42,589
9. Customer Service and Informational Expense	304,504	325,813	338,249	39,574
10. Sales Expense	(5,661)	(53,038)	555	(9,949)
11. Administrative and General Expense	724,770	725,086	851,202	98,581
12. Total Operation & Maintenance Expense (2 thru 10)	28,347,456	26,505,357	28,466,162	3,470,971
13. Depreciation and Amortization Expense	1,535,432	1,639,998	1,596,850	206,721
14. Tax Expense - Property & Gross Receipts	0	0	0	0
15. Tax Expense - Other	34,316	37,155	36,033	4,644
16. Interest on Long-Term Debt	1,114,442	1,062,097	1,111,670	129,988
17. Interest Charged to Construction - Credit	0	0	0	0
18. Interest Expense - Other	6,544	16,711	3,879	149
19. Other Deductions	4,756	3,505	2,554	544
20. Total Cost of Electric Service (11 thru 18)	31,042,946	29,264,823	31,217,148	3,813,017
21. Patronage Capital & Operating Margins (1 minus 19)	(198,917)	622,112	(471,543)	(3,254)
22. Non Operating Margins - Interest	52,132	22,164	27,516	2,938
23. Allowance for Funds Used During Construction	0	0	0	0
24. Income (Loss) from Equity Investments	0	0	0	0
25. Non Operating Margins - Other	0	(18,616)	0	(9,709)
26. Generation and Transmission Capital Credits	(44,535)	162,895	0	0
27. Other Capital Credits and Patronage Dividends	17,473	16,447	20,371	0
28. Extraordinary Items	0	0	0	0
29. Patronage Capital or Margins (20 thru 27)	(173,848)	805,001	(423,656)	(10,025)

Part B. Data on Transmission and Distribution Plant

ITEM	Year-to-Date Last Year (a)	Year-to-Date This Year (b)
1. New Services Connected	116	110
2. Services Retired	19	64
3. Total Services In-Place	17,118	17,223
4. Idle Services (Exclude Seasonals)	1,591	963
5. Miles Transmission	0.00	0.00
6. Miles Distribution - Overhead	1,894.258	1,891.831
7. Miles Distribution - Underground	219.536	229.442
8. Total Miles Energized (5+6+7)	2,113.794	2,121.273

USDA-RUS FINANCIAL AND STATISTICAL REPORT		BORROWER DESIGNATION KY0030	Witness: Debra Martin Case No. 2016-00434
		PERIOD ENDED 08/2015	
Part C. Balance Sheet			
ASSETS AND OTHER DEBITS		LIABILITIES AND OTHER CREDITS	
1. Total Utility Plant in Service	85,394,270	30. Memberships	0
2. Construction Work in Progress	1,313,280	31. Patronage Capital	35,364,862
3. Total Utility Plant (1+2)	86,707,550	32. Operating Margins - Prior Years	711,519
4. Accum. Provision for Depreciation and Amort.	17,969,651	33. Operating Margins - Current Years	801,454
5. Net Utility Plant (3-4)	68,737,899	34. Non-Operating Margins	566,298
6. Non-Utility Property (Net)	0	35. Other Margins and Equities	1,845,701
7. Investments in Subsidiary Companies	1,625,472	36. Total Margins & Equities (30 thru 35)	39,289,834
8. Invest. In Assoc. Org. - Patronage Capital	18,840,321	37. Long-Term Debt - RUS (NET)	18,324,378
9. Invest. In Assoc. Org. - Other - General Funds	0	(Payments - Unapplied)	0
10. Invest. In Assoc. Org. - Non General Funds	876,773	38. Long-Term Debt - FFB - RUS Guaranteed	24,131,842
11. Investments in Economic Development Projects	370,035	39. Long-Term Debt - Other - RUS Guaranteed	0
12. Other Investments	102,535	40. Long-Term Debt Other (Net)	4,748,307
13. Special Funds	0	41. Long-Term Debt - RUS - Econ. Devel. (Net)	0
14. Total Other Property & Investments (6 thru 13)	21,615,137	42. Payments - Unapplied	0
15. Cash - General Funds	902,063	43. Total Long-Term Debt (37 thru 40)	47,204,527
16. Cash - Construction Funds - Trustee	0	44. Obligations Under Capital Leases - Noncurrent	0
17. Special Deposits	425	45. Accumulated Operating Provisions	1,986,250
18. Temporary Investments	0	46. Total Other Noncurrent Liabilities (44+45)	1,986,250
19. Notes Receivable (Net)	0	47. Notes Payable	1,304,089
20. Accounts Receivable - Sales of Energy (Net)	3,461,896	48. Accounts Payable	3,187,478
21. Accounts Receivable - Other (Net)	288,417	49. Consumers Deposits	1,538,039
22. Renewable Energy Credits	0	50. Current Maturities Long-Term Debt	0
23. Materials and Supplies - Electric & Other	580,268	51. Current Maturities Long-Term Debt-Economic Development	0
24. Prepayments	102,996	52. Current Maturities Capital Leases	0
25. Other Current and Accrued Assets	11,886	53. Other Current and Accrued Liabilities	744,205
26. Total Current and Accrued Assets (15 thru 25)	5,347,952	54. Total Current & Accrued Liabilities (47 thru 53)	6,773,811
27. Regulatory Assets	0	55. Regulatory Liabilities	0
28. Other Deferred Debits	0	56. Other Deferred Credits	446,566
29. Total Assets and Other Debits (5+14+26+ thru 28)	95,700,988	57. Total Liabilities and Other Credits (36+43+46+54 thru 56)	95,700,988

USDA-RUS FINANCIAL AND STATISTICAL REPORT	BORROWER DESIGNATION		Witness: Debra Martin
	KY0030		Case No. 2016-00434
	PERIOD ENDED		
09/2015			

Part A. Statement of Operations

ITEM	Year-to-Date Last Year (a)	Year-to-Date This Year (b)	Year-to-Date Budget (c)	This Month (d)
1. Operating Revenue and Patronage Capital	34,127,368	33,390,477	34,201,075	3,503,542
2. Power Production Expense	0	0	0	0
3. Cost of Purchased Power	26,823,204	25,497,949	26,615,551	2,635,504
4. Transmission Expense	0	0	0	0
5. Regional Market Operations Expense	0	0	0	0
6. Distribution Expense - Operation	1,055,248	1,102,970	1,158,652	116,289
7. Distribution Expense - Maintenance	1,926,960	1,534,925	2,147,874	247,900
8. Consumer Accounts Expense	503,460	418,124	438,131	46,780
9. Customer Service and Informational Expense	334,569	354,484	369,027	28,671
10. Sales Expense	(19,293)	(67,621)	(6,170)	(14,583)
11. Administrative and General Expense	816,302	810,256	944,157	85,170
12. Total Operation & Maintenance Expense (2 thru 10)	31,440,450	29,651,088	31,665,222	3,145,731
13. Depreciation and Amortization Expense	1,730,420	1,847,822	1,799,637	207,824
14. Tax Expense - Property & Gross Receipts	0	0	0	0
15. Tax Expense - Other	39,007	41,800	40,958	4,644
16. Interest on Long-Term Debt	1,248,952	1,184,254	1,245,622	122,157
17. Interest Charged to Construction - Credit	0	0	0	0
18. Interest Expense - Other	10,097	27,300	5,736	10,589
19. Other Deductions	15,041	3,797	7,314	292
20. Total Cost of Electric Service (11 thru 18)	34,483,968	32,756,060	34,764,489	3,491,237
21. Patronage Capital & Operating Margins (1 minus 19)	(356,599)	634,417	(563,414)	12,305
22. Non Operating Margins - Interest	54,878	25,023	28,965	2,859
23. Allowance for Funds Used During Construction	0	0	0	0
24. Income (Loss) from Equity Investments	0	0	0	0
25. Non Operating Margins - Other	0	(18,616)	0	0
26. Generation and Transmission Capital Credits	(44,535)	162,895	0	0
27. Other Capital Credits and Patronage Dividends	45,543	49,098	53,097	32,652
28. Extraordinary Items	0	0	0	0
29. Patronage Capital or Margins (20 thru 27)	(300,713)	852,817	(481,352)	47,816

Part B. Data on Transmission and Distribution Plant

ITEM	Year-to-Date Last Year (a)	Year-to-Date This Year (b)
1. New Services Connected	136	132
2. Services Retired	28	64
3. Total Services in Place	17,127	17,245
4. Idle Services (Exclude Seasonals)	1,593	969
5. Miles Transmission	0.00	0.00
6. Miles Distribution - Overhead	1,892,104	1,892,179
7. Miles Distribution - Underground	223,895	230,124
8. Total Miles Energized (5+6+7)	2,115,999	2,122,303

USDA-RUS FINANCIAL AND STATISTICAL REPORT		BORROWER DESIGNATION KY0030 PERIOD ENDED 09/2015		Witness: Debra Martin Case No. 2016-00434	
Part C. Balance Sheet					
ASSETS AND OTHER DEBITS			LIABILITIES AND OTHER CREDITS		
1. Total Utility Plant in Service	85,663,838	30. Memberships		0	
2. Construction Work in Progress	1,345,039	31. Patronage Capital		35,349,416	
3. Total Utility Plant (1+2)	87,008,877	32. Operating Margins - Prior Years		711,519	
4. Accum. Provision for Depreciation and Amort.	18,071,444	33. Operating Margins - Current Years		846,410	
5. Net Utility Plant (3-4)	68,937,434	34. Non-Operating Margins		569,157	
6. Non-Utility Property (Net)	0	35. Other Margins and Equities		1,853,205	
7. Investments in Subsidiary Companies	1,625,472	36. Total Margins & Equities (30 thru 35)		39,329,707	
8. Invest. in Assoc. Org. - Patronage Capital	18,859,141	37. Long-Term Debt - RUS (NET)		18,278,591	
9. Invest. in Assoc. Org. - Other - General Funds	0	(Payments - Unapplied)		0	
10. Invest. in Assoc. Org. - Non General Funds	676,773	38. Long-Term Debt - FFB - RUS Guaranteed		23,952,723	
11. Investments in Economic Development Projects	361,334	39. Long-Term Debt - Other - RUS Guaranteed		0	
12. Other Investments	102,535	40. Long-Term Debt Other (Net)		4,748,307	
13. Special Funds	0	41. Long-Term Debt - RUS - Econ. Devel. (Net)		0	
14. Total Other Property & Investments (6 thru 13)	21,625,256	42. Payments - Unapplied		0	
15. Cash - General Funds	1,404,610	43. Total Long-Term Debt (37 thru 40)		46,979,621	
16. Cash - Construction Funds - Trustee	0	44. Obligations Under Capital Leases - Noncurrent		0	
17. Special Deposits	425	45. Accumulated Operating Provisions		1,988,140	
18. Temporary Investments	0	46. Total Other Noncurrent Liabilities (44+45)		1,988,140	
19. Notes Receivable (Net)	0	47. Notes Payable		2,104,176	
20. Accounts Receivable - Sales of Energy (Net)	3,087,485	48. Accounts Payable		3,147,585	
21. Accounts Receivable - Other (Net)	292,790	49. Consumers Deposits		1,551,005	
22. Renewable Energy Credits	0	50. Current Maturities Long-Term Debt		0	
23. Materials and Supplies - Electric & Other	579,194	51. Current Maturities Long-Term Debt-Economic Development		0	
24. Prepayments	164,008	52. Current Maturities Capital Leases		0	
25. Other Current and Accrued Assets	14,187	53. Other Current and Accrued Liabilities		558,455	
26. Total Current and Accrued Assets (15 thru 25)	5,542,699	54. Total Current & Accrued Liabilities (47 thru 53)		7,361,221	
27. Regulatory Assets	0	55. Regulatory Liabilities		0	
28. Other Deferred Debits	0	56. Other Deferred Credits		446,699	
29. Total Assets and Other Debits (5+14+26+ thru 28)	96,105,389	57. Total Liabilities and Other Credits (36+43+46+54 thru 56)		96,105,389	

USDA-RUS FINANCIAL AND STATISTICAL REPORT	BORROWER DESIGNATION KY0030	Witness: Debra Martin Case No. 2016-00434
	PERIOD ENDED 10/2015	

Part A. Statement of Operations

ITEM	Year-to-Date Last Year (a)	Year-to-Date This Year (b)	Year-to-Date Budget (c)	This Month (d)
1. Operating Revenue and Patronage Capital	37,457,039	36,480,990	37,483,302	3,090,513
2. Power Production Expense	0	0	0	0
3. Cost of Purchased Power	29,253,252	27,790,452	28,927,206	2,292,503
4. Transmission Expense	0	0	0	0
5. Regional Market Operations Expense	0	0	0	0
6. Distribution Expense - Operation	1,172,826	1,238,271	1,283,024	135,301
7. Distribution Expense - Maintenance	2,047,226	1,869,764	2,369,124	334,838
8. Consumer Accounts Expense	553,712	457,508	480,290	39,383
9. Customer Service and Informational Expense	370,692	382,265	409,645	27,781
10. Sales Expense	(23,908)	(69,579)	(11,291)	(1,959)
11. Administrative and General Expense	885,460	899,572	1,030,485	89,316
12. Total Operation & Maintenance Expense (2 thru 10)	34,259,260	32,568,252	34,508,483	2,917,164
13. Depreciation and Amortization Expense	1,929,286	2,056,033	2,006,458	208,212
14. Tax Expense - Property & Gross Receipts	0	0	0	0
15. Tax Expense - Other	43,698	46,444	45,883	4,644
16. Interest on Long-Term Debt	1,396,277	1,319,469	1,392,788	135,214
17. Interest Charged to Construction - Credit	0	0	0	0
18. Interest Expense - Other	16,433	27,452	8,995	152
19. Other Deductions	15,236	3,972	7,482	175
20. Total Cost of Electric Service (11 thru 18)	37,660,190	36,021,621	37,970,089	3,265,561
21. Patronage Capital & Operating Margins (1 minus 19)	(203,151)	459,369	(486,787)	(175,048)
22. Non Operating Margins - Interest	58,280	29,065	30,760	4,042
23. Allowance for Funds Used During Construction	0	0	0	0
24. Income (Loss) from Equity Investments	0	0	0	0
25. Non Operating Margins - Other	0	(18,616)	0	0
26. Generation and Transmission Capital Credits	(44,535)	162,895	0	0
27. Other Capital Credits and Patronage Dividends	45,543	49,099	53,097	1
28. Extraordinary Items	0	0	0	0
29. Patronage Capital or Margins (20 thru 27)	(143,863)	681,811	(402,930)	(171,006)

Part B. Data on Transmission and Distribution Plant

ITEM	Year-to-Date Last Year (a)	Year-to-Date This Year (b)
1. New Services Connected	164	159
2. Services Retired	32	64
3. Total Services in Place	17,151	17,272
4. Idle Services (Exclude Seasonals)	1,598	972
5. Miles Transmission	0.00	0.00
6. Miles Distribution - Overhead	1,892,354	1,893,370
7. Miles Distribution - Underground	227,261	230,556
8. Total Miles Energized (5+6+7)	2,119,615	2,123,926

USDA-RUS FINANCIAL AND STATISTICAL REPORT		BORROWER DESIGNATION KY0030 PERIOD ENDED 10/2015		Witness: Debra Martin Case No. 2016-00434	
Part C. Balance Sheet					
ASSETS AND OTHER DEBITS			LIABILITIES AND OTHER CREDITS		
1. Total Utility Plant in Service	85,823,377	30. Memberships			0
2. Construction Work in Progress	1,279,530	31. Patronage Capital			34,872,656
3. Total Utility Plant (1+2)	87,102,907	32. Operating Margins - Prior Years			711,519
4. Accum. Provision for Depreciation and Amort.	18,151,066	33. Operating Margins - Current Years			671,363
5. Net Utility Plant (3-4)	68,951,841	34. Non-Operating Margins			573,199
6. Non-Utility Property (Net)	0	35. Other Margins and Equities			1,988,761
7. Investments in Subsidiary Companies	1,625,472	36. Total Margins & Equities (30 thru 35)			38,817,498
8. Invest. In Assoc. Org. - Patronage Capital	18,859,141	37. Long-Term Debt - RUS (NET)			18,234,409
9. Invest. In Assoc. Org. - Other - General Funds	0	(Payments - Unapplied)			0
10. Invest. In Assoc. Org. - Non General Funds	676,773	38. Long-Term Debt - FFB - RUS Guaranteed			29,252,723
11. Investments in Economic Development Projects	352,615	39. Long-Term Debt - Other - RUS Guaranteed			0
12. Other Investments	102,535	40. Long-Term Debt Other (Net)			4,748,307
13. Special Funds	0	41. Long-Term Debt - RUS - Econ. Devel. (Net)			0
14. Total Other Property & Investments (6 thru 13)	21,616,536	42. Payments - Unapplied			0
15. Cash - General Funds	1,993,143	43. Total Long-Term Debt (37 thru 40)			52,235,438
16. Cash - Construction Funds - Trustee	0	44. Obligations Under Capital Leases - Noncurrent			0
17. Special Deposits	425	45. Accumulated Operating Provisions			1,990,560
18. Temporary Investments	2,383,104	46. Total Other Noncurrent Liabilities (44+45)			1,990,560
19. Notes Receivable (Net)	0	47. Notes Payable			0
20. Accounts Receivable - Sales of Energy (Net)	2,541,104	48. Accounts Payable			2,964,111
21. Accounts Receivable - Other (Net)	300,160	49. Consumers Deposits			1,547,424
22. Renewable Energy Credits	0	50. Current Maturities Long-Term Debt			0
23. Materials and Supplies - Electric & Other	531,996	51. Current Maturities Long-Term Debt-Economic Development			0
24. Prepayments	163,773	52. Current Maturities Capital Leases			0
25. Other Current and Accrued Assets	2,532	53. Other Current and Accrued Liabilities			452,999
26. Total Current and Accrued Assets (15 thru 25)	7,896,238	54. Total Current & Accrued Liabilities (47 thru 53)			4,984,535
27. Regulatory Assets	0	55. Regulatory Liabilities			0
28. Other Deferred Debits	0	56. Other Deferred Credits			456,586
29. Total Assets and Other Debits (5+14+26+ thru 28)	98,464,616	57. Total Liabilities and Other Credits (36+43+45+54 thru 56)			98,464,616

USDA-RUS FINANCIAL AND STATISTICAL REPORT		BORROWER DESIGNATION KY0030		Witness: Debra Martin Case No. 2016-00434	
		PERIOD ENDED 11/2015			
Part A. Statement of Operations					
ITEM	Year-to-Date Last Year (a)	Year-to-Date This Year (b)	Year-to-Date Budget (c)	This Month (d)	
1.	Operating Revenue and Patronage Capital	41,584,307	39,815,772	41,097,953	3,334,782
2.	Power Production Expense	0	0	0	0
3.	Cost of Purchased Power	32,185,325	30,354,432	31,683,099	2,563,980
4.	Transmission Expense	0	0	0	0
5.	Regional Market Operations Expense	0	0	0	0
6.	Distribution Expense - Operation	1,308,240	1,374,030	1,434,086	135,759
7.	Distribution Expense - Maintenance	1,988,231	2,151,566	2,499,792	281,803
8.	Consumer Accounts Expense	603,783	497,788	523,856	40,281
9.	Customer Service and Informational Expense	403,753	423,672	445,104	41,407
10.	Sales Expense	(42,335)	(67,888)	(24,565)	1,692
11.	Administrative and General Expense	970,973	976,823	1,097,736	77,251
12.	Total Operation & Maintenance Expense (2 thru 11)	37,417,971	35,710,424	37,659,108	3,142,172
13.	Depreciation and Amortization Expense	2,129,510	2,265,033	2,214,691	209,000
14.	Tax Expense - Property & Gross Receipts	0	0	0	0
15.	Tax Expense - Other	48,389	51,089	50,808	4,644
16.	Interest on Long-Term Debt	1,525,150	1,435,586	1,521,488	116,118
17.	Interest Charged to Construction - Credit	0	0	0	0
18.	Interest Expense - Other	16,569	27,591	9,144	140
19.	Other Deductions	15,188	4,416	7,476	444
20.	Total Cost of Electric Service (12 thru 19)	41,152,777	39,494,139	41,462,715	3,472,518
21.	Patronage Capital & Operating Margins (1 minus 20)	431,530	321,633	(364,762)	(137,736)
22.	Non-Operating Margins - Interest	60,990	32,199	32,190	3,134
23.	Allowance for Funds Used During Construction	0	0	0	0
24.	Income (Loss) from Equity Investments	0	0	0	0
25.	Non-Operating Margins - Other	0	(18,616)	0	0
26.	Generation and Transmission Capital Credits	(44,535)	162,895	0	0
27.	Other Capital Credits and Patronage Dividends	45,543	49,099	53,097	0
28.	Extraordinary Items	0	0	0	0
29.	Patronage Capital or Margins (21 thru 28)	493,528	547,210	(279,475)	(134,602)
Part B. Data on Transmission and Distribution Plant					
ITEM	Year-to-Date Last Year (a)	Year-to-Date This Year (b)			
1.	New Services Connected	176	184		
2.	Services Retired	32	67		
3.	Total Services in Place	17,163	17,294		
4.	Idle Services (Exclude Seasonals)	1,385	997		
5.	Miles Transmission	0.00	0.00		
6.	Miles Distribution - Overhead	1,892,851	1,893,794		
7.	Miles Distribution - Underground	227,525	230,822		
8.	Total Miles Energized (5+6+7)	2,120,376	2,124,616		

USDA-RUS FINANCIAL AND STATISTICAL REPORT		BORROWER DESIGNATION KY0030	Witness: Debra Martin Case No. 2016-00434
		PERIOD ENDED 11/2015	
Part C. Balance Sheet			
ASSETS AND OTHER DEBITS		LIABILITIES AND OTHER CREDITS	
1. Total Utility Plant in Service	66,141,379	30. Memberships	0
2. Construction Work in Progress	900,073	31. Patronage Capital	34,864,984
3. Total Utility Plant (1+2)	87,041,452	32. Operating Margins - Prior Years	711,519
4. Accum. Provision for Depreciation and Amort.	18,258,935	33. Operating Margins - Current Years	533,627
5. Net Utility Plant (3-4)	68,782,517	34. Non-Operating Margins	576,333
6. Non-Utility Property (Net)	0	35. Other Margins and Equities	1,992,472
7. Investments in Subsidiary Companies	1,625,472	36. Total Margins & Equities (30 thru 35)	38,678,935
8. Invest. In Assoc. Org. - Patronage Capital	18,859,141	37. Long-Term Debt - RUS (NET)	18,178,050
9. Invest. In Assoc. Org. - Other - General Funds	0	(Payments - Unapplied)	0
10. Invest. In Assoc. Org. - Non General Funds	676,773	38. Long-Term Debt - FFB - RUS Guaranteed	29,252,723
11. Investments in Economic Development Projects	343,895	39. Long-Term Debt - Other - RUS Guaranteed	0
12. Other Investments	102,535	40. Long-Term Debt Other (Net)	4,645,145
13. Special Funds	0	41. Long-Term Debt - RUS - Econ. Devel. (Net)	0
14. Total Other Property & Investments (8 thru 13)	21,607,816	42. Payments - Unapplied	0
15. Cash - General Funds	2,028,616	43. Total Long-Term Debt (37 thru 40)	52,075,918
16. Cash - Construction Funds - Trustee	0	44. Obligations Under Capital Leases - Noncurrent	0
17. Special Deposits	425	45. Accumulated Operating Provisions	1,993,330
18. Temporary Investments	1,807,413	46. Total Other Noncurrent Liabilities (44+45)	1,993,330
19. Notes Receivable (Net)	0	47. Notes Payable	0
20. Accounts Receivable - Sales of Energy (Net)	2,772,454	48. Accounts Payable	2,920,817
21. Accounts Receivable - Other (Net)	378,867	49. Consumers Deposits	1,541,480
22. Renewable Energy Credits	0	50. Current Maturities Long-Term Debt	0
23. Materials and Supplies - Electric & Other	463,172	51. Current Maturities Long-Term Debt-Economic Development	0
24. Prepayments	216,988	52. Current Maturities Capital Leases	0
25. Other Current and Accrued Assets	4,834	53. Other Current and Accrued Liabilities	371,970
26. Total Current and Accrued Assets (15 thru 25)	7,872,768	54. Total Current & Accrued Liabilities (47 thru 53)	4,834,267
27. Regulatory Assets	0	55. Regulatory Liabilities	0
28. Other Deferred Debits	0	56. Other Deferred Credits	480,651
29. Total Assets and Other Debits (5+14+26+ thru 28)	98,063,101	57. Total Liabilities and Other Credits (36+43+46+54 thru 56)	98,063,101

USDA-RUS FINANCIAL AND STATISTICAL REPORT		BORROWER DESIGNATION KY0030		Witness: Debra Martin Case No. 2016-00434	
		PERIOD ENDED 12/2015			
Part A. Statement of Operations					
ITEM	Year-to-Date Last Year (a)	Year-to-Date This Year (b)	Year-to-Date Budget (c)	This Month (d)	
1.	Operating Revenue and Patronage Capital	45,771,621	43,507,714	45,298,634	3,691,942
2.	Power Production Expense	0	0	0	0
3.	Cost of Purchased Power	35,260,862	33,144,801	34,939,924	2,790,369
4.	Transmission Expense	0	0	0	0
5.	Regional Market Operations Expense	0	0	0	0
6.	Distribution Expense - Operation	1,411,500	1,507,071	1,545,731	133,041
7.	Distribution Expense - Maintenance	2,108,820	2,618,855	2,622,243	467,289
8.	Consumer Accounts Expense	658,156	420,839	570,153	(76,949)
9.	Customer Service and Informational Expense	437,118	450,669	482,268	26,998
10.	Sales Expense	(41,634)	(66,722)	(22,738)	1,166
11.	Administrative and General Expense	1,104,495	1,073,309	1,182,481	96,486
12.	Total Operation & Maintenance Expense (2 thru 11)	40,939,317	39,148,822	41,320,062	3,438,399
13.	Depreciation and Amortization Expense	2,332,129	2,474,514	2,425,413	209,481
14.	Tax Expense - Property & Gross Receipts	0	0	0	0
15.	Tax Expense - Other	53,080	53,496	55,733	2,408
16.	Interest on Long-Term Debt	1,659,591	1,570,256	1,655,216	134,670
17.	Interest Charged to Construction - Credit	0	0	0	0
18.	Interest Expense - Other	28,933	28,644	15,416	1,052
19.	Other Deductions	15,215	4,251	7,500	(165)
20.	Total Cost of Electric Service (12 thru 19)	45,028,264	43,279,983	45,479,340	3,785,844
21.	Patronage Capital & Operating Margins (1 minus 20)	743,357	227,731	180,706	93,902
22.	Non Operating Margins - Interest	64,419	35,909	34,000	3,711
23.	Allowance for Funds Used During Construction	0	0	0	0
24.	Income (Loss) from Equity Investments	167,975	35,101	2,000	35,101
25.	Non Operating Margins - Other	6,356	(3,501)	0	15,116
26.	Generation and Transmission Capital Credits	2,305,926	1,972,964	0	1,810,069
27.	Other Capital Credits and Patronage Dividends	72,480	72,162	84,500	23,063
28.	Extraordinary Items	0	0	0	0
29.	Patronage Capital or Margins (21 thru 28)	3,360,513	2,340,367	60,206	1,793,157
Part B. Data on Transmission and Distribution Plant					
ITEM	Year-to-Date Last Year (a)	Year-to-Date This Year (b)			
1.	New Services Connected	193	211		
2.	Services Retired	35	69		
3.	Total Services in Place	17,177	17,319		
4.	Idle Services (Exclude Seasonals)	1,726	991		
5.	Miles Transmission	0.00	0.00		
6.	Miles Distribution - Overhead	1,892,535	1,894,472		
7.	Miles Distribution - Underground	228,037	231,456		
8.	Total Miles Energized (5+6+7)	2,120,572	2,125,928		

USDA-RUS FINANCIAL AND STATISTICAL REPORT		BORROWER DESIGNATION KY0030 PERIOD ENDED 12/2015		Witness: Debra Martin Case No. 2016-00434	
Part C: Balance Sheet					
ASSETS AND OTHER DEBITS			LIABILITIES AND OTHER CREDITS		
1. Total Utility Plant in Service	86,212,218	30. Memberships			0
2. Construction Work in Progress	881,620	31. Patronage Capital			34,863,620
3. Total Utility Plant (1+2)	87,093,838	32. Operating Margins - Prior Years			713,716
4. Accum. Provision for Depreciation and Amort.	18,092,639	33. Operating Margins - Current Years			2,270,660
5. Net Utility Plant (3-4)	69,001,199	34. Non-Operating Margins			630,261
6. Non-Utility Property (Net)	0	35. Other Margins and Equities			2,004,166
7. Investments in Subsidiary Companies	1,660,573	36. Total Margins & Equities (30 thru 35)			40,482,423
8. Invest. in Assoc. Org. - Patronage Capital	20,668,547	37. Long-Term Debt - RUS (NET)			18,143,913
9. Invest. in Assoc. Org. - Other - General Funds	0	(Payments - Unapplied)			0
10. Invest. in Assoc. Org. - Non General Funds	676,773	38. Long-Term Debt - FFB - RUS Guaranteed			29,072,308
11. Investments in Economic Development Projects	335,157	39. Long-Term Debt - Other - RUS Guaranteed			0
12. Other Investments	119,949	40. Long-Term Debt Other (Net)			4,645,145
13. Special Funds	0	41. Long-Term Debt - RUS - Econ. Devel. (Net)			0
14. Total Other Property & Investments (6 thru 13)	23,460,999	42. Payments - Unapplied			0
15. Cash - General Funds	1,494,797	43. Total Long-Term Debt (37 thru 40)			51,861,366
16. Cash - Construction Funds - Trustee	0	44. Obligations Under Capital Leases - Noncurrent			0
17. Special Deposits	425	45. Accumulated Operating Provisions			1,984,457
18. Temporary Investments	2,040,253	46. Total Other Noncurrent Liabilities (44+45)			1,984,457
19. Notes Receivable (Net)	0	47. Notes Payable			0
20. Accounts Receivable - Sales of Energy (Net)	3,154,426	48. Accounts Payable			3,246,643
21. Accounts Receivable - Other (Net)	55,913	49. Consumers Deposits			1,543,140
22. Renewable Energy Credits	0	50. Current Maturities Long-Term Debt			0
23. Materials and Supplies - Electric & Other	503,125	51. Current Maturities Long-Term Debt-Economic Development			0
24. Prepayments	196,744	52. Current Maturities Capital Leases			0
25. Other Current and Accrued Assets	7,212	53. Other Current and Accrued Liabilities			314,717
26. Total Current and Accrued Assets (15 thru 25)	7,454,895	54. Total Current & Accrued Liabilities (47 thru 53)			5,104,500
27. Regulatory Assets	0	55. Regulatory Liabilities			0
28. Other Deferred Debits	0	56. Other Deferred Credits			484,347
29. Total Assets and Other Debits (5+14+26+ thru 28)	99,917,093	57. Total Liabilities and Other Credits (36+43+46+54 thru 56)			99,917,093

USDA-RUS FINANCIAL AND STATISTICAL REPORT	BORROWER DESIGNATION	Witness: Debra Martin
	KY0030	Case No. 2016-00434
	PERIOD ENDED	01/2016

Part A: Statement of Operations

ITEM	Year-to-Date Last Year (a)	Year-to-Date This Year (b)	Year-to-Date Budget (c)	This Month (d)
1. Operating Revenue and Patronage Capital	4,689,140	4,710,438	4,797,773	4,710,438
2. Power Production Expense	0	0	0	0
3. Cost of Purchased Power	3,391,443	3,458,468	3,490,868	3,458,468
4. Transmission Expense	0	0	0	0
5. Regional Market Operations Expense	0	0	0	0
6. Distribution Expense - Operation	130,884	159,098	135,245	159,098
7. Distribution Expense - Maintenance	96,426	224,582	293,871	224,582
8. Consumer Accounts Expense	61,286	66,436	59,776	66,436
9. Customer Service and Informational Expense	42,297	54,080	44,853	54,080
10. Sales Expense	(12,789)	2,551	(13,274)	2,551
11. Administrative and General Expense	85,522	64,824	81,630	64,824
12. Total Operation & Maintenance Expense (2 thru 11)	3,795,068	4,030,040	4,092,968	4,030,040
13. Depreciation and Amortization Expense	203,453	477,570	213,578	477,570
14. Tax Expense - Property & Gross Receipts	0	0	0	0
15. Tax Expense - Other	4,644	4,681	4,681	4,681
16. Interest on Long-Term Debt	140,741	133,371	149,193	133,371
17. Interest Charged to Construction - Credit	0	0	0	0
18. Interest Expense - Other	149	473	149	473
19. Other Deductions	910	256	1,777	256
20. Total Cost of Electric Service (12 thru 19)	4,144,965	4,646,392	4,462,346	4,646,392
21. Patronage Capital & Operating Margins (1 minus 20)	544,175	64,046	335,427	64,046
22. Non Operating Margins - Interest	3,312	3,630	3,136	3,630
23. Allowance for Funds Used During Construction	0	0	0	0
24. Income (Loss) from Equity Investments	0	0	0	0
25. Non Operating Margins - Other	300	(331)	0	(331)
26. Generation and Transmission Capital Credits	0	0	0	0
27. Other Capital Credits and Patronage Dividends	15,344	0	10,632	0
28. Extraordinary Items	0	0	0	0
29. Patronage Capital or Margins (21 thru 28)	563,131	67,345	349,195	67,345

Part B. Data on Transmission and Distribution Plant

ITEM	Year-to-Date Last Year (a)	Year-to-Date This Year (b)
1. New Services Connected	16	15
2. Services Retired	4	0
3. Total Services In Place	17,189	17,334
4. Idle Services (Exclude Seasonals)	1,781	1,342
5. Miles Transmission	0.00	0.00
6. Miles Distribution - Overhead	1,894,217	1,895,396
7. Miles Distribution - Underground	228,253	231,611
8. Total Miles Energized (5+6+7)	2,122,470	2,127,007

USDA-RUS FINANCIAL AND STATISTICAL REPORT		BORROWER DESIGNATION KY0030 PERIOD ENDED 01/2016		Witness: Debra Martin Case No. 2016-00434	
Part C. Balance Sheet					
ASSETS AND OTHER DEBITS			LIABILITIES AND OTHER CREDITS		
1. Total Utility Plant in Service	86,436,736	30. Memberships		0	
2. Construction Work in Progress	951,861	31. Patronage Capital		37,133,762	
3. Total Utility Plant (1+2)	87,388,597	32. Operating Margins - Prior Years		788,584	
4. Accum. Provision for Depreciation and Amort.	18,432,761	33. Operating Margins - Current Years		61,492	
5. Net Utility Plant (3-4)	68,955,837	34. Non-Operating Margins		559,048	
6. Non-Utility Property (Net)	0	35. Other Margins and Equities		2,009,958	
7. Investments in Subsidiary Companies	1,660,573	36. Total Margins & Equities (30 thru 35)		40,552,845	
8. Invest. in Assoc. Org. - Patronage Capital	20,668,547	37. Long-Term Debt - RUS (NET)		18,095,823	
9. Invest. in Assoc. Org. - Other - General Funds	0	(Payments - Unapplied)		0	
10. Invest. in Assoc. Org. - Non-General Funds	676,773	38. Long-Term Debt - FFB - RUS Guaranteed		29,072,308	
11. Investments in Economic Development Projects	244,397	39. Long-Term Debt - Other - RUS Guaranteed		0	
12. Other Investments	119,949	40. Long-Term Debt Other (Net)		4,645,145	
13. Special Funds	0	41. Long-Term Debt - RUS - Econ. Devel. (Net)		0	
14. Total Other Property & Investments (6 thru 13)	23,370,239	42. Payments - Unapplied		0	
15. Cash - General Funds	1,431,908	43. Total Long-Term Debt (37 thru 40)		51,813,276	
16. Cash - Construction Funds - Trustee	0	44. Obligations Under Capital Leases - Noncurrent		0	
17. Special Deposits	425	45. Accumulated Operating Provisions		1,986,478	
18. Temporary Investments	1,792,772	46. Total Other Noncurrent Liabilities (44+45)		1,986,478	
19. Notes Receivable (Net)	0	47. Notes Payable		0	
20. Accounts Receivable - Sales of Energy (Net)	4,401,510	48. Accounts Payable		3,841,857	
21. Accounts Receivable - Other (Net)	51,364	49. Consumers Deposits		1,541,794	
22. Renewable Energy Credits	0	50. Current Maturities Long-Term Debt		0	
23. Materials and Supplies - Electric & Other	532,345	51. Current Maturities Long-Term Debt-Economic Development		0	
24. Prepayments	227,979	52. Current Maturities Capital Leases		0	
25. Other Current and Accrued Assets	9,585	53. Other Current and Accrued Liabilities		555,183	
26. Total Current and Accrued Assets (15 thru 25)	8,447,888	54. Total Current & Accrued Liabilities (47 thru 53)		5,938,833	
27. Regulatory Assets	0	55. Regulatory Liabilities		0	
28. Other Deferred Debits	0	56. Other Deferred Credits		482,532	
29. Total Assets and Other Debits (5+14+26+ thru 28)	100,773,964	57. Total Liabilities and Other Credits (36+43+46+54 thru 56)		100,773,964	

USDA-RUS FINANCIAL AND STATISTICAL REPORT	BORROWER DESIGNATION	Witness: Debra Martin
	KY0030	Case No. 2016-00434
	PERIOD ENDED	02/2016

Part A. Statement of Operations

ITEM	Year-to-Date Last Year (a)	Year-to-Date This Year (b)	Year-to-Date Budget (c)	This Month (d)
1. Operating Revenue and Patronage Capital	9,207,830	8,685,811	9,421,148	3,975,373
2. Power Production Expense	0	0	0	0
3. Cost of Purchased Power	6,835,245	6,524,378	7,035,630	3,065,910
4. Transmission Expense	0	0	0	0
5. Regional Market Operations Expense	0	0	0	0
6. Distribution Expense - Operation	279,654	317,315	289,230	158,216
7. Distribution Expense - Maintenance	179,214	421,536	409,066	196,954
8. Consumer Accounts Expense	108,483	138,815	127,848	72,379
9. Customer Service and Informational Expense	81,932	92,570	86,685	38,490
10. Sales Expense	(9,695)	2,665	(11,988)	114
11. Administrative and General Expense	166,799	132,890	170,729	68,066
12. Total Operation & Maintenance Expense (2 thru 11)	7,841,833	7,630,169	8,107,201	3,600,130
13. Depreciation and Amortization Expense	407,133	446,391	427,392	(31,179)
14. Tax Expense - Property & Gross Receipts	0	0	0	0
15. Tax Expense - Other	9,289	9,362	9,362	4,681
16. Interest on Long-Term Debt	267,303	265,737	284,149	132,365
17. Interest Charged to Construction - Credit	0	0	0	0
18. Interest Expense - Other	277	911	277	437
19. Other Deductions	1,260	1,317	2,595	1,060
20. Total Cost of Electric Service (12 thru 19)	8,326,894	8,353,886	8,830,975	3,707,495
21. Patronage Capital & Operating Margins (1 minus 20)	880,936	331,925	590,173	267,879
22. Non-Operating Margins - Interest	6,039	6,594	5,718	2,964
23. Allowance for Funds Used During Construction	0	0	0	0
24. Income (Loss) from Equity Investments	0	0	0	0
25. Non-Operating Margins - Other	300	1,365	0	1,696
26. Generation and Transmission Capital Credits	0	0	0	0
27. Other Capital Credits and Patronage Dividends	16,444	1,101	11,394	1,101
28. Extraordinary Items	0	0	0	0
29. Patronage Capital or Margins (21 thru 28)	903,719	340,984	607,285	273,640

Part B. Data on Transmission and Distribution Plant

ITEM	Year-to-Date Last Year (a)	Year-to-Date This Year (b)
1. New Services Connected	13	22
2. Services Retired	12	0
3. Total Services in Place	17,190	17,341
4. Idle Services (Exclude Seasonals)	1,417	989
5. Miles Transmission	0.00	0.00
6. Miles Distribution - Overhead	1,892,886	1,895,593
7. Miles Distribution - Underground	228,533	231,726
8. Total Miles Energized (5+6+7)	2,121,419	2,127,319

USDA-RUS FINANCIAL AND STATISTICAL REPORT		BORROWER DESIGNATION KY0030	Witness: Debra Martin Case No. 2016-00434
		PERIOD ENDED 02/2016	
Part C. Balance Sheet			
ASSETS AND OTHER DEBITS		LIABILITIES AND OTHER CREDITS	
1. Total Utility Plant in Service	86,541,227	30. Memberships	0
2. Construction Work in Progress	1,207,703	31. Patronage Capital	37,117,530
3. Total Utility Plant (1+2)	87,748,930	32. Operating Margins - Prior Years	790,544
4. Accum. Provision for Depreciation and Amort.	18,147,166	33. Operating Margins - Current Years	328,512
5. Net Utility Plant (3-4)	69,601,764	34. Non-Operating Margins	563,708
6. Non-Utility Property (Net)	0	35. Other Margins and Equities	2,020,376
7. Investments in Subsidiary Companies	1,660,573	36. Total Margins & Equities (30 thru 35)	40,820,671
8. Invest. in Assoc. Org. - Patronage Capital	20,668,547	37. Long-Term Debt - RUS (NET)	18,051,027
9. Invest. in Assoc. Org. - Other - General Funds	0	(Payments - Unapplied)	0
10. Invest. in Assoc. Org. - Non General Funds	676,773	38. Long-Term Debt - FFB - RUS Guaranteed	29,072,308
11. Investments in Economic Development Projects	236,290	39. Long-Term Debt - Other - RUS Guaranteed	0
12. Other Investments	119,949	40. Long-Term Debt Other (Net)	4,548,103
13. Special Funds	0	41. Long-Term Debt - RUS - Econ. Devel. (Net)	0
14. Total Other Property & Investments (6 thru 13)	23,362,132	42. Payments - Unapplied	0
15. Cash - General Funds	1,944,764	43. Total Long-Term Debt (37 thru 40)	51,672,438
16. Cash - Construction Funds - Trustee	0	44. Obligations Under Capital Leases - Noncurrent	0
17. Special Deposits	425	45. Accumulated Operating Provisions	1,988,541
18. Temporary Investments	917,587	46. Total Other Noncurrent Liabilities (44+45)	1,988,541
19. Notes Receivable (Net)	0	47. Notes Payable	0
20. Accounts Receivable - Sales of Energy (Net)	3,995,267	48. Accounts Payable	3,485,487
21. Accounts Receivable - Other (Net)	75,166	49. Consumers Deposits	1,534,354
22. Renewable Energy Credits	0	50. Current Maturities Long-Term Debt	0
23. Materials and Supplies - Electric & Other	525,312	51. Current Maturities Long-Term Debt-Economic Development	0
24. Prepayments	207,403	52. Current Maturities Capital Leases	0
25. Other Current and Accrued Assets	11,809	53. Other Current and Accrued Liabilities	658,549
26. Total Current and Accrued Assets (15 thru 25)	7,677,733	54. Total Current & Accrued Liabilities (47 thru 53)	5,678,389
27. Regulatory Assets	0	55. Regulatory Liabilities	0
28. Other Deferred Debits	0	56. Other Deferred Credits	481,589
29. Total Assets and Other Debits (5+14+26+ thru 28)	100,641,629	57. Total Liabilities and Other Credits (36+43+46+54 thru 56)	100,641,629

USDA-RUS FINANCIAL AND STATISTICAL REPORT	BORROWER DESIGNATION	Witness: Debra Martin
	KY0030	Case No. 2016-00434
	PERIOD ENDED	
	03/2016	

Part A. Statement of Operations

ITEM	Year-to-Date Last Year (a)	Year-to-Date This Year (b)	Year-to-Date Budget (c)	This Month (d)
1. Operating Revenue and Patronage Capital	13,087,649	12,288,423	13,390,539	3,602,612
2. Power Production Expense	0	0	0	0
3. Cost of Purchased Power	9,634,540	8,948,387	9,916,990	2,424,009
4. Transmission Expense	0	0	0	0
5. Regional Market Operations Expense	0	0	0	0
6. Distribution Expense - Operation	408,342	472,704	438,810	155,389
7. Distribution Expense - Maintenance	276,821	613,601	531,185	192,064
8. Consumer Accounts Expense	156,588	198,263	184,215	59,448
9. Customer Service and Informational Expense	120,188	123,006	131,240	30,435
10. Sales Expense	(15,113)	3,807	(16,954)	1,142
11. Administrative and General Expense	242,806	206,488	249,806	73,598
12. Total Operation & Maintenance Expense (2 thru 11)	10,824,172	10,566,255	11,435,292	2,936,086
13. Depreciation and Amortization Expense	611,202	669,934	641,615	223,543
14. Tax Expense - Property & Gross Receipts	0	0	0	0
15. Tax Expense - Other	13,933	14,043	14,043	4,681
16. Interest on Long-Term Debt	395,356	373,848	418,881	108,111
17. Interest Charged to Construction - Credit	0	0	0	0
18. Interest Expense - Other	9,078	1,381	5,916	470
19. Other Deductions	1,865	2,349	3,952	1,033
20. Total Cost of Electric Service (12 thru 19)	11,855,605	11,627,809	12,520,699	3,273,923
21. Patronage Capital & Operating Margins (1 minus 20)	1,232,043	660,614	869,840	328,689
22. Non-Operating Margins - Interest	9,226	10,033	8,736	3,439
23. Allowance for Funds Used During Construction	0	0	0	0
24. Income (Loss) from Equity Investments	0	0	0	0
25. Non-Operating Margins - Other	(1,989)	1,365	0	0
26. Generation and Transmission Capital Credits	0	0	0	0
27. Other Capital Credits and Patronage Dividends	16,445	6,584	11,395	5,483
28. Extraordinary Items	0	0	0	0
29. Patronage Capital or Margins (21 thru 28)	1,255,726	678,596	889,971	337,611

Part B. Data on Transmission and Distribution Plant

ITEM	Year-to-Date Last Year (a)	Year-to-Date This Year (b)
1. New Services Connected	42	36
2. Services Retired	22	13
3. Total Services in Place	17,197	17,342
4. Idle Services (Exclude Seasonals)	1,337	858
5. Miles Transmission	0.00	0.00
6. Miles Distribution - Overhead	1,892,280	1,893,492
7. Miles Distribution - Underground	228,660	232,022
8. Total Miles Energized (5+6+7)	2,120,940	2,125,514

USDA-RUS FINANCIAL AND STATISTICAL REPORT		BORROWER DESIGNATION KY0030	Witness: Debra Martin Case No. 2016-00434
		PERIOD ENDED 03/2016	
Part C: Balance Sheet			
ASSETS AND OTHER DEBITS		LIABILITIES AND OTHER CREDITS	
1: Total Utility Plant in Service	88,605,446	30: Memberships	0
2: Construction Work in Progress	1,401,236	31: Patronage Capital	37,084,195
3: Total Utility Plant (1+2)	88,006,682	32: Operating Margins - Prior Years	792,599
4: Accum. Provision for Depreciation and Amort.	18,044,980	33: Operating Margins - Current Years	660,629
5: Net Utility Plant (3-4)	69,961,702	34: Non-Operating Margins	567,147
6: Non-Utility Property (Net)	0	35: Other Margins and Equities	2,044,263
7: Investments in Subsidiary Companies	1,660,573	36: Total Margins & Equities (30 thru 35)	41,148,834
8: Invest. In Assoc. Org. - Patronage Capital	20,672,769	37: Long-Term Debt - RUS (NET)	17,998,226
9: Invest. In Assoc. Org. - Other - General Funds	0	(Payments - Unapplied)	0
10: Invest. In Assoc. Org. - Non General Funds	669,540	38: Long-Term Debt - FFB - RUS Guaranteed	28,890,882
11: Investments in Economic Development Projects	228,155	39: Long-Term Debt - Other - RUS Guaranteed	0
12: Other Investments	114,716	40: Long-Term Debt Other (Net)	4,549,103
13: Special Funds	0	41: Long-Term Debt - RUS - Econ. Devel. (Net)	0
14: Total Other Property & Investments (6 thru 13)	23,345,754	42: Payments - Unapplied	0
15: Cash - General Funds	1,310,618	43: Total Long-Term Debt (37 thru 40)	51,438,212
16: Cash - Construction Funds - Trustee	0	44: Obligations Under Capital Leases - Noncurrent	0
17: Special Deposits	425	45: Accumulated Operating Provisions	1,990,583
18: Temporary Investments	1,246,212	46: Total Other Noncurrent Liabilities (44+45)	1,990,583
19: Notes Receivable (Net)	0	47: Notes Payable	0
20: Accounts Receivable - Sales of Energy (Net)	3,297,809	48: Accounts Payable	2,827,159
21: Accounts Receivable - Other (Net)	93,546	49: Consumers Deposits	1,531,509
22: Renewable Energy Credits	0	50: Current Maturities Long-Term Debt	0
23: Materials and Supplies - Electric & Other	564,579	51: Current Maturities Long-Term Debt-Economic Development	0
24: Prepayments	188,301	52: Current Maturities Capital Leases	0
25: Other Current and Accrued Assets	14,182	53: Other Current and Accrued Liabilities	605,408
26: Total Current and Accrued Assets (15 thru 25)	6,715,672	54: Total Current & Accrued Liabilities (47 thru 53)	4,984,076
27: Regulatory Assets	0	55: Regulatory Liabilities	0
28: Other Deferred Debits	0	56: Other Deferred Credits	481,423
29: Total Assets and Other Debits (5+14+26+ thru 28)	100,023,127	57: Total Liabilities and Other Credits (36+43+46+54 thru 56)	100,023,127

USDA-RUS FINANCIAL AND STATISTICAL REPORT	BORROWER DESIGNATION KY0030	Witness: Debra Martin Case No. 2016-00434
	PERIOD ENDED 04/2016	

Part A: Statement of Operations

ITEM	Year-to-Date	Year-to-Date	Year-to-Date	This Month
	Last Year	This Year	Budget	
	(a)	(b)	(c)	(d)
1. Operating Revenue and Patronage Capital	15,914,718	15,375,367	16,282,731	3,086,944
2. Power Production Expense	0	0	0	0
3. Cost of Purchased Power	11,705,166	11,193,434	12,048,319	2,245,047
4. Transmission Expense	0	0	0	0
5. Regional Market Operations Expense	0	0	0	0
6. Distribution Expense - Operation	531,480	595,098	579,484	122,394
7. Distribution Expense - Maintenance	416,595	826,768	690,463	213,167
8. Consumer Accounts Expense	201,470	254,006	236,843	55,743
9. Customer Service and Informational Expense	160,469	154,443	174,085	31,437
10. Sales Expense	(15,440)	5,512	(17,304)	1,708
11. Administrative and General Expense	339,130	278,285	345,809	71,797
12. Total Operation & Maintenance Expense (2 thru 11)	13,338,872	13,307,547	14,057,700	2,741,282
13. Depreciation and Amortization Expense	815,955	895,383	856,557	225,449
14. Tax Expense - Property & Gross Receipts	0	0	0	0
15. Tax Expense - Other	18,578	18,724	18,724	4,681
16. Interest on Long-Term Debt	533,822	514,774	565,803	140,926
17. Interest Charged to Construction - Credit	0	0	0	0
18. Interest Expense - Other	9,215	1,836	7,053	455
19. Other Deductions	2,130	3,933	4,464	1,583
20. Total Cost of Electric Service (12 thru 19)	14,718,572	14,742,195	15,510,300	3,114,386
21. Patronage Capital & Operating Margins (1 minus 20)	1,196,146	633,172	772,431	(27,442)
22. Non Operating Margins - Interest	10,372	13,816	9,821	3,783
23. Allowance for Funds Used During Construction	0	0	0	0
24. Income (Loss) from Equity Investments	0	0	0	0
25. Non Operating Margins - Other	(8,907)	1,365	0	0
26. Generation and Transmission Capital Credits	0	0	0	0
27. Other Capital Credits and Patronage Dividends	16,446	6,585	11,395	1
28. Extraordinary Items	0	0	0	0
29. Patronage Capital or Margins (21 thru 28)	1,214,057	654,938	793,647	(23,658)

Part B: Data on Transmission and Distribution Plant

ITEM	Year-to-Date	Year-to-Date
	Last Year	This Year
	(a)	(b)
1. New Services Connected	54	65
2. Services Retired	34	26
3. Total Services In Place	17,197	17,358
4. Idle Services (Exclude Seasonals)	972	862
5. Miles Transmission	0.00	0.00
6. Miles Distribution - Overhead	1,891.143	1,891.765
7. Miles Distribution - Underground	228.724	232.359
8. Total Miles Energized (5+6+7)	2,119.867	2,124.124

USDA-RUS FINANCIAL AND STATISTICAL REPORT		BORROWER DESIGNATION KY0030		Witness: Debra Martin Case No. 2016-00434	
		PERIOD ENDED 04/2016			
Part C. Balance Sheet					
ASSETS AND OTHER DEBITS			LIABILITIES AND OTHER CREDITS		
1. Total Utility Plant in Service	87,310,199	30. Memberships			0
2. Construction Work in Progress	749,548	31. Patronage Capital			37,065,704
3. Total Utility Plant (1+2)	88,059,746	32. Operating Margins - Prior Years			795,518
4. Accum. Provision for Depreciation and Amort.	17,872,052	33. Operating Margins - Current Years			630,269
5. Net Utility Plant (3-4)	70,187,694	34. Non-Operating Margins			570,930
6. Non-Utility Property (Net)	0	35. Other Margins and Equities			2,052,482
7. Investments in Subsidiary Companies	1,660,573	36. Total Margins & Equities (30 thru 35)			41,114,903
8. Invest. in Assoc. Org. - Patronage Capital	20,672,769	37. Long-Term Debt - RUS (NET)			17,957,690
9. Invest. in Assoc. Org. - Other - General Funds	0	(Payments - Unapplied)			0
10. Invest. in Assoc. Org. - Non-General Funds	669,540	38. Long-Term Debt - FFB - RUS Guaranteed			28,890,882
11. Investments in Economic Development Projects	220,030	39. Long-Term Debt - Other - RUS Guaranteed			0
12. Other Investments	114,716	40. Long-Term Debt Other (Net)			4,549,103
13. Special Funds	0	41. Long-Term Debt - RUS - Econ. Devel. (Net)			0
14. Total Other Property & Investments (6 thru 13)	23,337,628	42. Payments - Unapplied			0
15. Cash - General Funds	1,231,240	43. Total Long-Term Debt (37 thru 40)			51,397,675
16. Cash - Construction Funds - Trustee	0	44. Obligations Under Capital Leases - Noncurrent			0
17. Special Deposits	425	45. Accumulated Operating Provisions			1,992,598
18. Temporary Investments	1,264,893	46. Total Other Noncurrent Liabilities (44+45)			1,992,598
19. Notes Receivable (Net)	0	47. Notes Payable			0
20. Accounts Receivable - Sales of Energy (Net)	2,985,686	48. Accounts Payable			2,605,394
21. Accounts Receivable - Other (Net)	106,637	49. Consumers Deposits			1,532,149
22. Renewable Energy Credits	0	50. Current Maturities Long-Term Debt			0
23. Materials and Supplies - Electric & Other	551,871	51. Current Maturities Long-Term Debt-Economic Development			0
24. Prepayments	167,880	52. Current Maturities Capital Leases			0
25. Other Current and Accrued Assets	2,474	53. Other Current and Accrued Liabilities			723,644
26. Total Current and Accrued Assets (15 thru 25)	6,321,105	54. Total Current & Accrued Liabilities (47 thru 53)			4,861,187
27. Regulatory Assets	0	55. Regulatory Liabilities			0
28. Other Deferred Debits	0	56. Other Deferred Credits			480,064
29. Total Assets and Other Debits (5+14+26+ thru 28)	99,846,427	57. Total Liabilities and Other Credits (36+43+46+54 thru 56)			99,846,427

USDA-RUS FINANCIAL AND STATISTICAL REPORT		BORROWER DESIGNATION KY0030		Witness: Debra Martin Case No. 2016-00434	
		PERIOD ENDED		05/2016	
Part A. Statement of Operations					
ITEM	Year-to-Date Last Year (a)	Year-to-Date This Year (b)	Year-to-Date Budget (c)	This Month (d)	
1. Operating Revenue and Patronage Capital	19,024,264	18,446,239	19,464,285	3,070,872	
2. Power Production Expense	0	0	0	0	
3. Cost of Purchased Power	13,945,317	13,638,851	14,354,143	2,445,417	
4. Transmission Expense	0	0	0	0	
5. Regional Market Operations Expense	0	0	0	0	
6. Distribution Expense - Operation	648,889	740,844	706,599	145,745	
7. Distribution Expense - Maintenance	552,628	1,075,605	857,435	248,837	
8. Consumer Accounts Expense	244,327	311,649	287,529	57,643	
9. Customer Service and Informational Expense	199,828	188,032	216,843	33,589	
10. Sales Expense	(17,170)	6,923	(17,961)	1,411	
11. Administrative and General Expense	427,284	373,431	428,818	95,146	
12. Total Operation & Maintenance Expense (2 thru 11)	16,001,104	16,335,335	16,833,405	3,027,788	
13. Depreciation and Amortization Expense	1,021,346	1,121,903	1,072,169	226,521	
14. Tax Expense - Property & Gross Receipts	0	0	0	0	
15. Tax Expense - Other	23,222	23,405	23,405	4,681	
16. Interest on Long-Term Debt	669,768	649,544	710,167	134,770	
17. Interest Charged to Construction - Credit	0	0	0	0	
18. Interest Expense - Other	9,365	2,306	7,202	470	
19. Other Deductions	2,357	3,813	4,950	(119)	
20. Total Cost of Electric Service (12 thru 19)	17,727,162	18,136,306	18,651,298	3,394,111	
21. Patronage Capital & Operating Margins (1 minus 20)	1,297,102	309,933	812,987	(323,239)	
22. Non Operating Margins - Interest	13,221	17,021	12,518	3,205	
23. Allowance for Funds Used During Construction	0	0	0	0	
24. Income (Loss) from Equity Investments	0	0	0	0	
25. Non Operating Margins - Other	(8,907)	(113)	0	(1,478)	
26. Generation and Transmission Capital Credits	0	0	0	0	
27. Other Capital Credits and Patronage Dividends	16,446	6,585	11,395	0	
28. Extraordinary Items	0	0	0	0	
29. Patronage Capital or Margins (21 thru 28)	1,317,862	333,426	836,900	(321,512)	
Part B. Data on Transmission and Distribution Plant					
ITEM	Year-to-Date Last Year (a)	Year-to-Date This Year (b)			
1. New Services Connected	72	79			
2. Services Retired	39	29			
3. Total Services in Place	17,210	17,369			
4. Idle Services (Exclude Seasonals)	958	861			
5. Miles Transmission	0.00	0.00			
6. Miles Distribution - Overhead	1,892,036	1,890,406			
7. Miles Distribution - Underground	229,000	232,809			
8. Total Miles Energized (5+6+7)	2,121,036	2,123,215			

USDA-RUS FINANCIAL AND STATISTICAL REPORT		BORROWER DESIGNATION KY0030		Witness: Debra Martin Case No. 2016-00434	
		PERIOD ENDED 05/2016			
Part C. Balance Sheet					
ASSETS AND OTHER DEBITS			LIABILITIES AND OTHER CREDITS		
1. Total Utility Plant in Service	87,675,928	30. Memberships			0
2. Construction Work in Progress	721,806	31. Patronage Capital			37,056,883
3. Total Utility Plant (1+2)	88,397,734	32. Operating Margins - Prior Years			801,202
4. Accum. Provision for Depreciation and Amort.	17,866,168	33. Operating Margins - Current Years			301,347
5. Net Utility Plant (3-4)	70,531,566	34. Non-Operating Margins			572,658
6. Non-Utility Property (Net)	0	35. Other Margins and Equities			2,056,652
7. Investments in Subsidiary Companies	1,660,573	36. Total Margins & Equities (30 thru 35)			40,788,741
8. Invest. In Assoc. Org. - Patronage Capital	20,672,769	37. Long-Term Debt - RUS (NET)			17,914,230
9. Invest. In Assoc. Org. - Other - General Funds	0	(Payments - Unapplied)			0
10. Invest. In Assoc. Org. - Non General Funds	669,540	38. Long-Term Debt - FFB - RUS Guaranteed			28,890,882
11. Investments in Economic Development Projects	211,887	39. Long-Term Debt - Other - RUS Guaranteed			0
12. Other Investments	114,716	40. Long-Term Debt Other (Net)			4,451,958
13. Special Funds	0	41. Long-Term Debt - RUS - Econ. Devel. (Net)			0
14. Total Other Property & Investments (6 thru 13)	23,329,485	42. Payments - Unapplied			0
15. Cash - General Funds	813,297	43. Total Long-Term Debt (37 thru 40)			51,257,071
16. Cash - Construction Funds - Trustee	0	44. Obligations Under Capital Leases - Noncurrent			0
17. Special Deposits	425	45. Accumulated Operating Provisions			1,994,670
18. Temporary Investments	1,164,937	46. Total Other Noncurrent Liabilities (44+45)			1,994,670
19. Notes Receivable (Net)	0	47. Notes Payable			0
20. Accounts Receivable - Sales of Energy (Net)	2,940,034	48. Accounts Payable			2,761,764
21. Accounts Receivable - Other (Net)	124,311	49. Consumers Deposits			1,540,609
22. Renewable Energy Credits	0	50. Current Maturities Long-Term Debt			0
23. Materials and Supplies - Electric & Other	598,976	51. Current Maturities Long-Term Debt-Economic Development			0
24. Prepayments	142,872	52. Current Maturities Capital Leases			0
25. Other Current and Accrued Assets	4,852	53. Other Current and Accrued Liabilities			828,210
26. Total Current and Accrued Assets (15 thru 25)	5,789,704	54. Total Current & Accrued Liabilities (47 thru 53)			5,130,582
27. Regulatory Assets	0	55. Regulatory Liabilities			0
28. Other Deferred Debits	0	56. Other Deferred Credits			479,690
29. Total Assets and Other Debits (5+14+26+ thru 28)	99,650,755	57. Total Liabilities and Other Credits (36+43+46+54 thru 56)			99,650,755

USDA-RUS FINANCIAL AND STATISTICAL REPORT	BORROWER DESIGNATION	Witness: Debra Martin
	KY0030	Case No. 2016-00434
PERIOD ENDED:		06/2016

Part A. Statement of Operations:

ITEM	Year-to-Date Last Year (a)	Year-to-Date This Year (b)	Year-to-Date Budget (c)	This Month (d)
1. Operating Revenue and Patronage Capital	22,399,342	22,014,827	22,917,685	3,568,588
2. Power Production Expense	0	0	0	0
3. Cost of Purchased Power	16,896,816	16,492,196	17,392,169	2,853,345
4. Transmission Expense	0	0	0	0
5. Regional Market Operations Expense	0	0	0	0
6. Distribution Expense - Operation	767,767	854,638	839,356	113,794
7. Distribution Expense - Maintenance	715,337	1,450,622	1,187,227	375,017
8. Consumer Accounts Expense	286,223	366,238	337,230	54,589
9. Customer Service and Informational Expense	243,571	227,391	268,617	39,359
10. Sales Expense	(18,918)	6,487	(19,744)	1,564
11. Administrative and General Expense	543,000	469,647	586,692	86,216
12. Total Operation & Maintenance Expense (2 thru 11)	19,433,796	19,869,218	20,591,548	3,523,883
13. Depreciation and Amortization Expense	1,226,971	1,348,763	1,288,025	226,860
14. Tax Expense - Property & Gross Receipts	0	0	0	0
15. Tax Expense - Other	27,867	28,086	28,085	4,681
16. Interest on Long-Term Debt	796,557	744,348	843,781	94,804
17. Interest Charged to Construction - Credit	0	0	0	0
18. Interest Expense - Other	16,412	3,008	12,522	702
19. Other Deductions	2,576	3,852	5,389	38
20. Total Cost of Electric Service (12 thru 19)	21,504,178	21,987,274	22,769,351	3,850,968
21. Patronage Capital & Operating Margins (1 minus 20)	895,164	27,552	148,334	(282,380)
22. Non-Operating Margins - Interest	16,201	19,945	15,339	2,924
23. Allowance for Funds Used During Construction	0	0	0	0
24. Income (Loss) from Equity Investments	0	0	0	0
25. Non-Operating Margins - Other	(8,907)	87	0	200
26. Generation and Transmission Capital Credits	162,895	0	(145,547)	0
27. Other Capital Credits and Patronage Dividends	16,446	6,585	11,395	0
28. Extraordinary Items	0	0	0	0
29. Patronage Capital or Margins (21 thru 28)	1,081,798	54,169	29,521	(279,257)

Part B. Data on Transmission and Distribution Plant

ITEM	Year-to-Date Last Year (a)	Year-to-Date This Year (b)
1. New Services Connected	83	96
2. Services Retired	55	50
3. Total Services in Place	17,205	17,365
4. Idle Services (Exclude Seasonals)	969	848
5. Miles Transmission	0.00	0.00
6. Miles Distribution - Overhead	1,891,626	1,888,989
7. Miles Distribution - Underground	229,109	234,468
8. Total Miles Energized (5+6+7)	2,120,735	2,123,457

USDA-RUS FINANCIAL AND STATISTICAL REPORT		BORROWER DESIGNATION KY0030 PERIOD ENDED: 06/2016		Witness: Debra Martin Case No. 2016-00434	
Part C. Balance Sheet					
ASSETS AND OTHER DEBITS			LIABILITIES AND OTHER CREDITS		
1. Total Utility Plant in Service	87,806,875	30. Memberships			0
2. Construction Work in Progress	621,054	31. Patronage Capital			37,051,488
3. Total Utility Plant (1+2)	88,427,729	32. Operating Margins - Prior Years			809,128
4. Accum. Provision for Depreciation and Amort.	17,782,978	33. Operating Margins - Current Years			11,040
5. Net Utility Plant (3-4)	70,644,751	34. Non-Operating Margins			675,781
6. Non-Utility Property (Net)	0	35. Other Margins and Equities			2,059,206
7. Investments in Subsidiary Companies	1,660,573	36. Total Margins & Equities (30 thru 35)			40,506,641
8. Invest. In Assoc. Org. - Patronage Capital	20,672,769	37. Long-Term Debt - RUS (NET)			2,221,550
9. Invest. In Assoc. Org. - Other - General Funds	0	(Payments - Unapplied)			0
10. Invest. In Assoc. Org. - Non General Funds	669,540	38. Long-Term Debt - FFB - RUS Guaranteed			28,708,074
11. Investments in Economic Development Projects	203,744	39. Long-Term Debt - Other - RUS Guaranteed			0
12. Other Investments	114,706	40. Long-Term Debt Other (Net)			20,136,174
13. Special Funds	0	41. Long-Term Debt - RUS - Econ. Devel. (Net)			0
14. Total Other Property & Investments (6 thru 13)	23,321,332	42. Payments - Unapplied			0
15. Cash - General Funds	978,495	43. Total Long-Term Debt (37 thru 40)			51,065,798
16. Cash - Construction Funds - Trustee	0	44. Obligations Under Capital Leases - Noncurrent			0
17. Special Deposits	425	45. Accumulated Operating Provisions			1,995,913
18. Temporary Investments	377,011	46. Total Other Noncurrent Liabilities (44+45)			1,995,913
19. Notes Receivable (Net)	0	47. Notes Payable			0
20. Accounts Receivable - Sales of Energy (Net)	3,283,580	48. Accounts Payable			3,226,343
21. Accounts Receivable - Other (Net)	147,916	49. Consumers Deposits			1,540,418
22. Renewable Energy Credits	0	50. Current Maturities Long-Term Debt			0
23. Materials and Supplies - Electric & Other	586,282	51. Current Maturities Long-Term Debt-Economic Development			0
24. Prepayments	125,812	52. Current Maturities Capital Leases			0
25. Other Current and Accrued Assets	7,153	53. Other Current and Accrued Liabilities			770,398
26. Total Current and Accrued Assets (15 thru 25)	5,506,675	54. Total Current & Accrued Liabilities (47 thru 53)			5,537,159
27. Regulatory Assets	0	55. Regulatory Liabilities			0
28. Other Deferred Debits	0	56. Other Deferred Credits			367,246
29. Total Assets and Other Debits (5+14+26+ thru 28)	99,472,757	57. Total Liabilities and Other Credits (36+43+46+54 thru 56)			99,472,757

USDA-RUS FINANCIAL AND STATISTICAL REPORT		BORROWER DESIGNATION KY0030		Witness: Debra Martin Case No. 2016-00434	
		PERIOD ENDED 07/2016			
Part A. Statement of Operations					
ITEM	Year-to-Date Last Year (a)	Year-to-Date This Year (b)	Year-to-Date Budget (c)	This Month (d)	
1.	Operating Revenue and Patronage Capital	26,077,172	25,937,100	26,680,825	3,922,273
2.	Power Production Expense	0	0	0	0
3.	Cost of Purchased Power	19,997,008	19,632,995	20,583,247	3,140,799
4.	Transmission Expense	0	0	0	0
5.	Regional Market Operations Expense	0	0	0	0
6.	Distribution Expense - Operation	854,343	986,985	976,148	132,347
7.	Distribution Expense - Maintenance	984,624	1,799,137	1,593,708	348,515
8.	Consumer Accounts Expense	328,756	417,945	387,390	51,707
9.	Customer Service and Informational Expense	286,238	263,773	318,099	36,382
10.	Sales Expense	(43,089)	11,742	(43,590)	3,255
11.	Administrative and General Expense	626,506	540,325	673,622	80,679
12.	Total Operation & Maintenance Expense (2 thru 11)	23,034,386	23,652,902	24,488,624	3,793,684
13.	Depreciation and Amortization Expense	1,433,277	1,576,275	1,504,596	227,511
14.	Tax Expense - Property & Gross Receipts	0	0	0	0
15.	Tax Expense - Other	32,511	32,118	32,766	4,033
16.	Interest on Long-Term Debt	932,109	833,822	987,792	89,474
17.	Interest Charged to Construction - Credit	0	0	0	0
18.	Interest Expense - Other	16,562	3,479	12,672	471
19.	Other Deductions	2,961	5,579	5,999	1,728
20.	Total Cost of Electric Service (12 thru 19)	25,451,806	26,104,175	27,032,449	4,116,901
21.	Patronage Capital & Operating Margins (1 minus 20)	625,366	(167,075)	(351,624)	(194,627)
22.	Non-Operating Margins - Interest	19,225	22,774	18,203	2,829
23.	Allowance for Funds Used During Construction	0	0	0	0
24.	Income (Loss) from Equity Investments	0	0	0	0
25.	Non-Operating Margins - Other	(8,907)	87	0	0
26.	Generation and Transmission Capital Credits	162,895	0	(145,547)	0
27.	Other Capital Credits and Patronage Dividends	16,447	6,585	11,396	0
28.	Extraordinary Items	0	0	0	0
29.	Patronage Capital or Margins (21 thru 28)	815,026	(137,629)	(467,572)	(191,798)
Part B. Data on Transmission and Distribution Plant					
ITEM	Year-to-Date Last Year (a)	Year-to-Date This Year (b)			
1.	New Services Connected	96	121		
2.	Services Retired	58	65		
3.	Total Services in Place	17,215	17,375		
4.	Idle Services (Exclude Seasonals)	967	860		
5.	Miles Transmission	0.00	0.00		
6.	Miles Distribution - Overhead	1,891,711	1,886,883		
7.	Miles Distribution - Underground	229,233	234,961		
8.	Total Miles Energized (5+6+7)	2,120,944	2,123,844		

USDA-RUS FINANCIAL AND STATISTICAL REPORT		BORROWER DESIGNATION KY0030	Witness: Debra Martin Case No. 2016-00434
		PERIOD ENDED 07/2016	
Part C. Balance Sheet			
ASSETS AND OTHER DEBITS		LIABILITIES AND OTHER CREDITS	
1. Total Utility Plant in Service	88,069,787	30. Memberships	0
2. Construction Work in Progress	773,291	31. Patronage Capital	37,043,382
3. Total Utility Plant (1+2)	88,843,077	32. Operating Margins - Prior Years	817,339
4. Accum. Provision for Depreciation and Amort.	17,810,020	33. Operating Margins - Current Years	-191,798
5. Net Utility Plant (3-4)	71,033,058	34. Non-Operating Margins	578,610
6. Non-Utility Property (Net)	1,660,573	35. Other Margins and Equities	2,063,480
7. Investments in Subsidiary Companies	20,672,769	36. Total Margins & Equities (30 thru 35)	40,311,013
8. Invest. in Assoc. Org. - Patronage Capital	0	37. Long-Term Debt - RUS (NET)	2,212,867
9. Invest. in Assoc. Org. - Other - General Funds	669,540	(Payments - Unapplied)	0
10. Invest. in Assoc. Org. - Non General Funds	195,583	38. Long-Term Debt - FEB - RUS Guaranteed	28,708,074
11. Investments in Economic Development Projects	114,706	39. Long-Term Debt - Other - RUS Guaranteed	0
12. Other Investments	0	40. Long-Term Debt Other (Net)	20,136,174
13. Special Funds	0	41. Long-Term Debt - RUS - Econ. Devel. (Net)	0
14. Total Other Property & Investments (6 thru 13)	23,313,171	42. Payments - Unapplied	0
15. Cash - General Funds	978,616	43. Total Long-Term Debt (37 thru 40)	51,057,115
16. Cash - Construction Funds - Trustee	0	44. Obligations Under Capital Leases - Noncurrent	0
17. Special Deposits	425	45. Accumulated Operating Provisions	1,995,976
18. Temporary Investments	0	46. Total Other Noncurrent Liabilities (44+45)	1,995,976
19. Notes Receivable (Net)	0	47. Notes Payable	205,652
20. Accounts Receivable - Sales of Energy (Net)	3,655,111	48. Accounts Payable	3,934,965
21. Accounts Receivable - Other (Net)	183,073	49. Consumers Deposits	1,540,868
22. Renewable Energy Credits	0	50. Current Maturities Long-Term Debt	0
23. Materials and Supplies - Electric & Other	766,261	51. Current Maturities Long-Term Debt-Economic Development	0
24. Prepayments	112,875	52. Current Maturities Capital Leases	0
25. Other Current and Accrued Assets	9,531	53. Other Current and Accrued Liabilities	640,094
26. Total Current and Accrued Assets (15 thru 25)	5,705,892	54. Total Current & Accrued Liabilities (47 thru 53)	6,321,579
27. Regulatory Assets	0	55. Regulatory Liabilities	0
28. Other Deferred Debits	0	56. Other Deferred Credits	366,438
29. Total Assets and Other Debits (5+14+25+ thru 28)	100,052,121	57. Total Liabilities and Other Credits (36+43+46+54 thru 56)	100,052,121

**Shelby Energy Cooperative.
Shelbyvile, KY**

Case No. 2016-00434

**COST OF SERVICE STUDY
Test Year -
Twelve Months Ending July 2016**

Prepared: December 2016

J. Adkins

OUTLINE

Schedule

- A Test Year - Actual & Adjusted
- B Functionalization of Expenses
- C Funtionalization Footnotes
- D Rate Base Functionalized
- E Classification of Expenses
- F Determination of Demand & Consumer Related Plant Investments
- G Allocation of Costs
- H Demand & Energy Allocators
- I Consumer Allcators
- J Unbundled Statement of Operations
- K Increase Amounts by Rate Class & Rate Design
- L Rate Base for Each Rate Class

SHELBY ENERGY COOPERATIVE
CASE NUMBER 16-00434
ACTUAL TEST YEAR EXPENSES WITH ADJUSTMENTS

Acct No.	Description	Actual \$\$\$\$	Test Year Adjustments						Pro Forma \$\$\$\$
			Adjustment 1, 2 & 7	Adjustment 3, 4 & 5	Adjustment 6,8,9,10,&11	Adjustment 12	Adjustment 14	Adjustment 18	
555	Demand Charges	6,449,265							6,449,265
	Energy Charges	25,765,598					(2,427,882)		23,337,716
	Load Center Charges	560,772							560,772
	Power Factor Penalty	5,153							5,153
	Total Purchased Power	32,780,788	-	-	-	-	(2,427,882)	-	30,352,906
580	Operations Supv & Eng	73,514	(700)						72,813
583	Overhead Line Exp.	621,508	(905)						620,603
584	Underground Line Exp	18,650	-						18,650
585	Street Lighting - Signal Exp	900							900
586	Meter Expense	263,977	(1,748)						262,229
587	Consumer Installations	179,808	(117)						179,692
588	Misc. Distribution Exp	481,355	(2,373)	32,519					511,501
	Total Operations	1,639,712	(5,843)	32,519	-	-	-	-	1,666,388
590	Maint Supv & Eng	27,769	(155)						27,614
592	Maint of Station Equip	-							-
593	Maint. Overhead Lines	3,090,074	(5,490)		(495,798)			-	2,588,787
594	Maint of Underground Lines	189,088	(1,611)						187,477
595	Maint Line Transformers	(1,795)	(13)						(1,808)
596	Maint of St Lg & Signal Sys	-							-
597	Maintenance of Meters	10,533	(99)						10,434
598	Maint Misc Distrib Plant	117,699	(1,060)	1,391					118,030
	Total Distribut Maintenance	3,433,368	(8,428)	1,391	(495,798)	-	-	-	2,930,534

SHELBY ENERGY COOPERATIVE
CASE NO. 16-00434
ACTUAL TEST YEAR EXPENSES WITH ADJUSTMENTS

Acct	Description	Actual \$\$\$\$	Test Year Adjustments					Pro Forma \$\$\$\$
			Adjustment 1, 2 & 7	Adjustment 3, 4 & 5	Adjustment 6,8,9,10,&11	Adjustment 12	Adjustment 14	
								-
901	Supervision	117,396	(1,140)					116,256
902	Meter Reading Expense	179,242	(1,114)					178,127
903	Cons Recds & Collections	316,216	(1,282)	358				315,292
904	Uncollectible Accounts	(102,825)	-					(102,825)
								-
	Total Consumer Accounts	510,028	(3,536)	358				506,849
								-
907	Supervision	33,244	(293)					32,951
908	Customer Assist. Expense	81,627	(1,330)					80,297
909	Customer Information Exp	62,926	(426)					62,500
910	Misc Customer Service Exp	250,407	(2,332)	295				248,370
912	Demonstration & Selling Exp	(11,891)	(138)					(12,029)
								-
	Total Customer Service	416,313	(4,519)	295				412,088
								-
	Total of Above	38,780,210	(22,326)	34,563	(495,798)	-	(2,427,882)	35,868,766
								-
920	Administrative Salaries	325,701	(3,271)					322,430
921	Office Supplies	34,489						34,489
923	Outside Services	77,739			(31,332)			46,407
930.2	Misc. General Exp-Other	353,886	(404)	1,675		25,000		380,157
930.3	Directors Fees & Expenses	106,611			(73,181)			33,430
931	Rents	6,300			(17,562)			(11,262)
935	Maintenance of General Plant	82,402	(50)					82,352
								-
	Total Admin & General	987,129	(3,725)	1,675	(122,075)	25,000	-	888,004

SHELBY ENERGY COOPERATIVE
CASE NUMBER 16-00434
ACTUAL TEST YEAR EXPENSES WITH ADJUSTMENTS

Acct	Description	Actual \$\$\$\$	Test Year Adjustments					Pro Forma \$\$\$\$	
			Adjustment 1, 2 & 7	Adjustment 3, 4 & 5	Adjustment 6,8,9,10,&11	Adjustment 12	Adjustment 14		Adjustment 18
									-
403.6	Deprec. Distribution Plant	2,548,658		422,492					2,971,150
403.7	Deprec. General Plant	68,854							68,854
									-
	Total Depreciation	2,617,512	-	422,492	-	-	-	-	3,040,004
									-
408	Taxes Other Than Income Tax	53,102							53,102
426.1	Donations	6,869			(6,869)				-
									-
	Total Miscellaneous	59,971	-	-	(6,869)	-	-	-	53,102
									-
427	Total Interest on LTD	1,471,969		70,976	-				1,542,945
									-
431	Total Short Term Interest	15,561		(11,597)					3,964
									-
	Total Costs	43,932,351	(26,051)	518,109	(624,742)	25,000	(2,427,882)	-	41,396,785

		Wages &	Payroll		
		Salaries	Taxes	Retirement	Total
Adjustments 1, 2 and 7		<u>1</u>	<u>2</u>	<u>7</u>	
	Distribution - operations	(4,184)	(433)	(1,226)	(5,843)
	Distribution - maintenance	(6,035)	(625)	(1,768)	(8,428)
	Consumer accounts	(2,532)	(262)	(742)	(3,536)
	Customer service	(3,138)	(325)	(919)	(4,382)
	Sales	(99)	(10)	(29)	(138)
	Administrative and general	(2,667)	(276)	(781)	(3,724)
	Total operating expenses	(18,655)	(1,931)	(5,465)	(26,051)
Allocation of Adjustments to Accounts			Wage & Sal.	Percent of	Allocation
			Expenses	Total	Adjustments
580.00	Operations		46,156	2.7%	(700)
583.00	Overhead line		59,658	3.5%	(905)
584.00	Underground		0	0.0%	-
586.00	Meter		115,233	6.7%	(1,748)
587.00	Installations		7,682	0.4%	(117)
588.00	Miscellaneous distribution		156,393	9.1%	(2,373)
590.00	Maintenance		10,212	0.6%	(155)
593.00	Overhead line		361,827	21.1%	(5,490)
594.00	Underground		106,177	6.2%	(1,611)
595.00	Transformers		848	0.0%	(13)
597.00	Street lights		6,556	0.4%	(99)
598.00	Miscellaneous maintenance		69,869	4.1%	(1,060)
901.00	Supervision		75,148	4.4%	(1,140)
902.00	Meter reading		73,441	4.3%	(1,114)
903.00	Consumer records		84,509	4.9%	(1,282)
904.00	Consumer records		0	0.0%	-
907.00	Supervision, Customer service		19,338	1.1%	(293)
908.00	Consumer accounting		87,678	5.1%	(1,330)
909.00	Consumer information		28,086	1.6%	(426)
910.00	Misc customer information		153,686	9.0%	(2,332)
912.00	Customer demonstration		9,089	0.5%	(138)
920.00	Administrative		194,004	11.3%	(2,943)
926.00	Employee benefits		21,593	1.3%	(328)
930.00	Miscellaneous		26,628	1.6%	(404)
935.00	Maintenance general plant		<u>3,270</u>	0.2%	(50)
			1,717,081	1	(26,051)

	Depreciation	Property Taxes	Interest Expense	Total
	<u>3</u>	<u>4</u>	<u>5</u>	
Operating Expenses:				
Cost of power:				
Base rates				
Fuel and surcharge				
Distribution - operations	778	31,741		32,519
Distribution - maintenance	1,391			1,391
Consumer accounts	358			358
Customer service	295			295
Sales	-			-
Administrative and general	507	1,168		1,675
Depreciation	422,492			422,492
Taxes - other				-
Interest on long-term debt			70,976	70,976
Interest expense - other			(11,597)	(11,597)
Other deductions				-
Total	425,821	32,909	59,379	518,109

SHELBY ENERGY COOPERATIVE
Case No. 2016-00434

Functionalization of Revenue Requirements

Acct No.	Description	Allocation Basis	Pro Forma \$\$\$\$	Power Supply	Substa-Station	Lines
555	Demand Charges	Direct Assign	6,449,265	6,449,265		
	Energy Charges	Direct Assign	23,337,716	23,337,716	-	
	Load Center Charges	Direct Assign	560,772	560,772		
	Power Factor Penalty	Direct Assign	5,153	5,153		
	Total Purchased Power		30,352,906	30,352,906		
580	Operations Supv & Eng	Prop. Exp(b)	72,813			35,800
583	Overhead Line Exp.	Plant Bal (a)	620,603			516,501
584	Underground Line Exp	Plant Bal (a)	18,650			15,522
585	Street Lighting - Signal Exp	Direct Assign	900			
586	Meter Expense	Direct Assign	262,229			
587	Consumer Installations	Direct Assign	179,692			
588	Misc. Distribution Exp	Prop. Exp(b)	511,501		0	251,489
589	Rents	Prop. Exp(b)			-	
	Total Operations		1,666,388	-	-	819,312
			-			
590	Maint Supv & Eng	Prop. Exp(b)	27,614			22,911
592	Maint of Station Equip	Direct Assign	-			
593	Maint. Overhead Lines	Plt Bal (a)	2,588,787			2,154,535

SHELBY ENERGY COOPERATIVE
Case No. 2016-00434

Functionalization of Revenue Requirements

Acct No.	Description	Allocation Basis	Trans former	Services	Meters	Cons. & Acct Services	Outdoor Lighting
555	Demand Charges	Direct Assign					
	Energy Charges	Direct Assign					
	Load Center Charges	Direct Assign					
	Power Factor Penalty	Direct Assign					
	Total Purchased Power						
580	Operations Supv & Eng	Prop. Exp(b)	-	7,216	17,646		12,152
583	Overhead Line Exp.	Plant Bal (a)		104,102			
584	Underground Line Exp	Plant Bal (a)		3,128			
585	Street Lighting - Signal Exp	Direct Assign					900
586	Meter Expense	Direct Assign			262,229		
587	Consumer Installations	Direct Assign					179,692
588	Misc. Distribution Exp	Prop. Exp(b)		50,688	123,957		85,366
589	Rents	Prop. Exp(b)					
	Total Operations		-	165,134	403,832	-	278,110
590	Maint Supv & Eng	Prop. Exp(b)	(18)	4,618	103		
592	Maint of Station Equip	Direct Assign					
593	Maint. Overhead Lines	Plt Bal (a)		434,252			

SHELBY ENERGY COOPERATIVE
Case No. 2016-00434

Functionalization of Revenue Requirements

Acct No.	Description	Allocation Basis	Pro Forma \$\$\$\$	Power Supply	Substa-Station	Lines
594	Maint of Underground Lines	Plt Bal (a)	187,477			156,029
595	Maint Line Transformers	Direct Assign	(1,808)			
596	Maint of St Lg & Signal Sys	Direct Assign				
597	Maintenance of Meters	Direct Assign	10,434			
598	Maint Misc Distrib Plant	Prop. Exp {c}	118,030			97,927
	Total Distribut Maintenance		2,930,534	-		2,431,402
901	Supervision	Direct Assign	116,256			
902	Meter Reading Expense	Direct Assign	178,127			
903	Cons Recds & Collections	Direct Assign	315,292			
904	Uncollectible Accounts	Direct Assign	(102,825)			
	Total Consumer Accounts		506,849			-
907	Supervision	Direct Assign	32,951			
908	Customer Assist. Expense	Direct Assign	80,297			
909	Customer Information Exp	Direct Assign	62,500			
910	Misc Customer Service Exp	Direct Assign	248,370			
912	Demonstration & Selling Exp	Direct Assign	(12,029)			
	Total Customer Service		412,088	-	-	-
	Total of Above		35,868,766	30,352,906	-	3,250,714

SHELBY ENERGY COOPERATIVE
Case No. 2016-00434

Functionalization of Revenue Requirements

Acct No.	Description	Allocation Basis	Trans former	Services	Meters	Cons. & Acct Services	Outdoor Lighting
594	Maint of Underground Lines	Plt Bal (a)		31,448			
595	Maint Line Transformers	Direct Assign	(1,808)				
596	Maint of St Lg & Signal Sys	Direct Assign					
597	Maintenance of Meters	Direct Assign			10,434		
598	Maint Misc Distrib Plant	Prop. Exp {c}	(77)	19,737	442		
	Total Distribut Maintenance		(1,902)	490,055	10,979	-	-
901	Supervision	Direct Assign					
902	Meter Reading Expense	Direct Assign				178,127	
903	Cons Recds & Collections	Direct Assign				315,292	
904	Uncollectible Accounts	Direct Assign				(102,825)	
	Total Consumer Accounts		-	-		506,849	-
						-	
907	Supervision	Direct Assign				32,951	
908	Customer Assist. Expense	Direct Assign				80,297	
909	Customer Information Exp	Direct Assign				62,500	
910	Misc Customer Service Exp	Direct Assign				248,370	
912	Demonstration & Selling Exp	Direct Assign				(12,029)	
	Total Customer Service		-	-		412,088	-
	Total of Above		(1,902)	655,189	414,811	918,938	278,110

SHELBY ENERGY COOPERATIVE
Case No. 2016-00434

Functionalization of Revenue Requirements

		Allocation	Pro Forma	Power	Substa-	
Acct No.	Description	Basis	\$\$\$\$	Supply	Station	Lines
920	Administrative Salaries	Prop. Exp(d)	322,430		-	190,021
921	Office Supplies	Prop. Exp(d)	34,489		-	20,326
923	Outside Services	Prop. Exp(d)	46,407		-	27,350
930.2	Misc. General Exp-Other	Prop. Exp(d)	380,157		-	224,042
930.3	Directors Fees & Expenses	Prop. Exp(d)	33,430		-	19,702
931	Rents	Prop. Exp(d)	(11,262)		-	(6,637)
935	Maintenance of General Plant	Prop. Exp(d)	82,352		-	48,534
	Total Admin & General		888,004		-	523,336
			-			
403	Deprec. Distribution Plant	Net Plant	2,971,150		-	1,961,646
403	Deprec. General Plant	Net Plant	68,854		-	45,460
	Total Depreciation		3,040,004	-	-	2,007,106
			-			
408	Taxes Other Than Income Tax	Rate Base	53,102		-	35,061
426.1	Donations	Rate Base	-		-	-
	Total Miscellaneous		53,102	-	-	35,061
			-			
	Total Interest on LTD		1,542,945	-	-	1,018,742
			-			
	Total Short Term Interest	Rate Base	3,964	-	-	2,617
			-			
	Total Costs		41,396,785	30,352,906	-	6,837,575

SHELBY ENERGY COOPERATIVE
Case No. 2016-00434

Functionalization of Revenue Requirements

Acct No.	Description	Allocation Basis	Trans former	Services	Meters	Cons. & Acct Services	Outdoor Lighting
920	Administrative Salaries	Prop. Exp(d)	(111)	38,299	24,248	53,717	16,257
921	Office Supplies	Prop. Exp(d)	(12)	4,097	2,594	5,746	1,739
923	Outside Services	Prop. Exp(d)	(16)	5,512	3,490	7,731	2,340
930.2	Misc. General Exp-Other	Prop. Exp(d)	(131)	45,156	28,589	63,334	19,168
930.3	Directors Fees & Expenses	Prop. Exp(d)	(12)	3,971	2,514	5,569	1,686
931	Rents	Prop. Exp(d)	4	(1,338)	(847)	(1,876)	(568)
935	Maintenance of General Plant	Prop. Exp(d)	(28)	9,782	6,193	13,720	4,152
	Total Admin & General		(306)	105,480	66,781	147,941	44,773
403	Deprec. Distribution Plant	Net Plant	354,391	393,281	151,804	17,542	92,486
403	Deprec. General Plant	Net Plant	8,213	9,114	3,518	407	2,143
	Total Depreciation		362,604	402,395	155,322	17,948	94,629
408	Taxes Other Than Income Tax	Rate Base	6,336	7,029	2,713	310	1,653
426.1	Donations	Rate Base	-	-	-	-	-
	Total Miscellaneous		6,336	7,029	2,713	310	1,653
	Total Interest on LTD		184,109	204,243	78,819	9,014	48,017
	Total Short Term Interest	Rate Base	473	525	202	23	123
	Total Costs		551,314	1,374,861	718,648	1,094,174	467,306

CASE NO. 2016-00434

FUNCTIONALIZATION OF REVENUE REQUIREMENTS

FOOTNOTES

(a) Plant Balances		Amount	Percent					
	Poles, Towers & Fixtures	24,800,540						
	Overhead Conductor	24,273,854						
	Underground Conductor	6,924,847						
	Subtotal	55,999,240	83.2%					
	Services	11,286,785	16.8%					
	Total	67,286,025	100.0%					
(b) Expense Proportion		Stations	Lines	Transformers	Services	Meters	Lighting	Total
###	#REF!							
583	Overhead Line Exp.	-	516,501	-	104,102	-	-	620,603
584	Underground Line Exp	-	15,522	-	3,128	-	-	18,650
585	Street Lighting - Signal Exp						900	900
586	Meter Expense	-		-		262,229	-	262,229
587	Consumer Installations	-		-			179,692	179,692
	Total	-	532,023	-	107,230	262,229	180,592	1,082,074
	Percent	0.00%	49.17%	0.00%	9.91%	24.23%	16.69%	100.00%

CASE NO. 2016-00434

FUNCTIONALIZATION OF REVENUE REQUIREMENTS

FOOTNOTES

[c] Expense Proportion									
		Lines	Transformers	Services	Meters	Total			
593	Maint. Overhead Lines	2,154,535	-	434,252	-	2,588,787			
594	Maint of Underground Li	156,029	-	31,448	-	187,477			
595	Maint Line Transformers	-	(1,808)		-	(1,808)			
596	Maint of St Lg & Signal Sy	-	-	-	-	-			
597	Maintenance of Meters	-	-	-	10,434	10,434			
	Total	2,310,564	(1,808)	465,700	10,434	2,784,890			
	Percent	82.97%	-0.06%	16.72%	0.37%	100.00%			
[d] Expense Proportion									
		Station	Lines	Transformers	Services	Meters	Consumer	Lighting	Total
	Total Operations	-	819,312	-	165,134	403,832	-	278,110	1,666,388
	Total Distribut Maintena	-	2,431,401.79	(1,902.39)	490,055.02	10,979.29	-	-	2,930,534
	Total Consumer Account	-	-	-	-	-	506,849	-	506,849
	Total Customer Service	-	-	-	-	-	412,088	-	412,088
	Total	-	3,250,714	(1,902)	655,189	414,811	918,938	278,110	5,515,860
	Percent	0.00%	58.93%	-0.03%	11.88%	7.52%	16.66%	5.04%	100.00%

SHELBY ENERGY COOPERATIVE
Case No. 2016-00434
NET INVESTMENT RATE BASE

								Consumer	
								Meters	Outdoor
	Description	\$\$\$\$	Stations	Lines	Transformers	Services	Consumer	& Accounting	Lighting
								Services	
360	Land & Land Rights	-		-					
362	Station Equipment	-	-						
364	Poles, Towers and Fixtures	24,800,540		24,800,540					-
365	Overhead Conductor	24,273,854		24,273,854					
366	Underground Conduit	307,821		307,821					
367	UG Conductor	6,924,847		6,924,847					
368	Line Transformers	10,505,808			10,505,808				
369	Services	11,286,785				11,286,785			-
370	Meters	4,265,011					4,265,011		
371	Install. On Consumer Prem.	2,516,980							2,516,980
373	Street Ltg & Signal Systems	67,096							67,096
	Total Distribution Plant	84,948,742	-	56,307,061	10,505,808	11,286,785	4,265,011	-	2,584,076
			0.00%	66.28%	12.37%	13.29%	5.02%	0.00%	3.04%
	Total General Plant	3,121,045	-	1,839,355	(1,076)	370,727	234,713	519,964	157,363
			0.0%	58.9%	0.0%	11.9%	7.5%	16.7%	5.0%
	Total Utility Plant	88,069,787	-	58,146,416	10,504,732	11,657,511	4,499,724	519,964	2,741,440
	Accum. Depreciation	17,810,020	-	11,758,730	2,124,332	2,357,454	909,962	105,150	554,391
	Net Plant	70,259,767	-	46,387,686	8,380,400	9,300,057	3,589,762	414,813	2,187,049
		88,843,077	0.00%	66.02%	11.93%	13.24%	5.11%	0.59%	3.11%
	CWIP	773,290	-	512,564	95,635	102,744	38,824	-	23,523
		71,033,057	-	46,900,251	8,476,034	9,402,801	3,628,587	414,813	2,210,572
	Plus								
	Cash Working Capital	873,319	-	576,592	104,167	115,598	44,620	5,156	27,185
	Materials & Supplies	298,301	-	196,948	35,581	39,485	15,241	1,761	9,286
	Prepayments	77,834	-	51,389	9,284	10,303	3,977	460	2,423
	Minus: Consumer Advances	17,909	-	11,871	2,215	2,379	899	-	545
	Net Investment Rate Base	72,264,602	-	47,713,308	8,622,851	9,565,807	3,691,525	422,190	2,248,920
	Percentage		0.00%	66.03%	11.93%	13.24%	5.11%	0.58%	3.11%

SHELBY ENERGY COOPERATIVE
CASE NO. 2016-00434

CLASSIFICATION OF FUNCTIONALIZED COSTS

Acct No.	Description	Pro Forma \$\$\$\$	Power Supply			Distribution	Line
			Demand	Energy	Load Center	Station	
555	Demand Charges	6,449,265	6,449,265				
	Energy Charges	23,337,716	-	23,337,716			
	Load Center Charges	560,772			560,772		
	Power Factor Penalty	5,153	5,153				
	Total Purchased Power	30,352,906	6,454,418	23,337,716	560,772		
580	Operations Supv & Eng	72,813					16,673
583	Overhead Line Exp.	620,603	-				251,280
584	Underground Line Exp	18,650					4,755
585	Street Lighting - Signal Exp	900					
586	Meter Expense	262,229					
587	Consumer Installations	179,692					
588	Misc. Distribution Exp	511,501				0	117,127
589	Rents						
	Total Operations	1,666,388					389,834
590	Maint Supv & Eng	27,614					10,670
593	Maint. Overhead Lines	2,588,787					1,048,190
594	Maint of Underground Lines	187,477					57,430
595	Maint Line Transformers	(1,808)					
596	Maint of St Lg & Signal Sys						
597	Maintenance of Meters	10,434					
598	Maint Misc Distrib Plant	118,030					45,608

SHELBY ENEF COOPERATIVE
CASE NO. 16-00434

CLASSIFICATION OF FUNCTIONALIZED COSTS

Acct No.	Description	Pro Forma \$\$\$\$	Consumer		Transformers		Services	Meters	Cons & Acct	Outdoor
					Demand	Consumer	Consumer	Consumer	Consumer	Lighting
555	Demand Charges	6,449,265								
	Energy Charges	23,337,716								
	Load Center Charges	560,772								
	Power Factor Penalty	5,153								
	Total Purchased Power	30,352,906								
580	Operations Supv & Eng	72,813	19,127		-	-	7,216	17,646		12,152
583	Overhead Line Exp.	620,603	265,221				104,102			
584	Underground Line Exp	18,650	10,767				3,128			
585	Street Lighting - Signal Exp	900								900
586	Meter Expense	262,229						262,229		
587	Consumer Installations	179,692								179,692
588	Misc. Distribution Exp	511,501	134,363				50,688	123,957		85,366
589	Rents									
	Total Operations	1,666,388	429,478		-		165,134	403,832		278,110
590	Maint Supv & Eng	27,614	12,240		(9)	(9)	4,618	103		
593	Maint. Overhead Lines	2,588,787	1,106,345				434,252			
594	Maint of Underground Lines	187,477	130,048				-			
595	Maint Line Transformers	(1,808)			(907)	(901)				
596	Maint of St Lg & Signal Sys									
597	Maintenance of Meters	10,434						10,434		
598	Maint Misc Distrib Plant	118,030	52,319		(38)	(38)	19,737	442	-	-

SHELBY ENERGY COOPERATIVE
CASE NO. 2016-00434

CLASSIFICATION OF FUNCTIONALIZED COSTS

Acct	Description	Pro Forma \$\$\$\$	Power Supply			Distribution	Lit
			Demand	Energy	Load Center	Station	
	Total Distribut Maintenance	2,930,534	-	-	-	-	1,161,897
901	Supervision	116,256					
902	Meter Reading Expense	178,127					
903	Cons Recds & Collections	315,292	#REF!				
904	Uncollectible Accounts	(102,825)					
	Total Consumer Accounts	506,849					-
907	Supervision	32,951					
908	Customer Assist. Expense	80,297					
909	Customer Information Exp	62,500					
910	Misc Customer Service Exp	248,370					
912	Demonstration & Selling Exp	(12,029)					
	Total Customer Service	412,088	-				-
	Total of Above	35,868,766	6,454,418	23,337,716	560,772	-	1,551,731
920	Administrative Salaries	322,430				-	88,499
921	Office Supplies	34,489				-	9,466
923	Outside Services	46,407				-	12,738
930.2	Misc. General Exp-Other	380,157				-	104,343
930.3	Directors Fees & Expenses	33,430				-	9,176
931	Rents	(11,262)				-	(3,091)
935	Maintenance of General Plant	82,352				-	22,604
	Total Admin & General	888,004				-	243,734
		-					-

SHELBY ENERGY COOPERATIVE
CASE NUMBER 16-00434

CLASSIFICATION OF FUNCTIONALIZED COSTS

Acct	Description	Pro Forma	es		Transformers		Services	Meters	Cons & Acct	Outdoor
			\$\$\$\$	Consumer	Demand	Consumer	Consumer	Consumer	Consumer	Lighting
	Total Distribut Maintenance	2,930,534	1,300,953	(954)	(948)	458,607	10,979	-	-	
901	Supervision	116,256						116,256		
902	Meter Reading Expense	178,127						178,127		
903	Cons Recds & Collections	315,292						315,292		
904	Uncollectible Accounts	(102,825)						(102,825)		
	Total Consumer Accounts	506,849		-	-	-	-	506,849	-	
907	Supervision	32,951						32,951		
908	Customer Assist. Expense	80,297						80,297		
909	Customer Information Exp	62,500						62,500		
910	Misc Customer Service Exp	248,370						248,370		
912	Demonstration & Selling Exp	(12,029)						(12,029)		
	Total Customer Service	412,088		-	-	-	-	412,088	-	
	Total of Above	35,868,766	1,730,431	(954)	(948)	623,741	414,811	918,938	278,110	
920	Administrative Salaries	322,430	101,522	(56)	(55)	38,299	24,248	53,717	16,257	
921	Office Supplies	34,489	10,859	(6)	(6)	4,097	2,594	5,746	1,739	
923	Outside Services	46,407	14,612	(8)	(8)	5,512	3,490	7,731	2,340	
930.2	Misc. General Exp-Other	380,157	119,698	(66)	(65)	45,156	28,589	63,334	19,168	
930.3	Directors Fees & Expenses	33,430	10,526	(6)	(6)	3,971	2,514	5,569	1,686	
931	Rents	(11,262)	(3,546)	2	2	(1,338)	(847)	(1,876)	(568)	
935	Maintenance of General Plant	82,352	25,930	(14)	(14)	9,782	6,193	13,720	4,152	
	Total Admin & General	888,004	279,602	(154)	(153)	105,480	66,781	147,941	44,773	

CLASSIFICATION OF FUNCTIONALIZED COSTS

Acct	Description	Pro Forma \$\$\$\$	Power Supply			Distribution	Lir
			Demand	Energy	Load Center	Station	
403	Deprec. Distribution Plant	2,971,150				-	913,601
403	Deprec. General Plant	68,854				-	21,172
	Total Depreciation	3,040,004	-	-	-	-	934,773
		-					
408	Taxes Other Than Income Taxes	53,102				-	16,329
426.1	Donations	-				-	-
	Total Miscellaneous	53,102	-	-	-	-	16,329
		-					-
	Total Interest on LTD	1,542,945	-			-	474,461
		-					-
	Total Short Term Interest	3,964	-			-	1,219
		-					-
	Total Costs	41,396,785	6,454,418	23,337,716	560,772	-	3,222,246

CLASSIFICATION OF FUNCTIONALIZED COSTS

Acct	Description	Pro Forma	es	Transformers		Services	Meters	Cons & Acct	Outdoor
				Consumer	Demand	Consumer	Consumer	Consumer	Lighting
403	Deprec. Distribution Plant	2,971,150	1,048,045	177,719	176,672	393,281	151,804	17,542	92,486
403	Deprec. General Plant	68,854	24,288	4,119	4,094	9,114	3,518	407	2,143
	Total Depreciation	3,040,004	1,072,333	181,838	180,766	402,395	155,322	17,948	94,629
408	Taxes Other Than Income Taxes	53,102	18,732	3,177	3,159	7,029	2,713	310	1,653
426.1	Donations	-	-	-	-	-	-	-	-
	Total Miscellaneous	53,102	18,732	3,177	3,159	7,029	2,713	310	1,653
	Total Interest on LTD	1,542,945	544,282	92,327	91,783	204,243	78,819	9,014	48,017
	Total Short Term Interest	3,964	1,398	237	236	525	202	23	123
	Total Costs	41,396,785	3,646,777	276,471	274,842	1,343,413	718,648	1,094,174	467,306

SHELBY ENERGY COOPERATIVE
Case No. 2016-00434

Determination of Certain Plant Investments as Demand Related or Consumer Related

Account 364 - Poles				
Pole	Investment	Number of Units	Unit Cost	Size
35' & Under	2,634,217	13,291	198.20	35.00
40 & 45'	11,840,278	21,056	562.32	45.00
50 & Over	1,257,023	1,557	807.34	60.00
Total for Sample	15,731,518	35,904		
X Variable - (Size)	33.87			
Zero Intercept	(863.64)			321.86
Use Minimum Size Pole			198.20	
Number of poles			35,904.00	
Consumer Related Investment			7,116,013.12	
Total Investment for sample			15,731,518	
Percent Customer Related			45.23%	
Percent Demand Related			54.77%	

SHELBY ENERGY COOPERATIVE
Case No. 2016-00434

Determination of Certain Plant Investments as Demand Related or Consumer Related

Account 365 - Overhead Conductor

<u>Conductor</u>	<u>Investment</u>	<u>Number of Units</u>	<u>Unit Cost</u>	<u>Amps</u>
8ACWC	144,436	3,382,293	\$ 0.0427	100
1/0 ACSR	122,795	2,155,455	\$ 0.0570	230
3/0 ACSR	215,626	1,012,084	\$ 0.2131	315
4/0 ACSR	999,372	1,187,731	\$ 0.8414	350
2 ACSR	5,550,889	9,450,023	\$ 0.5874	175
4 ACSR	70,958	832,312	\$ 0.0853	140
336 ACSR	2,570,689	2,183,060	\$ 1.1776	500
6ACWC	20,278	336,616	\$ 0.0602	140
Duplex	37,748	74,155	\$ 0.5090	
Triplex	1,093,054	542,053	\$ 2.0165	
#2 ACWC	321	16,101	\$ 0.0199	
#4 ACWC	22,278	336,616	\$ 0.0662	
#9 1/2 ACWC	1,663	54,226	\$ 0.0307	
#2 3-7 Strand Copper	31,412	315,395	\$ 0.0996	
4-3 Strand Copper	29,821	445,246	\$ 0.0670	
# 6 Strand Copper	166	1,528	\$ 0.1086	
1/0 7 Strand Copper	10,494	81,873	\$ 0.1282	
4/0 Quadraplex	29,441	5,966	\$ 4.9348	
2/0 Neural Copper	50	50	\$ 1.0000	
350 MCM	893	610	\$ 1.4639	
500 MCM	9,336	1,897	\$ 4.9215	
#477 MCM	4,349	1,584	\$ 2.7456	
1/0 Solid-ALXLP Conductor	374	290	\$ 1.2897	
Total for Sample	10,966,443	22,417,164	\$ 0.4892	

X Variable - (Size)	0.00298		
Zero Intercept	0.29412		
Total Amount of Conductor in Feet		22,417,164	
Use Zero Intercept		0.29412	
Minimum Size Investment -Consumer Related		6,593,286.67	60.12%
Demand Related		4,373,156	39.88%
Investment in Conductor	\$ 10,966,443		100.00%

SHELBY ENERGY COOPERATIVE
Case No. 2016-00434

Determination of Certain Plant Investments as Demand Related or Consumer Related

<u>Account 367 - Underground Conductor</u>					
<u>Conductor</u>	<u>Investment</u>	<u>Number of Units</u>	<u>Unit Cost</u>	<u>Amps</u>	
4 URD Primary	276,154	32,719	8.44	240	
350 URD Triplex	569,555	59,455	9.58	320	
1/0 KLP 25KV Primary	2,378,857	599,628	3.97	185	
350 Primary UG	90,461	25,874	3.50	320	
500 Primary UG	80,044	6,394	12.52	520	
#2 Triplex URD	19,961	22,313	0.89	120	
4/0 URD Triplex	18,768	5,279	3.56	240	
1/0 UG Cable	4,218	3,546.00	1.19	185	
#2 Solid 15KV	10,361	15,437.00	0.67	182	
#4 Underground	374	578	0.65	140	
1/0 SOL, KLP Conductor	17,442	12,977	1.34	155	
# 10 URD	72	210	0.34	120	
#4 Duplex URD	240	370	0.65	184	
#6 Duplex	2,702	2,213	1.22	225	
2/0 URD Triplex	8,835	2,656	3.33	225	
4/0 QUAD UG	1,003	532	1.89	225	
32 UG Triplex	79	85	0.93		
Total for Sample	3,479,047	790,181	4.40		
X Variable - (Size)	0.02686				
Zero Intercept	-1.91445				
Total Amount of Conductor in Feet		790,181			\$ 3.05
Use Minimum Size		3,05413			
Minimum Size Investment -Consumer Related		2,413,318	69.37%		
Demand Related		1,065,729	30.63%		
Investment in Conductor		3,479,047.00	100.00%		
Breakdown of Lines into Demand Related and Consumer Related Components					
	Total Sample Investment	Percent Consumer	Amount Consumer	Percent Demand	Amount Demand
Underground Conductor	3,479,047	69.37%	2,413,317.57	30.63%	1,065,729
Overhead Conductor	10,966,443	60.12%	6,593,286.67	39.88%	4,373,156
Poles	15,731,518	45.23%	7,116,013.12	54.77%	8,615,505
	26,697,960		13,709,300		12,988,661
Percentage Allocations For Overhead Lines			51.35%		48.65%
	30,177,007		16,122,617		14,054,390
Percentage Allocation for All Lines			53.43%		46.57%

SHELBY ENERGY COOPERATIVE
Case No. 2016-00434

Determination of Certain Plant Investments as Demand Related or Consumer Related

Account 368-Transformers					
Pole	Investment	Number of Units	Unit Cost	Predicted Value	Size
1.5KVA	16,287	30.00	542.89	1.50	
3.KVA CSP	7,200	49.00	146.94	3.00	
5KVA CSP	21,760	166.00	131.08	5.00	
10KVA CSP	728,571	1,988.00	366.48	10.00	
15KVA CSP	4,211,823	7,660.00	549.85	15.00	
25KVA CSP	1,469,741	2,256.00	651.48	25.00	
37.5 KVA	212,769	278.00	765.36	37.50	
50 KVA	143,187	165.00	867.80	50.00	
75KVA	81,798	65.00	1,258.43		
100 KVA	31,121	17.00	1,830.65		
167 KVA	29,448	18.00	1,636.00		
250 KVA	16,688	5.00	3,337.60		
500 KVA	40,741	11.00	3,703.73		
500 KVA URD	40,445	8.00	5,055.66		
1000 KVA	39,733	7.00	5,676.14		
200 KVA PDMT	186,492	23.00	8,108.35		
300 KVA PDMT	109,895	15.00	7,326.33		
750 KVA PDMT	174,189	16.00	10,886.81		
2500 & 3000 KVA PDMT	341,838	15.00	22,789.20		
500 KVA PDI	101,836	15.00	6,789.07		
225 KVA PDMT	31,860	6.00	5,310.00		
1500 KVA PDMT	101,196	8.00	12,649.50		
2000 KVA PDMT	82,964	4.00	20,741.00		
1000 KVA PDMT	58,064	6.00	9,677.33		
STEP DOWN TRANSFORMER	60,678	10.00	6,067.80		
1500 KVA PAD MT	9,265	1.00	9,265.00		
Total Sample Investment	8,349,589	12,842	650.18		
X Variable - (Size)	16.52				
Zero Intercept	324.13				
Number of Transformers			12,842.00		
Zero Intercept			324.13		
Consumer Related Investment			4,162,455.86		
Total Investment			8,349,589.08		
Percentage of Investment Consumer Related			49.85%		
Percentage of Investment Demand Related			50.15%		

SHELBY ENERGY COOPERATIVE
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Exhibit R
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WITNESS: James Adkins
Schedule G

REVENUE REQUIREMENTS FOR EACH RATE CLASS

	A	B	C	D	E
1					Schedule 12
2		Category		Enviro	Residential
3			Amount	Watts	Service
4		<u>Purchased Power Costs</u>			
5		Demand - EKPC Sched E-2	4,345,844		2,825,682
6		Demand - EKPC Sched B	2,108,574		
7		Load Center Charges	560,772		241,830
8		Total Purchased Power Demand	7,015,190	-	3,067,512
9					
10		<u>Energy - EKPC Sched E-2</u>	15,556,216	3,123	10,406,938
11		<u>Energy - EKPC Sched B</u>	7,781,500		
12					
13		<u>Distribution Costs</u>			
14		<u>Demand Related</u>			
15		Lines	3,222,246		1,389,578
16		Transformers	276,471		176,118
17		Total Demand Related	3,498,718		1,565,696
18					
19		<u>Consumer Related</u>			
20		Lines	3,646,777		2,752,575
21		Transformers	274,842		200,496
22		Services	1,343,413		1,013,365
23		Meters	718,648		536,100
24		Consumer Svc			
25		& Accouting	1,094,174		747,433
26		Total Consumer Related	7,077,854		5,249,968
27					
28		Outdoor Lighting	467,306		
29					
30		Total Costs	41,396,785	3,123	20,290,114
31					
32					
33		Purchased Power Demand Costs	7,015,190	-	3,067,512
34		Purchased Power Energy Costs	23,337,716	3,123	10,406,938
35		Distribution Demand Costs	3,498,718		1,565,696
36		Distribution Consumer Costs	7,077,854		5,249,968
37		Distribution Outdoor Lighting	467,306		
38					
39			41,396,785	3,123	20,290,114

SHELBY ENERGY COOPERATIVE
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Exhibit R
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 Schedule G

REVENUE REQUIREMENTS FOR EACH RATE CLASS

	B	C	F	G	H	I
1			Schedule 12	Schedule 15	Schedule 11	Schedule 2
2	Category		Residential	Prepay	General	Large
3		Amount	ETS	Service	Service	Power
4	<u>Purchased Power Costs</u>					
5	Demand - EKPC Sched E-2	4,345,844	-	154,913	414,484	933,484
6	Demand - EKPC Sched B	2,108,574				
7	Load Center Charges	560,772	-	13,130	37,975	78,937
8	Total Purchased Power Demand	7,015,190	-	168,043	452,460	1,012,421
9						
10	<u>Energy - EKPC Sched E-2</u>	15,556,216	13,491	504,801	1,694,567	2,802,694
11	<u>Energy - EKPC Sched B</u>	7,781,500				
12						
13	<u>Distribution Costs</u>					
14	<u>Demand Related</u>					
15	Lines	3,222,246	-	75,448	218,210	453,578
16	Transformers	276,471	-	9,686	26,698	19,720
17	Total Demand Related	3,498,718	-	85,134	244,908	473,299
18						
19	<u>Consumer Related</u>					
20	Lines	3,646,777	-	135,863	735,922	7,020
21	Transformers	274,842	-	9,896	63,512	234
22	Services	1,343,413	4,085	50,018	270,931	4,418
23	Meters	718,648	2,161	26,461	143,330	10,595
24	Consumer Svc					
25	& Accounting	1,094,174	1,506	44,578	266,443	10,863
26	Total Consumer Related	7,077,854	7,752	266,816	1,480,138	33,130
27						
28	Outdoor Lighting	467,306				
29						
30	Total Costs	41,396,785	21,243	1,024,794	3,872,072	4,321,543
31						
32						
33	Purchased Power Demand Costs	7,015,190	-	168,043	452,460	1,012,421
34	Purchased Power Energy Costs	23,337,716	13,491	504,801	1,694,567	2,802,694
35	Distribution Demand Costs	3,498,718	-	85,134	244,908	473,299
36	Distribution Consumer Costs	7,077,854	7,752	266,816	1,480,138	33,130
37	Distribution Outdoor Lighting	467,306				
38						
39		41,396,785	21,243	1,024,794	3,872,072	4,321,543

**SHELBY ENERGY COOPERATIVE
CASE NO. 2016-00434**

Exhibit R
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WITNESS: James Adkins
Schedule G

REVENUE REQUIREMENTS FOR EACH RATE CLASS

	B	C	J	K	L	M
1			Schedule B1	Schedule B2	Outdoor	
2	Category		Large	Large	& Street	
3		Amount	Industrial Rate	Industrial Rate	Lighting	Total
4	<u>Purchased Power Costs</u>					
5	Demand - EKPC Sched E-2	4,345,844	-	-	17,281	4,345,844
6	Demand - EKPC Sched B	2,108,574	1,505,553	603,021		2,108,574
7	Load Center Charges	560,772	136,476	49,127	3,297	560,772
8	Total Purchased Power Demand	7,015,190	1,642,029	652,148	20,577	7,015,190
9						
10	<u>Energy - EKPC Sched E-2</u>	15,556,216	-	-	130,602	15,556,216
11	<u>Energy - EKPC Sched B</u>	7,781,500	5,174,681	2,606,820		7,781,500
12						
13	<u>Distribution Costs</u>					
14	<u>Demand Related</u>					
15	Lines	3,222,246	784,204	282,285	18,943	3,222,246
16	Transformers	276,471	31,000	12,495	755	276,471
17	Total Demand Related	3,498,718	815,204	294,781	19,698	3,498,718
18						
19	<u>Consumer Related</u>					
20	Lines	3,646,777	12,001	3,170	226	3,646,777
21	Transformers	274,842	364	204	137	274,842
22	Services	1,343,413	-	-	596	1,343,413
23	Meters	718,648	-	-	-	718,648
24	Consumer Svc					
25	& Accounting	1,094,174	6,313	16,642	397	1,094,174
26	Total Consumer Related	7,077,854	18,678	20,016	1,357	7,077,854
27						
28	Outdoor Lighting	467,306			467,306	467,306
29						
30	Total Costs	41,396,785	2,475,911	966,944	639,540	41,396,785
31						
32						
33	Purchased Power Demand Costs	7,015,190	1,642,029	652,148	20,577	7,015,190
34	Purchased Power Energy Costs	23,337,716	5,174,681	2,606,820	130,602	23,337,716
35	Distribution Demand Costs	3,498,718	815,204	294,781	19,698	3,498,718
36	Distribution Consumer Costs	7,077,854	18,678	20,016	1,357	7,077,854
37	Distribution Outdoor Lighting	467,306			467,306	467,306
38						
39		41,396,785	7,650,592	3,573,764	639,540	41,396,785

SHELBY ENERGY COOPERATIVE

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Consumer Related Costs Allocators

A. Lines (poles and conduit)

	Number of Consumers	Allocation Percent
Schedule 12 - Residential	12,156	75.48%
Off-Peak Marketing-Ets	0	0.00%
Schedule 15 - Prepay Service	600	3.73%
Schedule 11 - General Service	3,250	20.18%
Schedule 2 - Large Power	53	0.19%
Schedule B1 - Large Industrial Rate	14	0.33%
Schedule B2 - Large Industrial Rate	1	0.09%
Schedule 5 - Outdoor & Security Lights	31	0.01%
Envirowatts	-	0.00%
	<u>16,105</u>	<u>1.0000</u>

Schedule 5 - Outdoor & Security Lights 31

B. Transformers

Rate Class	Number of Consumers	Minimum Transformer Cost	Relative Cost	Weight	Allocation Percent
Schedule 12 - Residential	12,156	\$ 549.85	1.00	12,156.00	72.949%
Off-Peak Marketing-Ets	-	-	-	-	0.000%
Schedule 15 - Prepay Service	600	\$ 549.85	1.00	600.00	3.601%
Schedule 11 - General Service	3,250	651	1.18	3,850.70	23.108%
Schedule 2 - Large Power	53	147	0.27	14.16	0.085%
Schedule B1 - Large Industrial Rate	14	868	1.58	22.10	0.133%
Schedule B2 - Large Industrial Rate	1	6,789	12.35	12.35	0.074%
Schedule 5 - Outdoor & Security Lights	31	147	0.27	8.28	0.050%
Envirowatts	-	NA	-	-	0.000%
	<u>16,105</u>			<u>16,663.60</u>	<u>100.0%</u>

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Consumer Related Costs Allocators

C. Services

Rate Class	# of Consume	Minim Service Cost	Relative Cost	Weight	Allocation Percent
Schedule 12 - Residential	12,156	27.74	1.00	12,156.00	75.43%
Off-Peak Marketing-Ets	49	27.74	1.00	49.00	0.30%
Schedule 15 - Prepay Service	600	27.74	1.00	600.00	3.72%
Schedule 11 - General Service	3,250	27.74	1.00	3,250.00	20.17%
Schedule 2 - Large Power	53	27.74	1.00	53.00	0.33%
Schedule B1 - Large Industrial Rate	14	-	-	-	0.00%
Schedule B2 - Large Industrial Rate	1	-	-	-	0.00%
Schedule 5 - Outdoor & Security Lights	31	6.40	0.23	7.15	0.04%
Envirowatts	-	-	-	-	0.00%
	<u>16,154</u>			<u>16,115.15</u>	<u>1.00</u>

D. Meters

Rate Class	# of Consume	Minimum Meter Cost	Relative Cost	Weight	Allocation Percent
Schedule 12 - Residential	12,156	124.44	1.00	12,156.00	74.60%
Off-Peak Marketing-Ets	49	124.44	1.00	49.00	0.30%
Schedule 15 - Prepay Service	600	124.44	1.00	600.00	3.68%
Schedule 11 - General Service	3,250	124.44	1.00	3,250.00	19.94%
Schedule 2 - Large Power	53	564.09	4.53	240.25	1.47%
Schedule B1 - Large Industrial Rate	14	-	-	-	0.00%
Schedule B2 - Large Industrial Rate	14	-	-	-	0.00%
Schedule 5 - Outdoor & Security Lights	31	-	-	-	0.00%
Envirowatts	-	-	-	-	
	<u>16,167</u>			<u>16,295.25</u>	<u>1.00</u>

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E. Consumer & Accounting Services Consumer Related Costs Allocators

Rate Class	Number of Consumers	Relative Weight Meter Read	Relative Weight Cons Rcds	Relative Weight Cust Asst	Combined Relative Weights	Weight	Allocation Percent
Schedule 12 - Residential	12,156	1.00	4.00	1.00	6.00	72,936	68.31%
Off-Peak Marketing-Ets	49	1.00	1.00	1.00	3.00	147	0.14%
Schedule 15 - Prepay Service	600	1.00	5.00	1.25	7.25	4,350	4.07%
Schedule 11 - General Service	3,250	1.00	5.00	2.00	8.00	26,000	24.35%
Schedule 2 - Large Power	53	2.00	0.50	8.00	20.00	1,060	0.99%
Schedule B1 - Large Industrial Rate	14	4.00	20.00	20.00	44.00	616	0.58%
Schedule B2 - Large Industrial Rate	14	4.00	72.00	40.00	116.00	1,624	1.52%
Schedule 5 - Outdoor & Security Lights	31	-	0.25	1.00	1.25	39	0.04%
Envirowatts	-	-	-	0.50	0.50	-	0.00%
						<u>106,771.75</u>	<u>100.00%</u>

	Meter Reading			Consumer Records		
	Factor	Weight	Relative Weight	Factor	Weight	Relative Weight
Schedule 12 - Residential	1.00	1.00	1.00	4.00	1.00	4.00
Off-Peak Marketing-Ets	1.00	1.00	1.00	3.00	1.00	3.00
Schedule 15 - Prepay Service	1.00	1.00	1.00	1.00	1.00	1.00
Schedule 11 - General Service	1.00	1.00	1.00	4.00	2.00	8.00
Schedule 2 - Large Power	2.00	1.00	2.00	0.25	2.00	0.50
Schedule B1 - Large Industrial Rate	4.00	1.00	4.00	5.00	4.00	20.00
Schedule B2 - Large Industrial Rate	4.00	1.00	4.00	12.00	6.00	72.00
Schedule 5 - Outdoor & Security Lights	-	1.00	-	0.50	6.00	0.25
Envirowatts	-	-	-	-	1.00	-

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Consumer Related Costs Allocators

	Consumer Assistance		Relative
	Factor	Weight	Weight
Schedule 12 - Residential	1.00	1.00	1.00
Off-Peak Marketing-Ets	1.00	1.00	1.00
Schedule 15 - Prepay Service	1.00	1.25	1.25
Schedule 11 - General Service	1.00	2.00	2.00
Schedule 2 - Large Power	2.00	4.00	8.00
Schedule B1 - Large Industrial Rate	2.00	4.00	20.00
Schedule B2 - Large Industrial Rate	2.00	20.00	40.00
Schedule 5 - Outdoor & Security Lights	2.00	10.00	1.00
Enviowatts	0.50	1.00	0.50

SHELBY ENERGY COOPERATIVE
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Demand Related Costs and Energy Related Costs Allocators

C. Monthly Peak Demands for Each Rate Class										
		Schedule 12	Schedule 12	Schedule 15	Schedule 11	Schedule 2	Schedule B1	Schedule B2	Outdoor	
		Residential	Residential	Prepay	General	Large	Large	Large	& Street	Total
Month		Service	ETS	Service	Service	Poewr	Industrial Rate	Industrial Rate	Lighting	
August		34,756	-	3,174	7,089	12,002	21,715	8,735	514	87,985
September		34,331	-	1,658	8,552	11,924	21,040	8,735	504	86,744
October		23,511	-	1,173	3,466	11,337	20,291	8,530	508	68,816
November		38,322	-	1,925	5,005	11,301	20,272	8,243	511	85,579
December		41,020	-	2,041	4,876	11,503	19,278	8,173	507	87,398
January		56,149	-	2,448	4,901	13,292	19,520	8,113	507	104,930
February		48,807	-	2,538	4,961	12,483	19,616	8,268	507	97,180
March		36,533	-	1,922	4,247	12,704	20,170	7,914	506	83,996
April		27,012	-	1,456	6,601	12,901	20,900	8,120	504	77,494
May		28,645	-	1,588	6,298	11,829	22,223	8,286	505	79,374
June		34,850	-	1,952	7,490	11,778	23,430	8,545	505	88,550
July		42,288	-	2,353	6,586	12,600	23,370	9,058	505	96,760
Total		446,224	-	24,228	70,072	145,654	251,825	90,648	6,083	1,034,734
Percent		43.12%	0.00%	2.34%	6.77%	14.08%	24.34%	8.76%	0.59%	100.00%
Used to allocate distribution demand related costs to appropriate rate classes										

SHELBY ENERGY COOPERATIVE
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Demand Related Costs and Energy Related Costs Allocators

	2,458	2,461	2,462	2,456	2,458	2,463	2,471	2,478	2,484	2,490	2,492
D. Sum of Consumers Individual Monthly Peak Demands											
		Schedule 12	Schedule 12	Schedule 15	Schedule 11	Schedule 2	Schedule B1	Schedule B2	Outdoor		
		Residential	Residential	Prepay	General	Large	Large	Large	& Street		Total
<u>Month</u>		<u>Service</u>	<u>ETS</u>	<u>Service</u>	<u>Service</u>	<u>Poewr</u>	<u>Industrial Rate</u>	<u>Industrial Rate</u>	<u>Lighting</u>		
August		102,777	-	9,385	18,537	13,029	21,561	8,735	514		174,538
September		104,535	-	5,048	19,183	12,864	20,885	8,735	504		171,754
October		115,281	-	5,751	16,439	12,688	20,140	8,530	508		179,337
November		133,055	-	6,682	21,330	13,433	20,103	8,243	511		203,357
December		131,813	-	6,559	21,500	12,930	19,116	8,173	507		200,598
January		123,492	-	6,272	12,927	13,754	19,339	8,113	507		184,404
February		130,728	-	6,799	16,745	13,588	19,426	8,268	506		196,060
March		126,956	-	6,678	16,051	13,916	19,988	7,914	504		192,007
April		119,787	-	6,457	16,263	12,705	20,747	8,120	505		184,584
May		115,173	-	6,386	19,380	12,824	22,068	8,286	506		184,623
June		105,088	-	5,885	19,467	13,126	23,284	8,545	505		175,900
July		110,935	-	6,172	17,379	14,099	23,222	9,058	506		181,371
Total		1,419,620	-	78,074	215,201	158,956	249,879	100,720	6,083		2,228,533
Percent		63.70%	0.00%	3.50%	9.66%	7.13%	11.21%	4.52%	0.27%		100.00%

SHELBY ENERGY COOPERATIVE

CASE NO. 2016-00434

REVENUE FROM RATES MATCHED WITH REVENUE REQUIREMENTS

Witness: James Adkins]
Schedule J

				Schedule 12	Schedule 12	Schedule 15	Schedule 11
			Enviro	Residential	Residential	Prepay	General
		Amount	Watts	Service	ETS	Service	Service
Normalized Revenue from Rates		\$39,969,502	3,715	18,776,920	15,486	906,485	3,429,381
Wholesale Demand Costs							
Generation		6,454,418		2,825,682	-	154,913	414,484
Distribution Substation		560,772		241,830	-	13,130	37,975
Total Wholesale Demand		7,015,190	-	3,067,512	-	168,043	452,460
Wholesale Energy Costs		23,337,716	3,123	10,406,938	13,491	504,801	1,694,567
Total Wholesale Costs		30,352,906	3,123	13,474,450	13,491	672,844	2,147,027
Gross Margin		9,616,596	592	5,302,470	1,995	233,641	1,282,354
Distribution Demand Costs							
Lines		3,222,246		1,389,578	-	75,448	218,210
Transformers		276,471		176,118	-	9,686	26,698
Total Distribution Demand		3,498,718		1,565,696	-	85,134	244,908
Distribution Consumer							
Lines		3,646,777		2,752,575	-	135,863	735,922
Transformers		274,842		200,496	-	9,896	63,512
Services		1,343,413		1,013,365	4,085	50,018	270,931
Meters		718,648		536,100	2,161	26,461	143,330
Consumer Services		1,094,174	-	747,433	1,506	44,578	266,443
Lighting		467,306		-			
Total Distribution Consumer		7,545,161	-	5,249,968	7,752	266,816	1,480,138
Total Distribution Costs		11,043,879	-	6,815,664	7,752	351,949	1,725,046
Margin before Other Revenue		(1,427,283)	592	(1,513,194)	(5,757)	(118,309)	(442,691)
Allocation of Other Elec. Revenue		637,530		517,932	-	25,004	94,594
Allocation of Misc. Revenue		142,353	-	115,648	-	5,583	21,122
Net Margin		(647,399)	592	(879,613)	(5,757)	(87,722)	(326,975)

**SHELBY ENERGY COOPERATIVE
CASE NO. 2016-00434**

REVENUE FROM RATES MATCHED WITH REVENUE REQUIREMENTS

	Schedule 2	Schedule B1	Schedule B2	Outdoor & Street Lighting	Total
	Large Power	Large Industrial Rate	Large Industrial Rate		
Normalized Revenue from Rates	4,178,722	8,511,553	3,610,886	536,355	39,969,502
Wholesale Demand Costs					
Generation	933,484	1,505,553	603,021	17,281	6,454,418
Distribution Substation	78,937	136,476	49,127	3,297	560,772
Total Wholesale Demand	1,012,421	1,642,029	652,148	20,577	7,015,190
Wholesale Energy Costs	2,802,694	5,174,681	2,606,820	130,602	23,337,716
Total Wholesale Costs	3,815,115	6,816,710	3,258,967	151,179	30,352,906
Gross Margin	363,607	1,694,843	351,918	385,176	9,616,596
Distribution Demand Costs					
Lines	453,578	784,204	282,285	18,943	3,222,246
Transformers	19,720	31,000	12,495	755	276,471
Total Distribution Demand	473,299	815,204	294,781	19,698	3,498,718
Distribution Consumer					-
Lines	7,020	12,001	3,170	226	3,646,777
Transformers	234	364	204	137	274,842
Services	4,418	-	-	596	1,343,413
Meters	10,595	-	-	-	718,648
Consumer Services	10,863	6,313	16,642	397	1,094,174
Lighting				467,306	467,306
Total Distribution Consumer	33,130	18,678	20,016	468,663	7,545,161
Total Distribution Costs	506,428	833,882	314,797	488,361	11,043,879
Margin before Other Revenue	(142,821)	860,961	37,121	(103,185)	(1,427,283)
Allocation of Other Elec. Revenue	-	-	-	-	637,530
Allocation of Misc. Revenue	-	-	-	-	142,353
Net Margin	(142,821)	860,961	37,121	(103,185)	(647,399)

SHELBY ENERGY COOPERATIVE
CASE NO. 2016-00434
INCREASE FOR EACH RATE CLASS

	Enviro-	Schedule 12	Schedule 12	Schedule 15	Schedule 11
	Watts	Residential	Residential	Prepay	General
		Service	ETS	Service	Service
Revenue Requirements					
Total Costs	\$ 3,123	\$ 20,290,114	\$ 21,243	\$ 1,024,794	\$ 3,872,072
Plus Margin Requirements	-	705,916	18,340	116,393	73,960
Revenue Requirements	\$ 3,123	\$ 20,996,030	\$ 39,583	\$ 1,141,187	\$ 3,946,033
Minus Revenue from Rates	3,715	18,776,920	15,486	906,485	3,429,381
Increase Amount	(592)	2,219,110	24,097	234,702	516,651
Less: Other Revenue	-	633,581	-	30,587	115,716
Net Increase Amount	(592)	1,585,529	24,097	204,115	400,935
Less: Increase for Rate Classes		\$ 1,150,630	\$ 413	\$ 83,237	\$ 287,006
Under (Over) Recovery	\$ (592)	\$ 434,899	\$ 23,684	\$ 120,878	\$ 113,929
Statement of Operations with					
Revenue from Rates	3,715	18,776,920	15,486	906,485	3,429,381
Rate Increase	\$ -	\$ 1,150,630	\$ 413	\$ 83,237	\$ 287,006
Purchased Power Costs	3,123	13,474,450	13,491	672,844	2,147,027
Gross Margins	592	6,453,100	2,408	316,878	1,569,360
Distribution Costs	-	6,815,664	7,752	351,949	1,725,046
Margins before Other Rev.	592	(362,564)	(5,344)	(35,072)	(155,685)
Plus Other Revenue	-	633,581	-	30,587	115,716
Net Margins with Increase	\$ 592	\$ 271,017	\$ (5,344)	\$ (4,485)	\$ (39,969)
Interest Expense	-	941,221	24,453	155,191	98,614
TIER	-	1.29	0.78	0.97	0.59
OTIER		1.17	0.78	0.94	0.38
Rate Base		44,651,694	664,060	9,400,842	2,130,421
Return on Rate Base		2.71%	2.88%	1.60%	2.75%

SHELBY ENERGY COOPERATIVE
CASE NO. 2016-00434
INCREASE FOR EACH RATE CLASS

	Schedule 2	Schedule B1	Schedule B2	Outdoor	
	Large	Large	Large	& Street	Total
	Power	Industrial Rate	Industrial Rate	Lighting	
Revenue Requirements					
Total Costs	\$ 4,321,543	\$ 7,650,592	\$ 3,573,764	\$ 639,540	\$ 41,396,785
Plus Margin Requirements	62,715	103,900	37,403	38,583	\$ 1,157,209
Revenue Requirements	\$ 4,384,258	\$ 7,754,492	\$ 3,611,167	\$ 678,122	\$ 42,553,994
Minus Revenue from Rates	4,178,722	8,511,553	3,610,886	536,355	39,969,502
Increase Amount	205,536	(757,061)	281	141,767	2,584,491
Less: Other Revenue	-	-	-	-	779,884
Net Increase Amount	205,536	(757,061)	281	141,767	1,804,608
Less: Increase for Rate Class	\$ 121,818	\$ 251,625	\$ 60,507	\$ 42,314	1,997,550
Under (Over) Recovery	\$ 83,718	\$ (1,008,686)	\$ (60,226)	\$ 99,453	\$ (192,942)
Statement of Operations with					
Revenue from Rates	4,178,722	8,511,553	3,610,886	536,355	39,969,502
Rate Increase	\$ 121,818	\$ 251,625	\$ 60,507	\$ 42,314	1,997,550
Purchased Power Costs	3,815,115	6,816,710	3,258,967	151,179	30,352,906
Gross Margins	485,425	1,946,468	412,425	427,490	11,614,146
Distribution Costs	506,428	833,882	314,797	488,361	11,043,879
Margins before Other Rev.	(21,003)	1,112,586	97,628	(60,871)	570,267
Plus Other Revenue	-	-	-	-	779,884
Net Margins with Increase	\$ (21,003)	\$ 1,112,586	\$ 97,628	\$ (60,871)	\$ 1,350,151
Interest Expense	83,620	138,533	49,870	51,443	1,542,945
TIER	0.75	9.03	2.96	(0.18)	1.88
OTIER	0.75	9.03	2.96	(0.18)	1.78
Rate Base	3,664,727	6,165,078	2,237,044	2,397,186	71,311,052
Return on Rate Base	1.71%	20.29%	6.59%	-0.39%	4.06%

SHELBY ENERGY COOPERATIVE

Witness: *James R*
 James Adkins
 Schedule L
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Unbundled Rate Base

		Schedule I	Schedule I	Schedule II	Schedule II	Schedule III	Schedule IV	Schedule IV-A	Schedule VI		
		Residential,	Marketing	Sml Com	Sml Com	3 Phase Schl	Large Power	Large Power	Outdoor		
	Amount	Schl & Chur	Rate	1 Phase	3 Phase	& Churches	2500 kW Plus	50-2500 kW	Lights	Total	
Function	Classification										
Stations											
	Demand	-	-	-	-	-	-	-	-	-	
Lines		47,713,308									
	Demand	23,212,708	10,010,368	-	543,519	1,571,960	3,267,529	5,649,317	2,033,552	136,463	23,212,708
	Consumer	24,500,600	18,492,971	-	4,944,238	47,160	80,629	21,298	1,521	-	23,587,818
Transformer		8,622,851									
	Demand	4,324,168	2,754,581	-	151,492	417,569	308,433	484,857	195,434	11,803	4,324,168
	Consumer	4,298,683	3,135,865	154,781	993,361	3,654	5,700	3,185	2,137	-	4,298,683
Services											
	Consumer	9,565,807	7,215,690	356,154	1,929,170	31,460	-	-	4,246	-	9,536,721
Meters											
	Consumer	3,691,525	2,753,820	135,924	736,255	54,426	-	-	-	-	3,680,425
Consumer Acct & Serv.		422,190	288,399	17,200	102,808	4,191	2,436	6,422	153	-	421,609
Outdoor Lighting		2,248,920								2,248,920	2,248,920
Total		72,264,602	44,651,694	664,060	9,400,842	2,130,421	3,664,727	6,165,078	2,237,044	2,397,186	71,311,052

Shelby Energy Cooperative
Case No. 2016-00434
Statement of Operations, Adjusted

Exhibit S
page 1 of 4
Witness: James Adkins

	Actual <u>Test Year</u>	Normalized <u>Adjustments</u>	Normalized <u>Test Year</u>	Proposed <u>Increase</u>	Proposed <u>Test Year</u>
Operating Revenues:					
Base rates	\$ 39,969,502	\$ -	\$ 39,969,502	\$ 1,997,640	\$ 41,967,142
Fuel and surcharge	2,763,519	(2,763,519)	-		-
Other electric revenue	634,621	2,909	637,530		637,530
	<u>43,367,642</u>	<u>(2,760,610)</u>	<u>40,607,032</u>	<u>1,997,640</u>	<u>42,604,672</u>
Operating Expenses:					
Cost of power:					
Base rates	30,352,946	(40)	30,352,906		30,352,906
Fuel and surcharge	2,427,842	(2,427,842)	-		-
Distribution - operations	1,639,712	26,676	1,666,388		1,666,388
Distribution - maintenance	3,433,368	(502,835)	2,930,533		2,930,533
Consumer accounts	510,028	(3,178)	506,850		506,850
Customer service	428,204	(4,087)	424,117		424,117
Sales	(11,891)	(138)	(12,029)		(12,029)
Administrative and general	987,129	(99,124)	888,005		888,005
	<u>39,767,338</u>	<u>(3,010,568)</u>	<u>36,756,770</u>	<u>-</u>	<u>36,756,770</u>
Depreciation	2,617,512	422,492	3,040,004		3,040,004
Taxes - other	53,103	-	53,103		53,103
Interest on long-term debt	1,471,969	70,976	1,542,945		1,542,945
Interest expense - other	15,561	(11,597)	3,964		3,964
Other deductions	6,869	(6,868)	1		1
	<u>43,932,352</u>	<u>(2,535,565)</u>	<u>41,396,787</u>	<u>-</u>	<u>41,396,787</u>
Utility operating margins	<u>(564,710)</u>	<u>(225,045)</u>	<u>(789,755)</u>	<u>1,997,640</u>	<u>1,207,885</u>
Nonoperating margins, interest	39,459	-	39,459		39,459
Income from equity investments	35,101	-	35,101		35,101
Nonoperating margins, other	5,493	-	5,493		5,493
G&T capital credits	1,810,069	(1,810,069)	-		-
Other capital credits	62,300	-	62,300		62,300
	<u>\$ 1,387,712</u>	<u>\$ (2,035,114)</u>	<u>\$ (647,402)</u>	<u>\$ 1,997,640</u>	<u>\$ 1,350,238</u>
Net Margins					
TIER	1.94		0.58		1.88
(Net margins + long-term interest / long-term interest)					
OTIER	0.66		0.53		1.82
(Operating margins + long-term interest + other capital credits / long-term interest)					

Shelby Energy Cooperative
Case No. 2016-00434
Balance Sheet, Adjusted
July 31, 2016

Exhibit S
page 2 of 4
Witness: James Adkins

	<u>Actual</u> <u>Test Year</u>	<u>Adjustments</u> <u>to Test Year</u>	<u>Adjusted</u> <u>Test Year</u>
<u>Assets</u>			
Electric Plant:			
In service	\$ 88,069,787		\$ 88,069,787
Under construction	773,290		773,290
	88,843,077		88,843,077
Less accumulated depreciation	17,810,020	425,821	18,235,841
	71,033,057	(425,821)	70,607,236
Investments	23,313,171		23,313,171
Current Assets:			
Cash and temporary investments	979,041		979,041
Accounts receivable, net	3,838,184		3,838,184
Material and supplies	766,261		766,261
Prepayments and current assets	122,406		122,406
	5,705,892		5,705,892
Net change in assets and defer debits	-	581,054	581,054
Total	\$ 100,052,120	\$ 155,233	\$ 100,207,353
<u>Equity and Liabilities</u>			
Margins:			
Other equities	\$ 2,063,480		\$ 2,063,480
Patronage capital	38,247,532	155,233	38,402,765
	40,311,012	155,233	40,466,245
Long Term Debt	51,057,115		51,057,115
Accumulated postretirement benefits	1,995,976		1,995,976
Current Liabilities:			
Notes payable	205,652		205,652
Accounts payable	3,934,965		3,934,965
Consumer deposits	1,540,868		1,540,868
Accrued expenses	640,094		640,094
	6,321,579		6,321,579
Consumer advances for construction	366,438		366,438
Total	\$ 100,052,120	\$ 155,233	\$ 100,207,353

Shelby Energy Cooperative
Case No. 2016-00434
Summary of Adjustments to Test Year

Exhibit S
page 3 of 4
Witness: James Adkins

	Exhibit 1	Exhibit 2	Exhibit 3	Exhibit 4	Exhibit 5	Exhibit 6	Exhibit 7	Exhibit 8	Exhibit 9	Exhibit 10	Exhibit 11	Exhibit 12	Exhibit 13	Exhibit 14	Exhibit 15	Exhibit 16	
														<u>Normalize</u>			
	<u>Salaries</u>	<u>Payroll Taxes</u>	<u>Deprec</u>	<u>Property Tax</u>	<u>Interest</u>	<u>R-O-W Contract</u>	<u>Retirement</u>	<u>Donations</u>	<u>Professional Fees</u>	<u>Directors</u>	<u>Misc Expenses</u>	<u>Rate Case</u>	<u>EKPC</u>	<u>Purchase Power</u>	<u>Revenue</u>	<u>Additional Revenue</u>	<u>Total</u>
Operating Revenues:																	
Base rates																	
Fuel and surcharge																	
Other electric revenue																	
	-	-	-	-	-	-	-	-	-	-	-	-	-	-	(2,763,519)	2,909	(2,760,610)
Operating Expenses:																	
Cost of power:																	
Base rates																	
Fuel and surcharge																	
Distribution - operations	(4,184)	(433)	778	31,741			(1,226)										
Distribution - mainten	(6,035)	(625)	1,391			(495,798)	(1,768)										
Consumer accounts	(2,532)	(262)	358				(742)										
Customer service	(3,138)	(325)	295				(919)										
Sales	(99)	(10)					(29)										
Administrative and gene	(2,667)	(276)	507	1,168			(781)		(31,332)	(73,181)	(17,562)	25,000					
Total operating expenses	(18,655)	(1,932)	3,329	32,909	-	(495,798)	(5,464)	-	(31,332)	(73,181)	(17,562)	25,000	-	(2,427,882)	-	-	(3,010,568)
Depreciation			422,492														
Taxes - other																	
Interest on long-term debt					70,976												
Interest expense - other					(11,597)												
Other deductions								(6,868)									
Total cost of electric se	(18,655)	(1,932)	425,821	32,909	59,379	(495,798)	(5,464)	(6,868)	(31,332)	(73,181)	(17,562)	25,000	-	(2,427,882)	-	-	(2,535,565)
Utility operating margi	18,655	1,932	(425,821)	(32,909)	(59,379)	495,798	5,464	6,868	31,332	73,181	17,562	(25,000)	-	2,427,882	(2,763,519)	2,909	(225,045)
Nonoperating margins, interest																	
Income from equity investments																	
Nonoperating margins, other																	
G&T capital credits													(1,810,069)				(1,810,069)
Other capital credits																	
	-	-	-	-	-	-	-	-	-	-	-	-	(1,810,069)	-	-	-	(1,810,069)
Net Margins	18,655	1,932	(425,821)	(32,909)	(59,379)	495,798	5,464	6,868	31,332	73,181	17,562	(25,000)	(1,810,069)	2,427,882	(2,763,519)	2,909	(2,035,114)

Witness: James Adkins

Shelby Energy Cooperative
Case No. 2016-00434
Proposed increase
July 31, 2016

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Interest on long term debt	\$ 1,542,945
Normalized margins	<u>(647,402)</u>
Proposed increase in revenues over normalized revenues to attain a TIER of 2.0x	<u>\$ 2,190,347</u>
Increase approved by Board of Directors	<u>\$ 1,997,640</u>

Shelby Energy Cooperative
Case No. 2016-00434
Monthly Operating Budget
July 31, 2016

	August	September	October	November	December	January	February	March	April	May	June	July	Total
Operating revenue	3,830,063	3,455,470	3,282,227	3,614,651	4,200,681	3,887,589	4,623,375	3,969,391	2,892,192	3,181,554	3,453,400	3,763,140	44,153,733
Operating expenses:													
Cost of power	3,087,100	2,679,994	2,311,655	2,755,893	3,256,825	3,319,898	3,544,762	2,881,360	2,131,329	2,305,824	3,038,026	3,191,078	34,503,744
Distribution-operations	124,357	115,720	124,372	151,062	111,645	116,966	153,985	149,580	140,674	127,115	132,757	136,792	1,585,025
Distribution-maintenance	287,073	239,922	241,250	110,668	122,451	100,259	115,195	122,119	159,278	166,972	329,792	406,481	2,401,460
Consumer accounts	50,288	48,416	42,159	43,566	46,297	69,782	68,072	56,367	52,628	50,686	49,701	50,160	628,122
Customer services	40,414	30,778	40,618	35,459	37,164	6,456	41,832	44,555	42,845	42,758	51,774	49,482	464,135
Sales	(427)	(8,725)	(3,121)	(13,274)	1,827	(1,463)	1,286	(4,966)	(350)	(657)	(1,783)	(23,846)	(55,499)
Administrative and general	162,741	92,955	86,328	67,251	84,745	63,895	89,099	79,077	96,003	83,009	157,874	86,930	1,149,907
Total operation and maintenance	3,751,546	3,199,060	2,843,261	3,150,625	3,660,954	3,675,793	4,014,231	3,328,092	2,622,407	2,775,707	3,758,141	3,897,077	40,676,894
Depreciation	200,834	202,787	206,821	208,233	210,722	153,634	213,814	214,223	214,942	215,612	215,856	216,571	2,474,049
Taxes-other	4,926	4,925	4,925	4,925	4,925	2,889	4,681	4,681	4,681	4,681	4,680	4,681	55,600
Interest on long term debt	132,251	133,952	147,166	128,700	133,728	144,720	134,956	134,732	146,922	144,364	133,614	144,011	1,659,116
Interest expense - other	177	1,857	3,259	149	6,272	3,699	128	6,639	137	149	5,320	150	27,936
Other deductions	111	4,760	168	(6)	24	109	818	1,357	512	486	439	610	9,388
Total cost of electric service	4,089,845	3,547,341	3,205,600	3,492,626	4,016,625	3,980,844	4,368,628	3,689,724	2,989,601	3,140,999	4,118,050	4,263,100	44,902,983
Utility operating margins	(259,782)	(91,871)	76,627	122,025	184,056	(93,255)	254,747	279,667	(97,409)	40,555	(664,650)	(499,960)	(749,250)
Nonoperating margins, interest	1,482	1,449	1,795	1,430	1,810	5,743	2,582	3,018	1,085	2,697	2,821	2,864	28,776
Equity investments	-	-	-	-	2,000	(530)	-	-	-	-	-	-	1,470
Nonoperating margins, other	-	-	-	-	-	(530)	-	-	-	-	-	-	(530)
G & T	-	-	-	-	-	-	-	-	-	-	(145,547)	-	(145,547)
Others	-	32,726	-	-	31,403	7,004	762	1	-	-	-	1	71,897
Net margins	(258,300)	(57,696)	78,422	123,455	219,269	(81,568)	258,091	282,686	(96,324)	43,252	(807,376)	(497,095)	(793,184)

Witness: Debra Martin

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Shelby Energy Cooperative, Inc.
Case No. 2016-00434
Bylaws Changes

A copy of the bylaws is attached and the following changes since the last general rate request are as follows:

Effective February 16, 2012, Shelby Energy performed a complete review of the bylaws and revised a number of Articles and Sections as listed below:

- Article I; Section 1.2
- Article II; Sections 2.2-2.3 and 2.6
- Article III; Sections 3.1 and 3.4-3.9
- Article IV; Sections 4.4 and 4.6-4.10
- Article V; Sections 5.1 and 5.3
- Article VI; Sections 6.1-6.2, 6.7, 6.9-6.10 and 6.12-6.13
- Article VII; Section 7.2
- Article IX
- Article X; Sections 10.1-10.5
- Article XI; Sections 11.5-11.6
- Article XII
- Article XIII

Effective May 22, 2014, the following Article and Section was changed:

- Article II: Section 2.5

Effective July 16, 2015, the following Article and Section was changed:

- Article II: Section 2.5



Shelby Energy Cooperative



A Touchstone Energy[®] Cooperative



Bylaws of Shelby Energy Cooperative, Inc.
Established 1937
Shelbyville, Kentucky

This Bylaws edition supersedes all previous issues 2015

This institution is an equal opportunity provider and employer.

Shelby Energy Cooperative, Inc.

Your Touchstone Energy® Partner

BYLAWS OF SHELBY ENERGY COOPERATIVE, INC.
ESTABLISHED 1937
SHELBYVILLE, KENTUCKY

This Bylaws edition supersedes all previous issues 2015

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ARTICLE I MEMBERSHIP

Section 1.1 Requirements for Membership. Any natural person, partnership, association, corporation, limited liability company, body politic or subdivision thereof, or other legal entity will become a member of Shelby Energy Cooperative, Inc. (hereinafter called the "Cooperative"), provided that he, she, or it has first:

- (a) Made application for membership therein;
- (b) Agreed to purchase from the Cooperative electric energy as hereinafter specified, or gas or other energy if permitted by KRS 279.090(2) or other law;
- (c) Agreed to comply with and be bound by the Articles of Incorporation and Bylaws of the Cooperative and any rules and regulations adopted by the Board of Directors (hereinafter called the "Board");
- (d) Paid the Membership Fee, if any; and
- (e) Paid all debts owed to the Cooperative by the member, spouse, or any other person physically living in or deriving economic benefit from the premises to be served, plus accrued interest thereon from the date such debt became overdue until paid in full, compounded annually, at the Kentucky judgment legal rate.

The Membership Application shall be accompanied by any service security deposit, service connection deposit or fee, facility extension fee, or contribution in aid of construction that may be required by the Cooperative. With respect to any particular classification of service for which the Board shall require it, such application shall also be accompanied by a supplemental contract, executed by the applicant on such form as is provided by the Cooperative. No member shall have more than one membership in the Cooperative, and no membership shall be transferable, except as provided in these Bylaws.

Section 1.2 Membership Evidence. Membership in the Cooperative shall be evidenced in such form and shall contain such provisions as may be determined by the Board.

Section 1.3 Membership Fee and Other Deposits or Fees. The membership fee, if any, shall be fixed from time to time by the Board. Payment of the membership fee and any other deposits or fees required shall entitle the member to one service connection. A service connection deposit or fee in such amount as shall be prescribed by the Cooperative and any other deposits or fees required shall be paid by the member for each additional service connection.

Section 1.4 No Guarantee of Continuous Service; Purchase of Electric, Gas, or Other Energy; Power Production by Member; Application of Payments to Accounts. The Cooperative shall use reasonable diligence to furnish its members with adequate and dependable electric, gas, or other energy service, although it cannot and therefore does not guarantee a continuous and uninterrupted supply thereof. Production of electric, gas, or other energy on such premises, regardless of the source thereof, by means of facilities which shall be interconnected with Cooperative facilities, shall be subject to appropriate regulations as shall be fixed from time to time by the Board.

Each member, for so long as such premises are owned or directly occupied or used by him or her, shall purchase from the Cooperative and pay for all electric, gas, or other energy purchased for use on all premises to which electric, gas, or other service has been furnished by the Cooperative pursuant to his or her membership, unless and except to the extent that the Board may in writing waive such requirement, and shall pay therefore at the times and in accordance with the rules, regulations, rate classifications and rate schedules (including any monthly minimum amount that may be charged without regard to the amount of electric, gas, or other energy actually used) established by the Board and, if in effect, in accordance with the provisions of any supplemental contract. When the member has more than one service connection from the Cooperative, any payment by him for service from the Cooperative shall be allocated and credited at the Cooperative's sole discretion between his or her outstanding accounts for all such service connections, notwithstanding that the Cooperative's actual accounting procedures may not reflect such allocation.

Section 1.5 Termination of Membership.

(a) Any member may withdraw from membership upon compliance with such uniform terms and conditions as the Board may prescribe. The Board may, by the affirmative vote of not less than two-thirds (2/3) expel any member who fails to comply with any of the provisions of the Articles of Incorporation, Bylaws, or rules or regulations adopted by the Board, but only if such member shall have been given written notice by the Cooperative that such failure makes the member liable for expulsion and such failure shall have continued for at least ten (10) days after such notice was given. A hearing shall be held if requested by the member. Any expelled member may be reinstated by vote of the Board or by vote of the members at any annual or special meeting. The membership of a member who, for a period of six (6) months after service is available to him, has not purchased electric, gas, or other energy from the Cooperative, or of a member who has ceased to purchase energy from the Cooperative, may be canceled by resolution of the Board.

(b) Upon the withdrawal, death, cessation of existence or expulsion of a member, the membership of such member shall thereupon terminate. Termination of membership of any manner shall not release a member or his or her estate from any debts due the Cooperative.

(c) In case of withdrawal or termination of membership in any manner, the Cooperative shall repay to the member the amount of the membership fee paid by him or her, provided, however, that the Cooperative shall deduct from the amount of the membership fee and deposit, if any, the amount of any debts or obligations owed by the member to the Cooperative.

ARTICLE II RIGHTS, OBLIGATIONS, AND LIABILITIES OF MEMBERS

Section 2.1 Property Interest of Members. Upon dissolution, the remaining assets of the Cooperative shall be distributed among members as set forth in these Bylaws in Article 8, Section 8.2.

Section 2.2 Non-Liability for Debts of the Cooperative. Except for capital credits in the Cooperative, the private property of members shall be exempt from execution or other liability for the debts of the Cooperative and no member shall be personally liable or responsible for any debts or liabilities of the Cooperative.

Section 2.3 Wiring of Premises; Responsibility therefore; Responsibility for Meter Tampering or Bypassing and for Damage to Cooperative Properties; Extent of Cooperative Responsibility; Indemnification. Each member shall cause all premises receiving electric, gas, or other energy pursuant to his or her membership to become and to remain wired in accordance with the specifications of the National Electrical Code and any applicable state code or local government ordinances. Each member shall be responsible for and shall indemnify the Cooperative, its directors, officers, employees, agents and independent contractors against death, injury, loss or damage resulting from any defect in, or improper use or maintenance of, such premises and all wiring and apparatus connected thereto or used thereon. Each member shall make available to the Cooperative a suitable site, as determined by the Cooperative, whereon to place the Cooperative's physical facilities for furnishing and metering electric, gas, or other energy service and at all reasonable times shall permit the Cooperative's authorized employees, agents and independent contractors to have access thereto safely and without interference from hostile dogs or any other hostile source for reading, bill collecting and for inspection, maintenance, replacement, relocation, repair or disconnecting of such facilities. As partial consideration for service, each member shall be the Cooperative's bailee of such facilities and shall accordingly desist from interfering with, impairing the operation of, or causing damage to, such facilities, and shall use his or her best efforts to prevent others from doing so. In the event such facilities and their operation are interfered with, impaired or damaged by the member, or by any other person on the premises, the member shall indemnify the Cooperative, its directors, officers, employees, agents and independent contractors against death, injury, loss or damage resulting therefrom, including, but not limited to the Cooperative's cost of repairing, replacing or relocating such facilities and its loss, if any, of revenues resulting from the failure or defective functioning of its facilities. In no event shall the responsibility of the Cooperative for furnishing electricity, gas, or other energy extend beyond the point of delivery.

Section 2.4 Bylaws and Articles are Contract With The Cooperative. Each member of the Cooperative, by dealing with the Cooperative, acknowledges that the terms and provisions of the Articles of Incorporation, Bylaws, any special contract or any rules and regulations adopted by the Board, shall constitute and be a contract between the Cooperative and each member, and both the Cooperative and the member are bound by such contract, as fully as though each member had individually signed a separate instrument containing such terms and provisions.

Section 2.5 Attorney/Collection Fees. In the event a member fails to comply with any of the terms of these Bylaws, the Articles of Incorporation, any special contracts, or any other rules and regulations adopted by the Board, including but not limited to non-payment of debt, and if action is taken by the Cooperative to enforce such terms, the Cooperative shall be entitled to collect in such proceeding its reasonable attorney's fees, court costs and up to 40% collection agency fees.

Section 2.6 Access to Land and Premises. By virtue of becoming a member, and at no cost to the Cooperative, each member grants to the Cooperative a perpetual easement over, under, above, across, and through the land and premises of the member to erect, construct, place, locate, and build and thereafter use, operate, inspect, repair, maintain, service, replace, and move electric, communication, gas, or other energy distribution system facilities, including but not limited to, new or existing lines of any type, wires, poles, anchors, or other appurtenant parts thereof. Unless otherwise agreed in writing, the easement shall be 30' wide, and the centerline of the easement shall be the line or other facility as constructed. No swimming pool or other structure shall be placed within an applicable easement or under any power line in violation of national, state, or local electric codes. The Cooperative may at the member's cost relocate or raise the Cooperative's facilities or remove or require the member to remove any such structure. The above easement shall include, but shall not be limited to, the right to connect to and hook up to any existing service and/or service line and/ or service facility of any type that might be located on the member's land or premises for the purpose of providing and/ or extending electric, communication, gas, or other energy service to another member of the Cooperative. Unless otherwise agreed in writing, any new lines shall be constructed along existing exterior boundary lines, roads, and interior fence lines when physically and financially reasonable. The member further grants to the Cooperative the right and privilege to cut down, trim and/ or treat with herbicides any and all trees, vines, bushes and/ or landscaping, whether inside or outside the easement, which are of such height and/or such location in proximity to the Cooperative's line and/ or facilities that the trees, vines, bushes and/or landscaping, whether inside or outside the easement, may interfere with and/ or create a hazard to the operation of said lines and facilities. Upon request by the Cooperative, the member and the member's spouse, if any, shall at no cost to the Cooperative, execute a recordable easement incorporating the aforementioned easement rights. All service lines supplying the member with electric, communication, gas, or other energy and all switches, meters and equipment constructed or installed by the Cooperative on said land or premises, shall be the sole property of the Cooperative. The Cooperative shall have the right to remove its electric, gas, or other energy distribution system of any type and all appurtenant parts thereof upon discontinuance of service for any reason, provided, however, upon cancellation of the contract for electric, gas, or other energy service set forth herein, the perpetual easement granted by the provisions to this paragraph shall remain in full force and effect. The Board may expel from membership and/ or discontinue electric, gas, or other energy service to any member who fails or refuses to comply with the provisions of this Bylaw.

ARTICLE III MEETING OF MEMBERS

Section 3.1 Annual Meeting. The annual meeting of the members shall be held on a date after the first day of May and before the first day of October at such place within any of the counties served by the Cooperative and at such hour as may be selected by the Board, and which shall be designated in the notice of the meeting for the purpose of electing board members and transacting such other business as may come before the meeting. It shall be the responsibility of the Board to make adequate plans and preparations for the annual meeting. Failure to hold the annual meeting at the designated time shall not result in a forfeiture or dissolution of the Cooperative.

Section 3.2 Special Meetings. Special meetings of the members may be called upon request by any four board members, or by 10% or more of all members by filing with the Secretary the request in writing stating the purpose and signed by the requesting members, which request shall state the purpose of the special meeting. Upon

verification of the signatures of the members requesting a special meeting, it shall thereupon be the duty of the Secretary to cause notice of such meeting to be given as hereinafter provided. Special meetings by the members may be held at such time and at any place within one of the counties served by the Cooperative as designated by the Board and shall be specified in the notice of the special meeting.

Section 3.3 Notice of Members' Meeting. Written or printed notice stating the place, day and hour of the annual meeting, and in case of a special meeting or an annual meeting at which business requiring special notice is to be transacted the purpose or purposes for which the meeting is called, shall be delivered to each member not less than ten (10) days nor more than sixty (60) days before the date of the meeting, either personally, by mail, facsimile, other electronic transmission, or by publication at least one time in the newspapers of largest circulation in Henry, Shelby, and Trimble Counties, by or at the direction of the Secretary, or upon a default in duty by the Secretary, by the persons calling the meeting. Any such notice delivered by mail may be included with member service billings or as part of the Cooperative's monthly newsletter and/ or its monthly insert in *Kentucky Living*. If mailed, such notice shall be deemed to be delivered when deposited in the United States mail, addressed to the member at his or her address as it appears on the records of the Cooperative, with postage thereon prepaid. The failure of any member to receive notice of an annual or special meeting of the members shall not invalidate any action which may be taken by the members at any such meeting.

Section 3.4 Quorum. One-hundred (100) members present in person, or represented by properly signed and dated proxy, shall constitute a quorum for the transaction of business at all meetings of the members. If less than a quorum is present at any meeting, a majority of those present in person or represented by proxy may adjourn the meeting from time to time without further notice.

Section 3.5 Voting. Each member shall be entitled to only one vote upon each matter submitted to a vote at a meeting of the members. Members may not cumulate their votes. All questions shall be decided by a vote of a majority of the members voting thereon in person or by proxy except as otherwise provided by law, the Articles of Incorporation or these Bylaws. The vote of a member who is not a natural person, such as an association, corporation, limited liability company, partnership, or body politic, shall be cast by the highest ranking officer of such member present at the meeting, unless such member shall have designated in writing another person to represent it at such meeting. Such officer or representative shall at said meeting present at the registration desk either credentials of his or her authority or sign a statement that he or she is the authorized officer or representative.

The Board shall, prior to any meeting of the members at which directors are to be elected, appoint such number of assistant secretaries as it deems advisable for the purpose of checking registrations. Should the Board fail to appoint a sufficient number of assistant secretaries or should it develop that the number appointed is for any reason insufficient, then the secretary may, at or before said meeting, appoint such number of assistant secretaries as he or she may deem necessary from among the employees of the Cooperative. Should the secretary be absent or fail to act, then the Board Chairman or President may in like manner appoint assistant secretaries.

Section 3.6 Proxies. At all meetings of members, a member may vote by proxy executed in writing by the member. Such proxy shall be received at the Cooperative headquarters office at least seven (7) days before the date of the meeting. No proxy shall be voted at any meeting of the members unless it shall designate the particular meeting at which it is to be voted and no proxy shall be voted at any meeting other than the one so designated, or at any adjournment of such meeting. Other than the Secretary of the Cooperative (or in his or her absence the Board Chairman or the President), who shall vote at the direction of the Board, no member shall vote as proxy for more than three (3) members at any meeting of the members except where such person is exercising a proxy in connection with the borrowing of funds. No proxy shall be valid after sixty (60) days from the date of its execution. The presence of a member at a meeting of the members shall revoke the proxy theretofore executed by him or her and such member shall be entitled to vote at such meeting in the same manner and with the same effect as if he or she had not executed a proxy. A proxy may be unlimited as to the matters on which it may be voted or it may be restricted; a proxy containing no restriction shall be deemed to be unlimited. In the event a member executes two (2) or more proxies for the same meeting, the most recently dated proxy shall revoke all others; if such proxies carry the same date and are held by different persons, none of them will be valid or recognized.

Section 3.7 Credentials and Election Committee. The Board shall, not less than eighty (80) days nor more than one hundred forty (140) days before the annual meeting of the members, appoint a Credentials and Election Committee. The Committee shall consist of an uneven number of Cooperative members, not less than five (5) nor more than nine (9), who are not members of the Nominating Committee or existing Cooperative employees, agents, officers, directors or known candidates for director, and who are not close relatives as defined in Article IV, Section 4.1, or members of the same household thereof. In appointing the Committee, the Board shall have regard for the equitable representation of the several areas served by the Cooperative. The Committee shall elect its own chairman and secretary prior to the member meeting. If a petition or petitions are received on behalf of a candidate for inclusion on the ballot, other than candidates nominated by the Nominating Committee, then the Credentials and Election Committee shall meet at least thirty (30) days prior to the annual meeting to certify signatures on the petition and to determine the eligibility of such person to serve if elected. It shall be the Committee's responsibility to establish or approve the manner of conducting member registration and any ballot or other voting, to pass upon all questions that may arise with respect to the registration of members in person, to count all ballots or other votes cast in any election or in any other matter, to rule upon the effect of any ballots or other vote irregularly or indecisively marked or cast, to rule upon all other questions that may arise relating to member voting and the election of directors (including but not limited to the validity of petitions of nomination or the qualifications of candidates and the regularity of the nomination and election of directors), and to pass upon any protest or objection filed with respect to any election or to conduct affecting the results of any election. In the exercise of its responsibility, the Committee shall have available to it the advice of counsel provided by the Cooperative. Any nominee or anyone designated in writing by such nominee may be present in the counting room. No other person shall be present in the counting room except the Cooperative attorney who may be present at any part of the election process. In the event a protest or objection is filed concerning any election, such protest or objection shall be filed with the chairman of the Credentials and Election Committee or at the headquarters office of the Cooperative during, or within three (3) business days following the adjournment of, the meeting in which the voting is conducted. The Committee shall thereupon be reconvened, upon notice from its chairman, not less than thirty (30) days after such protest or objection is filed. The Committee shall hear such evidence as is presented by the protestor(s) or objector(s) who may be heard in person, by counsel, or both, and any opposing evidence; and the Committee, by a vote of a majority of those present and voting, shall, within a reasonable time but not later than thirty (30) days after such hearing, render its decision, the result of which may be to affirm the election, to change the outcome thereof, or to set it aside. The Committee may not affirmatively act on any matter unless a majority of the Committee is present. The Committee's decision (as reflected by a majority of those actually present and voting) on all matters covered by this section shall be final. Any action challenging the Committee's decision must be filed in a court of competent jurisdiction within thirty (30) days after the minutes reflecting the Committee's decision are approved by the Committee. The Committee shall be appointed for a one (1) year term and the Cooperative may compensate them for their services.

Section 3.8 Agenda. No proposal shall be voted upon or board action taken upon any matter at the annual meeting, unless it has been placed on the agenda by the Board at least forty (40) days prior to such meeting. Any agenda item proposed by anyone other than the Board shall be submitted to the headquarters office of the Cooperative or to the Secretary at least seventy (70) days prior to the annual meeting by filing with the Secretary a request in writing stating the purpose of the agenda item proposed, that it be submitted to the annual meeting for consideration and signed by not less than one hundred (100) requesting members. A proposal must be determined to be legitimate by the Board in order to be placed on the agenda of the member's annual meeting.

Section 3.9 Order of Business. The order of business at the annual meeting of the members, as established by the Board, and so far as possible, at all other meetings of the members, shall be essentially as follows:

- (a) Report on the number of members present in person or by valid proxy, in order to determine the existence of a quorum;
- (b) Reading of the notice of the meeting and proof of the due publication or mailing thereof, or the waiver or waivers of notice of the meeting, as the case may be;
- (c) Reading of unapproved minutes of the previous meeting of the members, and the taking of necessary action thereon;

- (d) Presentation and consideration of reports of officers, directors, and committees;
- (e) Election of, or report on election of, board members;
- (f) Other agenda items, if any, and
- (g) Adjournment.

ARTICLE IV DIRECTORS

Section 4.1 Number, Duties and General Powers. The business and affairs of the Cooperative shall be managed by a board (the Board) of six (6) directors. The Board shall exercise all the powers of the Cooperative except such as are by law or by the Articles of Incorporation or these Bylaws conferred upon or reserved to the members. A director shall discharge his duties as a director:

- (a) In good faith;
- (b) With the care an ordinarily prudent person in a like position would exercise under similar circumstances; and
- (c) In a manner he reasonably believes to be in the best interest of the Cooperative. A director may not act in his self-interest and should not vote in a matter in which he has a direct personal interest.

Section 4.2 Districts. The Cooperative shall be divided into three (3) territorial districts and all directors or nominees for the office of director shall be members and shall be residents of their respective districts. The boundaries of said districts shall be as follows:

District 1 shall include all of Shelby County and those portions of Anderson, Franklin, Jefferson, and Spencer Counties served by the Cooperative.

District 2 shall include all of Henry County and that portion of Owen County served by the Cooperative.

District 3 shall include all of Trimble County and those portions of Carroll and Oldham Counties which are served by the Cooperative.

Section 4.3 Election and Tenure. Each Director on the Board as of September 25, 1997, shall continue in office until the expiration of his or her current term. At the annual meeting of members for the year 1998, one director shall be elected from District 2 and one director shall be elected from District 3 for regular three (3) year terms. At the annual meeting of members for the year 1999, one director shall be elected from District 1 and one director shall be elected from District 2 for regular three (3) year terms. At the annual meeting of members for the year 2000, one director shall be elected from District 1 and one director shall be elected from District 3 for regular three (3) year terms. Thereafter, two directors to fill the offices, the terms of which are then expiring, shall be elected at each annual meeting of members, and the term of each shall be three (3) years or until his or her successor shall have been elected and qualified.

Directors shall be elected by a majority of the votes cast. Each member shall be eligible to cast one (1) vote per director elected. Cumulative voting for directors is not allowed. In case of any tie votes, drawing by lot by the candidate shall resolve any tie votes. The entire membership shall retain the right to vote for directors in all districts. All contested elections shall be by secret ballot.

The Secretary shall mail with the notice of the meeting a statement of the number of directors to be elected and showing separately the nominations made by the Nominating Committee and nominations made by petition, if any. If the election of directors shall not be held on the day designated herein for the annual meeting, or at any adjournment thereof, a special meeting of the members shall be held for the purpose of electing directors within a reasonable time thereafter.

Section 4.4 Qualifications. To be eligible to become or remain a director of the Cooperative a person shall:

- (a) Be a member of the Cooperative whose permanent, principal residence is presently located and has been located during the past 60 months in the district served by the Cooperative where the vacancy exists;
- (b) Not be an employee of or financially interested in (i) a competing enterprise, other than indirect and minimal ownership through a mutual stock or bond fund or similar investment entity, or (ii) an entity which sells goods or services to the Cooperative, if the entity derives more than 1% of its annual gross income from sales to the Cooperative;
- (c) Have the capacity to enter into legally binding contracts;
- (d) Before becoming a director, graduate from high school or earn an equivalent degree or certification;
- (e) Not be an employee of, retired employee of, nor have been employed by the Cooperative during the past 60 months, nor be the spouse of such a person;
- (f) Not be a close relative of an active employee, director or attorney of the Cooperative;
- (g) Not have entered a plea of guilty to, or no contest to, or have been convicted of, a felony, or while a director and prior to becoming a director, not have a final judgment entered against them involving civil fraud, ethical violations, discrimination and/or acts of harassment;
- (h) While a director, and during the eighty-four (84) months immediately before becoming a director, not have been discharged of debt in a federal bankruptcy proceeding or have had as a debtor a final order entered against them in a similar proceeding under applicable state law such as insolvency, liquidation, receivership reorganization, or assignment for the benefit of creditors;
- (i) While a director, and during the eighty-four (84) months immediately before becoming a director, not have been a party to a foreclosure or other proceeding (judicial or non-judicial), which resulted in an involuntary sale of any of the director's property which proceeding is or was instituted because of the the director's default on indebtedness;
- (j) Except as otherwise provided by the Board of Directors for good cause shown, receive a Credentialed Cooperative Director designation, Director's Certificate, or similar designation or certification from the National Rural Electric Cooperative Association within thirty-six (36) months of becoming a Shelby Energy Director and after becoming a Director, participate in and complete additional director training as may be required by the Board of Directors;
- (k) Except as otherwise provided by the Board of Directors for good cause shown, attend at least ninety (90%) percent of all properly noticed regular and special board meetings, committee meetings and Board telephone/video conference meetings during each twelve (12) month rolling period.
- (l) Except as otherwise provided by the Board of Directors for good cause shown, shall not miss more than two (2) consecutive properly noticed regular Board meetings;
- (m) While a director, not breach the director's fiduciary duties to the Cooperative, violate confidences, or engage in illegal activity under the color of authority as a director;
- (n) While a director, provide a "Disclosure and Authorization" form which may be used for obtaining a periodic background check based on employment purposes;
- (o) Comply with any other reasonable qualifications determined, made adopted, amended, and/or disseminated in policies or rules of the Cooperative, not inconsistent with law, the Articles of Incorporation regulations, or these Bylaws.

(p) While a director, and during the thirty-six (36) months immediately before becoming a director, not be an employee of an entity of which the Cooperative is a member or owns an interest;

(q) While a director, and during the thirty-six (36) months immediately before becoming a director, not have been a director, officer, employee or agent of a union or other entity representing, or seeking to represent, Cooperative employees regarding the terms and conditions of employment with the Cooperative;

Notwithstanding any of the foregoing provisions, no incumbent director shall lose eligibility to remain a director or be re-elected as a director if he or she becomes a close relative of another incumbent director, a Cooperative employee, or a Cooperative attorney because of a marriage to which he or she was not a party.

As used in these bylaws "close relative" is defined as a person who by blood or marriage, including half, foster, step and adoptive kin is either a spouse, child, grandchild, parent, grandparent, brother, sister, aunt, uncle, nephew, or niece of the principal.

Upon establishing the fact that a director is holding the office in violation of any of the foregoing provisions, unless the violation is corrected promptly and to the complete satisfaction of the Board, the Board shall remove such director from office. Nothing contained in this section shall affect the validity of any action taken at any meeting of the Board.

Section 4.5 Nominations. It will be the duty of the Board to appoint, not less than eighty (80) days nor more than one hundred forty (140) days before the date of the meeting of the members at which directors are to be elected, a nominating committee consisting of not less than two (2) nor more than six (6) members, who shall be selected so that at least one member from each district from which a director is to be elected will serve on the nominating committee. No officer or director shall be on such committee. The committee shall prepare and post at the principal office of the Cooperative at least seventy (70) days before the meeting a list of nominations for directors.

Any nomination by members shall be submitted to the headquarters office of the Cooperative or to the Secretary at least sixty (60) days prior to the annual meeting by filing with the Secretary a petition calling for the nomination signed by at least one hundred (100) members who reside in the same district as the person who is being nominated. Each page of the petition shall contain a verbatim statement of such nomination(s). The petition shall be signed by each member in the same name as he or she is billed by the Cooperative and shall state the signatory's address as the same appears on such billings.

The Secretary shall mail with the notice of the meeting a statement of the number of directors to be elected from each district and showing separately the nominations made by the nominating committee and the nominations made by petition, if any. No nominations may be made from the floor. Notwithstanding the provisions contained in this section, failure to comply with any of such provisions shall not affect in any manner whatsoever the validity of any action taken by the Board after the election of directors.

Section 4.6 Removal of Directors by Members. Any member may bring one or more charges for cause against any director and may request the removal of such director at a special or regular meeting by filing with the Secretary such charges in writing signed by said member, together with a petition signed by not less than ten percent (10%) of all the members. For the purpose of this section, "cause" means an act or omission adversely affecting the Cooperative which amounts to gross negligence, fraud, or criminal conduct. Charges must be against the individual director rather than the Board as a whole. If the petition is to be heard at the annual member meeting, the petition shall be filed at the cooperative's principal business office in the format set forth above at least seventy (70) days prior to such annual meeting. The petition shall be added to the agenda of the annual meeting if all the requirements for filing are met.

The petition shall be signed by each member and state the name and address of the each member using the same name and address as the member is billed by the Cooperative filing such charges, and each page shall contain a verbatim statement of such charges and the name of the director against whom the charges are being made. A statement of such charges verbatim, the name of the director against whom the charges have been made, the purpose of the meeting, and the name of the member filing the charges shall be contained in the notice

of the meeting. Such director shall be informed in writing of the charges after they have been validly filed and at least thirty (30) days prior to the meeting of the members at which the charges are to be considered, and shall have an opportunity at the meeting to be heard in person, by witnesses, by counsel or any combination of such, and to present evidence in respect to the charges; and the person bringing the charges shall have the same opportunity, but must be heard first. The question of the removal of such director shall, separately for each if more than one has been charged, be considered and voted upon at such meeting; PROVIDED, that the question of the removal of a director shall not be voted upon at all unless some evidence in support of the charges against him or her shall have been presented during the meeting through oral statements, documents, or otherwise, with the ruling concerning same to be made by the chairman of the special meeting. Removal shall be by the affirmative vote of a majority of those members present. The chairman of said meeting shall be a licensed attorney appointed by the attorney to the Board, and the cooperative shall compensate him or her for such services.

Section 4.7 Vacancies. Vacancies occurring in the Board shall be filled by the affirmative vote of a majority of the remaining directors for the unexpired portion of the term. The appointed director shall be from the same district as was the director whose office was vacated.

Section 4.8 Compensation and Expenses. Directors shall not receive any salary for their services as such, except that the Board may authorize insurance coverage and/ or a fixed sum for each day or portion thereof spent on Cooperative business, such as attendance at meetings, conferences and training programs, or performing committee assignments when authorized by the Board. If authorized by the Board, directors may also be reimbursed for expenses actually and necessarily incurred in carrying out Cooperative business or granted a reasonable per diem allowance by the Board in lieu of detailed accounting for these expenses. No director shall receive compensation for serving the Cooperative in any other capacity, nor shall any close relative of a director receive compensation for serving the Cooperative, unless the payment and amount of compensation shall be specifically authorized by a vote of the members, or the service by the director or his or her close relative shall have been certified by the Board as an emergency measure.

Section 4.9 Amendments to Article IV. Notwithstanding anything in these Bylaws to the contrary, this Article IV, Sections 1, 2, 3, 4, 5, and 6 may not be amended without the affirmative vote of at least two-thirds of the members of the Board.

ARTICLE V MEETINGS OF THE BOARD

Section 5.1 Regular Meetings. Regular meetings of the Board shall generally be held monthly at such time and place within one of the counties served by the Cooperative as designated by the Board. Such regular monthly meetings may be held without notice other than such resolution fixing the time and place thereof. The regular meeting will normally not be held during the month within which falls the Cooperative's annual meeting.

Section 5.2 Special Meetings. Special meetings of the Board may be called by the Chairman or by any three board members, and it shall thereupon be the duty of the Secretary to cause notice of such meeting to be given as hereinafter provided. The Chairman or board members calling the meeting shall fix the time and place for the holding of the meeting, within the Cooperative area, unless all directors consent to its being held in some other place in Kentucky or elsewhere.

Section 5.3 Notice of Directors' Meetings. Notice of the date, time, place, and purpose of any special meeting of the Board shall be delivered to each director, if personally or by facsimile, email, or other electronic method, at least 24 hours before the date set for the meeting, if by reputable overnight delivery service at least 48 hours before the date set for the meeting, or if by mail at least five (5) days before the date set for the meeting, all by or at the direction of the Secretary, or upon a default in duty by the Secretary, by the Chairman or the Director calling the meeting. If mailed, such notice shall be deemed to be delivered when deposited in the United States Mail, addressed to the Director at his or her address as it appears on the records of the Cooperative, with postage thereon prepaid.

Section 5.4 Quorum. A majority of the Board shall constitute a quorum, provided that if less than such majority of the Board is present at said meeting, a majority of the Board present may adjourn the meeting from time to time, and provided further, that the Secretary shall notify any absent board members of the time and place of such adjourned meeting. The act of a majority of the Board members present at a meeting at which a quorum is present shall be the act of the Board, except as otherwise provided in these Bylaws.

ARTICLE VI OFFICERS

Section 6.1 Number. The officers of the Cooperative shall be a Chairman, Vice-Chairman, Secretary and Treasurer, each of whom shall be a director and shall be elected by the Board. Such other officers and assistant officers, including the President and Chief Executive Officer (CEO), as may be deemed necessary may be elected or appointed by the Board. The offices of Secretary and Treasurer may be held by the same person. The offices of President and Secretary may not be held by the same person.

Section 6.2 Election and Term of Office. The elected officers of the Cooperative shall be elected annually at the first regular meeting of the Board after the annual meeting of the members. If the election of officers shall not be held at such meeting, such election shall be held as soon thereafter as conveniently may be. Each officer shall hold office until the first meeting of the Board following the next succeeding annual meeting of the members or until his or her successor shall have been elected and qualified.

Section 6.3 Removal. Any officer, agent, or employee elected or appointed by the Board may be removed by the Board whenever, in its judgment, the best interests of the Cooperative will be served thereby. The principal against whom such charges have been brought shall be informed in writing of the charges at least ten (10) days prior to the Board meeting at which the charges are to be considered and shall have an opportunity at the meeting to be heard in person or by counsel and to present evidence in respect of the charges; and the person or persons bringing the charges against him or her shall have the same opportunity.

Section 6.4 Vacancies. A vacancy in any office elected or appointed by the Board shall be filled by the Board for the unexpired portion of the term.

Section 6.5 Chairman of the Board. The Chairman of the Board shall:

(a) Unless otherwise determined by the Board, preside or designate some other individual to preside at all meetings of the members and the Board and, with the assistance of the President and CEO, formulate and prepare the agendas for such meetings;

(b) In general perform all duties incident to the office of Chairman and such other duties as may be prescribed by the Board from time to time.

Section 6.6 Vice-Chairman. In the absence of the Chairman, or in the event of his or her inability or refusal to act, the Vice-Chairman shall perform the duties of the Chairman, and when so acting shall have all the powers of and be subject to all the restrictions upon the Chairman. The Vice-Chairman shall also perform such other duties as from time to time may be assigned to him or her by the Board.

Section 6.7 Secretary. The Secretary shall be responsible for:

(a) Keeping, or causing to be kept, the minutes of the members and of the Board in books provided for that purpose;

(b) Seeing that all notices are duly given in accordance with these Bylaws or as required by law;

(c) The safekeeping of the corporate books and records and the seal of the Cooperative, and affixing the seal of the Cooperative to all documents, the execution of which on behalf of the Cooperative under its seal is duly authorized in accordance with the provisions of these Bylaws;

(d) Keeping, or causing to be kept, a register of the names and post office addresses of all members;

(e) Keeping on file at all times a complete copy of the current Articles of Incorporation, Bylaws, and rules and regulations of the Cooperative (which copies shall always be open to the inspection of any member) and furnishing a copy of the current Bylaws to each member upon request therefore; and

(f) In general performing all duties incident to the office of Secretary and such other duties as from time to time may be assigned to him or her by the Board.

Section 6.8 Treasurer. The Treasurer shall be responsible for:

(a) Custody of all funds and securities of the Cooperative;

(b) The receipt of and the issuance of receipts for all monies due and payable to the Cooperative and for the deposit and investment of all such monies in the name of the Cooperative in such financial institution(s) as may be selected in accordance with the provisions of these Bylaws; and

(c) The general performance of all the duties incident to the office of Treasurer, and such other duties as from time to time may be assigned to him or her by the Board.

Section 6.9 Delegation of Secretary's and Treasurer's Responsibilities. Notwithstanding the duties, responsibilities and authorities of the Secretary and of the Treasurer hereinbefore provided in Sections 6.7 and 6.8, the Board may, except as otherwise limited by law, delegate wholly or in part, the responsibility and authority for, and the regular or routine administration of, one or more of each such officer's duties to one or more agents, other officers or employees of the Cooperative who are not directors. To the extent that the Board does so delegate with respect to the Secretary or Treasurer, that officer shall be released from such duties, responsibilities and authorities except as may be otherwise provided in these Bylaws.

Section 6.10 President and CEO. The Board shall appoint a President and CEO who may or may not be a member of the Cooperative, and need not be a director. The President and CEO shall be the principle Executive and operating officer of the Cooperative and shall:

(a) Sign deeds, mortgages, notes, bonds, contracts or other instruments authorized by the Board to be executed, except in cases in which the signing and execution thereof shall be delegated by the Board or by these Bylaws to some other officer or agent of the Cooperative, or shall be required by law to be otherwise signed or executed.

(b) In general perform all duties incident to the office of President and CEO and such other duties as may be prescribed by the Board from time to time.

Section 6.11 Bonds of Officers. The Treasurer and any other officer or agent of the Cooperative charged with responsibility for the custody of any of its funds or property shall be bonded or insured in such sum and with such surety as the Board shall determine. The Board in its discretion may also require any other officer, agent or employee of the Cooperative to be bonded or insured in such amount and with such surety as it shall determine.

Section 6.12 Indemnification of Officers, Directors, Employees and Agents.

(a) Suit by Third Parties. The Cooperative shall indemnify any person who was or is a party, or is threatened to be made a party to, any threatened, pending or completed action, suit, or proceeding, whether civil, criminal, administrative or investigative (other than an action by, or in the right of, the Cooperative), by reason of the fact that such person is or was a director, officer, employee, committee member, or agent of the Cooperative, or who is or was serving at the request of the Cooperative as a director, officer, employee, committee member, or agent of another cooperative, association, corporation, partnership, joint venture, trust or other enterprise, against expenses (including reasonable attorney's fees), judgments, fines and amounts paid in settlement actually and reasonably incurred by such person in connection with such action, suit or proceeding, if such person acted in

good faith and in a manner such person reasonably believed to be in, or not opposed to, the best interests of the Cooperative, and, with respect to any criminal action or proceeding, had no reasonable cause to believe the conduct of such person was unlawful. The termination of any action, suit or proceeding by judgment, order, settlement, conviction, or upon a plea of nolo contendere or its equivalent, shall not of itself, create a presumption that the person did not act in good faith or in a manner which such person reasonably believed to be in, or not opposed to, the best interests of the Cooperative, and with respect to any criminal action or proceeding, had reasonable cause to believe that the conduct of such person was unlawful.

(b) Suit by Cooperative. The Cooperative shall indemnify any person who was or is a party, or is threatened to be made a party to, any threatened, pending or completed action or suit by, or in the right of, the Cooperative to procure a judgment in its favor by reason of the fact that such person is, or was, a director, officer, employee, committee member or agent of the Cooperative, or is, or was, serving at the request of the Cooperative as a director, officer, employee, committee member, or agent of another cooperative, association, corporation, partnership, joint venture, trust or other enterprise, against expenses, (including attorney's fees) actually and reasonably incurred by such person in connection with the defense or settlement of such action or suit, if such person acted in good faith and in a manner such person reasonably believed to be in, or not opposed to the best interests of the Cooperative, and except that no indemnification shall be made in respect of any claim, issue or matter as to which such person shall have been adjudged to be liable for negligence or misconduct in the performance of the duty of such person to the Cooperative, unless and only to the extent that the court in which such action or suit was brought shall determine upon application that, despite the adjudication of liability, but in view of all the circumstances of the case, such person is fairly and reasonably entitled to indemnity of such expenses as the court shall deem proper. The Board may determine whether such reimbursement shall be made at the final conclusion or during the pendency of the action, suit or proceeding.

To the extent that a director, officer, employee or agent of the Cooperative has been successful, on the merits or otherwise, in the defense of any action, suit or proceeding referred to in paragraph (a) or (b) of this section, in defense of any claim, issue or matter therein, such person shall be indemnified against expenses (including attorney's fees) actually and reasonably incurred by such person in connection therewith.

Any indemnification under paragraph (a) or (b) of this section (unless ordered by a court) shall be made by the Cooperative only as authorized in the specific case, upon a determination that indemnification of the director, officer, employee, committee member, or agent is proper in the circumstances because such person has met the applicable standard of conduct set forth in paragraph (a) or (b) of this section and that the expenses claimed are reasonable. Such determination shall be made (1) by the Board by a majority vote of a quorum consisting of directors who were not parties to such action, suit or proceeding or (2) if such a quorum is not obtainable, or even if obtainable, a quorum of disinterested directors so directs, by independent legal counsel in a written opinion, or (3) by the members.

In order for any person to receive indemnification under this bylaw, he shall vigorously assert and pursue any and all defenses to those claims, charges or proceedings covered hereby which are reasonable and legally available and shall fully cooperate with the Cooperative or any attorneys involved in the defense of any such claim, charges, or proceedings.

Expenses incurred in defending a civil or criminal action, suit or proceeding may be paid by the Cooperative in advance of the final disposition of such action, suit or proceeding, as authorized by the Board in the specific case, upon receipt of an undertaking by or on behalf of the director, officer, employee, committee member or agent to repay such amount, unless it shall ultimately be determined that he or she is entitled to be indemnified by the Cooperative as authorized in this bylaw.

The indemnification provided by this bylaw shall not be deemed exclusive of any other rights to which those seeking indemnification may be entitled under any bylaw, agreement, vote of members or disinterested directors, or otherwise, both as to action in his or her official capacity and as to action in another capacity while holding such office, and shall continue as to a person who has ceased to be a director, officer, employee, committee member, or agent, and shall inure to the benefit of the heirs, executors and administrators of such a person.

The Cooperative may purchase and maintain insurance on behalf of any person who is or was a director, officer, employee, committee member, or agent of the Cooperative, or who is or was serving at the request of the Cooperative as a director, officer, employee, committee member, or agent of another cooperative, association, corporation, partnership, joint venture, trust or other enterprise, against any liability asserted against such person and incurred by such person in any such capacity, or arising out of the status of such person as such, whether or not the Cooperative would have the power to indemnify such person against such liability under the provisions of this Bylaw.

Section 6.13 Compensation. The powers, duties and compensation of officers, agents, committee members, and employees shall be fixed by the Board subject to the provisions of these Bylaws with respect to compensation for a Board Member and close relatives of a Board Member.

Section 6.14 Reports. The officers of the Cooperative shall submit at each annual meeting of the members reports covering the business of the Cooperative for the previous fiscal year. Such reports shall set forth the condition of the Cooperative at the close of such fiscal year.

ARTICLE VII NON-PROFIT OPERATION

Section 7.1 Interest or Dividends on Capital Prohibited. The Cooperative shall at all times be operated on a cooperative non-profit basis for the mutual benefit of its members. No interest or dividends shall be paid or payable by the Cooperative on any capital furnished by its members.

Section 7.2 Patronage Capital. In the furnishing of energy, the Cooperative's operations shall be so conducted that all members will, through their patronage, furnish capital for the Cooperative. In order to induce patronage and to assure that the Cooperative will operate on a non-profit basis, the Cooperative is obligated to account on a patronage basis to all its members for all amounts received and receivable from the furnishing of energy in excess of operating costs and expenses. All such amounts in excess of operating costs and expenses at the moment of receipt by the Cooperative are received with the understanding that they are furnished by the members as capital. The Cooperative is obligated to pay, by credits to a capital account for each member, all such amounts in excess of operating costs and expenses. The books and records of the Cooperative shall be set up and kept in such a manner that at the end of each fiscal year the amount of capital, if any, so furnished by each member is clearly reflected and credited in an appropriate record to the capital account of each member.

All such amounts credited to the capital account of any member shall have the same status as though they had been paid to the member in cash in pursuance of a legal obligation to do so and the member had then furnished the Cooperative corresponding amounts for capital.

All other amounts received by the Cooperative from its operation in excess of costs and expenses shall, insofar as permitted by law, be (a) used to offset any losses incurred during the current or any prior fiscal year and (b) to the extent not needed for that purpose, allocated to its members on a patronage basis and any amount so allocated shall be included as part of the capital credited to the accounts of members, as herein provided.

In the event of dissolution or liquidation of the Cooperative, after all outstanding indebtedness of the Cooperative shall have been paid, outstanding capital credits shall be retired without priority on a pro rata basis, before any payments are made on account of property rights of members. If, at any time prior to dissolution or liquidation, the Board shall determine that the financial condition of the Cooperative will not be impaired thereby, the capital then credited to members' accounts may be retired in full or in part. After December 31, 1992, the Board shall determine the method, basis, priority and order of retirement, if any, for all amounts heretofore and hereafter furnished as capital.

Capital credited to the account of each member shall be assignable only on the books of the Cooperative pursuant to written instruction from the assignor and only the successors in interest or successors in occupancy in

all or part of such member's premises served by the Cooperative unless the Board, acting under policies of general application, shall determine otherwise.

Notwithstanding any other provision of the Bylaws, the Board at its discretion shall have the power at any time upon the death of any member, who was a natural person, if the legal representative of his or her estate shall request that the capital credited to any such member be retired prior to the time such capital would otherwise be retired under the provisions of these Bylaws, to retire capital credited to any such member immediately upon such terms and conditions as the Board, acting under policies of general application, and the legal representatives of such member's estate shall agree upon, including without limitation the option to receive an immediate cash payment in a reduced amount representing the value of those capital credits discounted to their present value; provided, however, that the financial condition of the Cooperative will not be impaired thereby; and provided, further, that no payment of capital credits to the estate of a deceased member shall be made except to the extent said credits represent margins earned by the Cooperative from its own operations and amounts received in cash from margins distributed by organizations or other cooperatives of which this Cooperative is a member. This shall be construed to exclude capital credits assigned, but not paid in cash, by such other cooperatives. Separate records shall be kept of patronage capital received and receivable.

The Cooperative, before retiring any capital credits to any member's account, shall deduct therefrom any amount owing by such member to the Cooperative, together with interest thereon at the Kentucky legal rate on judgments in effect when such amount became due, compounded annually, and such member hereby grants the Cooperative a security interest against such capital credits for such amounts owed.

ARTICLE VIII DISPOSITION AND PLEDGING OF PROPERTIES AND BORROWING MONEY; DISTRIBUTION OF SURPLUS ASSETS ON DISSOLUTION

Section 8.1 Disposition and Pledging of Property and Incurring Debt. The Cooperative may not sell, lease or otherwise dispose of all or any substantial portion of its property (including but not limited to merger, consolidation or dissolution) unless such sale, lease or other disposition is authorized by a vote of not less than three-fourths of all of the directors and at a meeting of the members thereof by the affirmative vote of not less than the majority of all of the members of the Cooperative, and unless the notice of such proposed sale, lease or other disposition shall have been contained in the notice of the meeting; provided, however, that notwithstanding anything herein contained, the Board of the Cooperative, without authorization by the members thereof shall have full power and authority to authorize the execution and delivery of a mortgage or mortgages or a deed or deeds of trust upon, or the pledging or encumbering of any or all of the property, assets, rights, privileges, licenses, franchises and permits of the Cooperative, whether acquired or to be acquired, and wherever situated, as well as the revenues and income therefrom, all upon such terms and conditions as the Board shall determine, to secure any indebtedness of the Cooperative; provided further that the Board may upon the authorization of a majority of those members of the Cooperative present at a meeting of the members thereof sell lease or otherwise dispose of all or a substantial portion of its property to another Cooperative or foreign corporation doing business in this State pursuant to the Act under which this Cooperative is incorporated.

No sale, lease, lease-sale, exchange, transfer or other disposition of all or substantially all of the Cooperative's property shall be authorized except in conformity with the following:

(a) If the Board looks with favor upon any proposal for such sale, lease, lease-sale, exchange, transfer or other disposition, it shall first cause three (3) independent, non-affiliated appraisers, expert in such matters, to render their individual opinions as to the value of the Cooperative with respect to such a sale, lease, lease-sale, exchange, transfer or other disposition and as to any other terms and conditions which should be considered. The three (3) such appraisers shall be designated by the Circuit Court Judge for the Judicial District in Kentucky in which the Cooperative's headquarters are located. If such judge refuses to make such designations, they shall be made by the Board.

(b) If the Board, after receiving such appraisals (and other terms and conditions which are submitted, if any), determines that the proposal should be submitted for consideration by the members, and after satisfaction of any

option to purchase or rights of first refusal which may have been granted, it shall first give every other cooperative organized under KRS Chapter 279 (which has not made such an offer for such sale, lease, lease-sale, exchange, transfer or other disposition) an opportunity to submit competing proposals. Such opportunity shall be in the form of a written notice to such other cooperatives, which notice shall be attached to a copy of the proposal which the Cooperative has already received and copies of the respective reports of the three (3) appraisers. Such other cooperatives shall be given not less than thirty (30) days during which to submit competing proposals, and the actual minimum period within which proposals are to be submitted shall be stated in the written notice given to them.

(c) If the Board then determines that favorable consideration should be given to the initial or any subsequent proposal which has been submitted to it, it shall first adopt by the affirmative vote of the three-fourths of all directors a resolution recommending the sale and directing the submission of the proposal to a vote of the members at a duly held member meeting, and shall call a special meeting of the members for consideration thereof and action thereon, which meeting shall be held not sooner than ninety (90) days after the giving of such notice to the members; PROVIDED, that consideration and action by the members may be given at the next annual member meeting if the Board so determines, and if such annual meeting is held not sooner than ninety (90) days after the giving of such notice.

(d) Anyone hundred (100) or more members, by so petitioning the Board not less than forty (40) days prior to the date of such special or annual meeting, may cause the Cooperative, with the cost to be borne by the Cooperative, to mail to all members any opposing or alternative positions which they may have to the proposals that have been submitted or any recommendations that the Board has made.

(e) In connection with the exercise of its judgment in determining what is in the best interest of the Cooperative and its members when evaluating any proposal for dissolution, merger, consolidation, sale of assets, lease, transfer, or other disposition of all or substantially all of the Cooperative's assets, the Board shall consider all of the following factors and other factors which it deems relevant:

1. The long-term as well as short-term interest of the Cooperative and its members, including the possibility that those interests may be best served by the continued existence of the Cooperative;
2. The societal and economic impact of the transaction upon the community and service territories; and
3. The societal and economic effects of the transaction upon the Cooperative's employees.

Notwithstanding anything in these Bylaws to the contrary, this Article VIII, Section 8.1, may not be amended without the affirmative vote of at least three-fourths of the members of the Board.

Section 8.2 Distribution of Surplus Assets on Dissolution. Upon dissolution, after all debts and liabilities of the Cooperative shall have been paid, and all capital furnished through total un-retired patronage shall have been retired as provided in these Bylaws, the remaining property and assets of the Cooperative shall, to the extent practicable as determined by the Board, be distributed among the members and former members in the proportion which the aggregate patronage of each bears to the total patronage of all such members during the period beginning with the oldest unretired patronage capital and ending with the date of the filing of the certificate of dissolution;

PROVIDED HOWEVER, that, if in the judgment of the Board, the amount of such surplus is too small to justify the expense of making such distribution, the Board may, in lieu thereof, donate or provide for the donation of such surplus to one or more non-profit charitable or educational organizations that are exempt from Federal income taxation.

ARTICLE IX FINANCIAL TRANSACTIONS

Section 9.1 Contracts. Except as otherwise provided in these Bylaws, the Board may authorize any officer or officers, agent or agents to enter into any contract to execute and deliver any instrument in the name and on behalf of the Cooperative, and such authority may be general or confined to specific instances.

Section 9.2 Checks, Drafts, etc. All checks, drafts or other orders for the payment of money and all notes, bonds or other evidences of indebtedness issued in the name of the Cooperative, shall be signed and/ or countersigned by such officer or officers, agent or agents, employee or employees of the Cooperative and in such manner as shall from time to time be determined by resolution of the Board.

Section 9.3 Deposits, Investments. All funds of the Cooperative shall be deposited or invested from time to time to the credit of the Cooperative in such bank or banks or in such financial securities or institutions as the Board may select.

Section 9.4 Change in Rates. All rate changes shall be submitted to the Public Service Commission, other applicable regulatory agencies, and lenders as required.

Section 9.5 Fiscal Year. The fiscal year of the Cooperative shall begin on the first day of January of each year and shall end on the thirty-first day of December of the same year.

ARTICLE X MISCELLANEOUS

Section 10.1 Waiver of Notice. Any member or board member may waive in writing any notice of a meeting required to be given by these Bylaws. The attendance of a member or board member to any meeting shall constitute a waiver of notice of such meeting by such member or board member, except in the case a member or board member shall attend a meeting for the express purpose of objecting to the transaction of any business on the grounds that the meeting has not been lawfully called or convened.

Section 10.2 Policies, Rules and Regulations. The Board shall have power to make, amend, and adopt such policies, rules and regulations, not inconsistent with law, the Articles of Incorporation or these Bylaws, as it may deem advisable for the management of the business and affairs of the Cooperative.

Section 10.3 Accounting System and Reports. The Board shall cause to be established and maintained a complete accounting system which, among other things, and subject to applicable laws and rules and regulations of any regulatory body, shall conform to such accounting system as may from time to time be designated by the Administrator of the Rural Utilities Service of the United States of America or its successor entity. The Board shall also, after the close of each fiscal year, cause to be made by certified public accountant a full and complete audit of the accounts, books and financial condition of the Cooperative as of the end of such fiscal year.

Section 10.4 Area Coverage. The Board shall make diligent effort to see that energy service is extended to all un-served persons within the Cooperative serviced area who (a) desire such service, and (b) meet all reasonable requirements established by the Cooperative as a condition of such service.

Section 10.5 Computation of Time. In computing any period of time prescribed or allowed by these Bylaws, the day of the act or event after which the designated period of time begins to run is not to be included. The last day of the period so computed is to be included, unless it is a Saturday, a Sunday, or a legal holiday, in which event the period runs until the end of the next day which is not a Saturday, a Sunday, or a legal holiday. When the period of time prescribed or allowed is less than seven (7) days, intermediate Saturdays, Sundays, and legal holidays shall be excluded in the computation period.

Section 10.6 Amendments. These Bylaws may be altered, amended, or repealed only by a two-thirds vote of the all of Cooperative's directors, except as otherwise provided in Article IV, Section 4.10 and Article VIII, Section 8.1.

The notice of the meeting shall contain a copy of the proposed alteration, amendment or repeal or an accurate summary explanation thereof. If the Bylaws have been altered, amended or repealed, a copy of same shall be delivered to any member upon request by that member within a reasonable time after such action has been taken.


Section 10.7 Rules of Order. Parliamentary procedure at all meetings of the members, of the Board, of any committee provided for in these Bylaws, and of any other committee of the members or Board which may from time to time be duly established, shall be governed by the most recent edition of Robert's Rules of Order, except to the extent such procedure is otherwise determined by law or by the Cooperative's Articles of Incorporation or Bylaws.

ADOPTED by unanimous vote of the Board of Directors on July 16, 2015.



Roger Taylor, Secretary-Treasurer

ATTEST:



Ashley Chilton, Chairman of the Board

Shelby Energy Cooperative
Case No. 2016-00434
Statement of Operations
July 31, 2016

Exhibit V
Page 1 of 3
Witness: James Adkins

	<u>2016</u>	<u>2015</u>
Operating revenue	\$ 43,367,642	\$ 44,878,239
Operating expenses:		
Cost of power	32,780,788	34,246,755
Distribution-operations	1,639,712	1,471,927
Distribution-maintenance	3,433,368	1,449,020
Consumer accounts	510,028	595,209
Consumer service	428,204	452,334
Sales	(11,891)	(80,348)
Administrative and general	987,129	1,085,663
	<u>39,767,338</u>	<u>39,220,560</u>
Depreciation and amortization	2,617,512	2,423,083
Taxes-other	53,104	55,966
Interest on long term debt	1,471,969	1,609,788
Other interest expense	15,561	39,111
Other deductions	6,869	13,630
	<u>43,932,353</u>	<u>43,362,138</u>
Utility operating margins	(564,711)	1,516,101
Nonoperating margins, interest	39,459	34,319
Equity investments	35,101	167,975
Nonoperating margins, other	5,493	(2,552)
G & T capital credits	1,810,069	2,513,357
Other capital credits	62,300	71,453
	<u>\$ 1,387,711</u>	<u>\$ 4,300,653</u>
Net margins		
TIER excluding EKPC	0.71	2.11

Shelby Energy Cooperative
Case No. 2016-00434
Balance Sheet
July 31, 2016

Exhibit V
Page 2 of 3
Witness: James Adkins

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<u>ASSETS</u>	<u>2016</u>	<u>2015</u>
Electric Plant:		
In service	\$ 88,069,787	\$ 85,237,158
Under construction	773,291	1,204,479
	<u>88,843,078</u>	<u>86,441,637</u>
Less accumulated depreciation	17,810,020	17,825,641
	<u>71,033,058</u>	<u>68,615,996</u>
Investments	<u>23,313,171</u>	<u>21,623,826</u>
Current Assets:		
Cash and temporary investments	979,041	2,254,394
Accounts receivable, net	3,838,184	3,525,764
Material and supplies	766,261	589,490
Prepayments	122,406	125,063
Total Current and Accrued Assets	<u>5,705,892</u>	<u>6,494,711</u>
Deferred assets	<u>-</u>	<u>-</u>
Total Assets	<u>\$ 100,052,121</u>	<u>\$ 96,734,533</u>
<u>MEMBERS' EQUITIES AND LIABILITIES</u>		
Margins and Equities:		
Patronage capital	\$ 38,247,533	\$ 37,462,298
Other equities	2,063,480	1,841,871
	<u>40,311,013</u>	<u>39,304,169</u>
Long Term Debt	<u>51,057,115</u>	<u>47,356,642</u>
Accumulated Operating Provisions	<u>1,995,976</u>	<u>1,985,175</u>
Current Liabilities:		
Notes payable	205,652	1,758,492
Accounts payable	3,934,965	3,715,684
Consumer deposits	1,540,868	1,539,139
Accrued expenses	640,094	628,171
	<u>6,321,579</u>	<u>7,641,486</u>
Consumer advances	<u>366,438</u>	<u>447,061</u>
Total Members' Equities and Liabilities	<u>\$ 100,052,121</u>	<u>\$ 96,734,533</u>

Shelby Energy Cooperative
Case No. 2016-00434
Statement of Cash Flows
July 31, 2016

Exhibit V
Page 3 of 3
Witness: James Adkins

	<u>2016</u>	<u>2015</u>
Cash Flows from Operating Activities:		
Net margins	\$ 1,387,711	\$ 4,300,653
Adjustments to reconcile to net cash provided by operating activities:		
Depreciation		
Charged to expense	2,617,512	2,423,083
Charged to clearing accounts	138,510	138,887
Patronage capital credits	(1,872,369)	(2,584,810)
Accumulated postretirement benefits	10,801	(46,246)
Net change in current assets and liabilities:		
Receivables	(312,420)	433,714
Material and supplies	(176,771)	388,691
Prepayments and deferred debits	2,657	1,021
Accounts payables	219,281	535,302
Consumer deposits	1,729	(15,781)
Accrued expenses	11,923	(18,411)
Consumer advances	(80,623)	48,169
	<u>1,947,941</u>	<u>5,604,272</u>
Cash Flows from Investing Activities:		
Plant additions	(5,173,084)	(4,928,342)
Additional investments, net of receipts	183,024	(328,639)
	<u>(4,990,060)</u>	<u>(5,256,981)</u>
Cash Flows from Financing Activities:		
Refund of capital credits	(602,476)	(874,471)
Other equities	221,609	561,277
Notes payable	(1,552,840)	955,011
Additional long-term borrowings	5,300,000	1,000,000
Payments on long-term debt	(1,599,527)	(1,337,821)
	<u>1,766,766</u>	<u>303,996</u>
Net increase in cash	(1,275,353)	651,287
Cash balances - beginning	<u>2,254,394</u>	<u>1,603,107</u>
Cash balances - ending	<u>\$ 979,041</u>	<u>\$ 2,254,394</u>

Shelby Energy Cooperative, Inc.
Comparison of Test Year Account Balances with
those of the Preceding Year - Balance Sheet

Witness: James Adkins
Case No. 2016-00434

Acct #	Description	August Month 1	September Month 1	October Month 3	November Month 4	December Month 5	January Month 6	February Month 7	March Month 8	April Month 9	May Month 10	June Month 11	July Month 12
****	Total CWIP	1,313,280	1,345,039	1,279,530	900,073	881,620	951,861	1,207,703	1,401,236	749,548	721,806	621,054	773,291
	Prior year	3,693,528	2,898,958	1,560,342	1,559,854	760,075	884,249	850,410	820,546	737,295	816,037	993,303	1,204,479
	Change	(2,380,248)	(1,553,919)	(280,812)	(659,781)	121,545	67,612	357,293	580,690	12,253	(94,231)	(372,249)	(431,188)
108.6	Res - distribution p	15,352,488	15,441,700	15,488,489	15,596,466	15,527,557	15,858,794	15,594,037	15,506,434	15,300,542	15,288,469	15,170,606	15,218,528
	Prior year	14,356,083	14,471,245	14,530,934	14,700,700	14,430,008	14,588,840	14,682,489	14,744,674	14,847,808	14,975,132	15,073,995	15,213,165
	Change	996,405	970,455	957,555	895,766	1,097,549	1,269,954	911,548	761,760	452,734	313,337	96,611	5,363
108.70	Res - general plant	2,689,901	2,708,390	2,726,880	2,745,370	2,640,960	2,658,940	2,673,621	2,691,234	2,709,012	2,726,823	2,744,428	2,761,704
	Prior year	2,562,783	2,578,148	2,600,116	2,621,673	2,548,440	2,562,587	2,584,257	2,605,917	2,627,568	2,647,740	2,663,282	2,679,385
	Change	127,118	130,242	126,764	123,697	92,520	96,353	89,364	85,317	81,444	79,083	81,146	82,319
108.80	RWIP - force accou	72,737	78,647	64,304	82,900	75,878	84,973	120,491	152,688	137,502	149,123	132,056	170,213
	Prior year	221,066	209,047	165,622	164,638	68,083	76,743	79,295	74,792	61,117	89,071	94,199	66,909
	Change	(148,329)	(130,400)	(101,318)	(81,738)	7,795	8,230	41,196	77,896	76,385	60,052	37,857	103,304
****	Total Reserve for I	17,969,652	18,071,443	18,151,065	18,258,936	18,092,639	18,432,761	18,147,167	18,044,980	17,872,052	17,866,169	17,782,978	17,810,019
	Prior year	16,697,800	16,840,346	16,965,428	17,157,735	16,910,365	17,074,684	17,187,451	17,275,799	17,414,259	17,533,801	17,643,078	17,825,641
	Change	1,271,852	1,231,097	1,185,637	1,101,201	1,182,274	1,358,077	959,716	769,181	457,793	332,368	139,900	(15,622)
123.9	Invest in subsidiar	1,625,472	1,625,472	1,625,472	1,625,472	1,660,573	1,660,573	1,660,573	1,660,573	1,660,573	1,660,573	1,660,573	1,660,573
	Prior year	1,457,496	1,457,496	1,457,496	1,457,496	1,625,472	1,625,472	1,625,472	1,625,472	1,625,472	1,625,472	1,625,472	1,625,472
	Change	167,976	167,976	167,976	167,976	35,101	35,101	35,101	35,101	35,101	35,101	35,101	35,101
123.1	Invest in EKPC	18,052,433	18,052,433	18,052,433	18,052,433	19,862,502	19,862,502	19,862,502	19,862,502	19,862,502	19,862,502	19,862,502	19,862,502
	Prior year	15,539,076	15,539,076	15,539,076	15,539,076	17,889,538	17,889,538	17,889,538	17,889,538	17,889,538	17,889,538	18,052,433	18,052,433
	Change	2,513,357	2,513,357	2,513,357	2,513,357	1,972,964	1,972,964	1,972,964	1,972,964	1,972,964	1,972,964	1,810,069	1,810,069
123.2	Invest in KAEC	40,671	40,839	40,839	40,839	40,839	40,839	40,839	40,839	40,839	40,839	40,839	40,839
	Prior year	40,186	40,065	40,065	40,065	40,671	40,671	40,671	40,671	40,671	40,671	40,671	40,671
	Change	485	774	774	774	168	168	168	168	168	168	168	168
123.3	Invest in UUS	366,175	368,908	368,908	368,908	368,908	368,908	368,908	368,908	368,908	368,908	368,908	368,908
	Prior year	361,913	360,847	360,847	360,847	366,175	366,175	366,175	366,175	366,175	366,175	366,175	366,175
	Change	4,262	8,061	8,061	8,061	2,733	2,733	2,733	2,733	2,733	2,733	2,733	2,733
123.4	Invest in CFC/CRC	234,352	250,271	250,271	250,271	249,607	249,607	249,607	249,607	249,607	249,607	249,607	249,607
	Prior year	219,748	234,352	234,352	234,352	234,352	234,352	234,352	234,352	234,352	234,352	234,352	234,352
	Change	14,604	15,919	15,919	15,919	15,255	15,255	15,255	15,255	15,255	15,255	15,255	15,255
123.6	Invest in SEDC/NIS	146,691	146,691	146,691	146,691	146,691	146,691	146,691	150,913	150,913	150,913	150,913	150,913
	Prior year	132,588	132,588	132,588	132,588	132,588	147,932	147,932	146,691	146,691	146,691	146,691	146,691
	Change	14,103	14,103	14,103	14,103	14,103	(1,241)	(1,241)	4,222	4,222	4,222	4,222	4,222

Shelby Energy Cooperative, Inc.
 Comparison of Test Year Account Balances with
 those of the Preceding Year - Balance Sheet

Witness: James Adkins
 Case No. 2016-00434

Acct #	Description	August Month 1	September Month 1	October Month 3	November Month 4	December Month 5	January Month 6	February Month 7	March Month 8	April Month 9	May Month 10	June Month 11	July Month 12
123.20	Invest in CTC, othe	676,773	676,773	676,773	676,773	676,773	676,773	676,773	669,540	669,540	669,540	669,540	669,540
	Prior year	678,565	678,565	678,565	678,565	678,865	678,865	678,865	676,773	676,773	676,773	676,773	676,773
	Change	(1,792)	(1,792)	(1,792)	(1,792)	(2,092)	(2,092)	(2,092)	(7,233)	(7,233)	(7,233)	(7,233)	(7,233)
123.9	Invest in economic	370,035	361,334	352,615	343,895	335,157	244,397	236,290	228,155	220,030	211,887	203,744	195,583
	Prior year	184,556	182,059	179,550	457,044	449,476	431,356	423,358	413,415	404,762	401,588	388,054	378,725
	Change	185,479	179,275	173,065	(113,149)	(114,319)	(186,959)	(187,068)	(185,260)	(184,732)	(189,701)	(184,310)	(183,142)
124.00	Other investments	102,535	102,535	102,535	102,535	119,949	119,949	119,949	114,716	114,716	114,716	114,706	114,706
	Prior year	93,755	93,755	93,755	93,755	109,208	109,208	109,208	102,535	102,535	102,535	102,535	102,535
	Change	8,780	8,780	8,780	8,780	10,741	10,741	10,741	12,181	12,181	12,181	12,171	12,171
****	Total Investments	21,615,137	21,625,256	21,616,537	21,607,817	23,460,999	23,370,239	23,362,132	23,345,753	23,337,628	23,329,485	23,321,332	23,313,171
	Prior year	18,707,883	18,718,803	18,716,294	18,993,788	21,526,345	21,523,569	21,515,571	21,495,622	21,486,969	21,483,795	21,633,156	21,623,827
	Change	2,907,254	2,906,453	2,900,243	2,614,029	1,934,654	1,846,670	1,846,561	1,850,131	1,850,659	1,845,690	1,688,176	1,689,344
131.10	Cash - payroll account												
	Prior year												
	Change	-	-	-	-	-	-	-	-	-	-	-	-
131.12	Citizens Union	492,511	1,023,635	1,879,061	1,601,053	1,059,884	968,460	1,374,575	748,115	752,655	323,911	503,920	484,819
	Prior year	1,052,270	987,171	1,434,275	1,478,517	2,086,880	1,444,018	1,000,151	1,987,421	2,741,376	846,114	1,568,486	1,092,725
	Change	(559,759)	36,464	444,786	122,536	(1,026,996)	(475,558)	374,424	(1,239,306)	(1,988,721)	(522,203)	(1,064,566)	(607,906)
131.13	Economic Developn	283,922	293,044	302,168	311,291	320,416	411,699	420,129	428,561	436,992	445,426	453,858	462,293
	Prior year	463,680	466,472	469,266	192,051	200,466	219,382	227,798	238,318	247,437	250,916	264,977	274,799
	Change	(179,758)	(173,428)	(167,098)	119,240	119,950	192,317	192,331	190,243	189,555	194,510	188,881	187,494
131.30	Bedford office	96,102	64,888	67,274	77,184	75,283	20,000	108,782	100,314	23,885	25,004	9,992	16,906
	Prior year	96,265	100,467	83,603	34,990	42,102	37,881	99,223	60,023	86,190	70,913	79,245	73,775
	Change	(163)	(35,579)	(16,329)	42,194	33,181	(17,881)	9,559	40,291	(62,305)	(45,909)	(69,253)	(56,869)
131.5	United Citizens Bai	8,377	7,298	9,378	11,848	10,215	6,933	14,381	11,052	8,091	6,883	4,253	6,296
	Prior year	7,179	5,893	8,034	5,240	9,073	9,336	11,579	8,380	7,360	7,383	7,412	12,521
	Change	1,198	1,405	1,344	6,608	1,142	(2,403)	2,802	2,672	731	(500)	(3,159)	(6,225)
131.6	Capital credit fund	6,006	3,064	(280,154)	15,885	15,176	18,254	12,440	7,991	2,719	3,069	225	1,395
	Prior year	1,527	(2,497)	(276,763)	30,560	9,959	3,628	4,964	4,654	2,747	5,504	4,114	5,352
	Change	4,479	5,561	(3,391)	(14,675)	5,217	14,626	7,476	3,337	(28)	(2,435)	(3,889)	(3,957)
131.7	Farmers Bank	10,095	7,631	10,368	6,306	8,773	1,512	9,407	9,535	1,848	3,955	1,197	1,857
	Prior year	4,953	7,882	6,730	4,145	1,776	1,877	13,269	6,139	7,980	8,300	8,803	8,947
	Change	5,142	(251)	3,638	2,161	6,997	(365)	(3,862)	3,396	(6,132)	(4,345)	(7,606)	(7,090)

Shelby Energy Cooperative, Inc.
Comparison of Test Year Account Balances with
those of the Preceding Year - Balance Sheet

Witness: James Adkins
Case No. 2016-00434

Acct #	Description	August Month 1	September Month 1	October Month 3	November Month 4	December Month 5	January Month 6	February Month 7	March Month 8	April Month 9	May Month 10	June Month 11	July Month 12
135	Working funds	5,050	5,050	5,050	5,050	5,050	5,050	5,050	5,050	5,050	5,050	5,050	5,050
	Prior year	5,050	5,050	5,050	5,050	5,050	5,050	5,050	5,050	5,050	5,050	5,050	5,550
	Change	-	-	-	-	-	-	-	-	-	-	-	(500)
134	Special deposits	425	425	425	425	425	425	425	425	425	425	425	425
	Prior year	425	425	425	425	425	425	425	425	425	425	425	425
	Change	-	-	-	-	-	-	-	-	-	-	-	-
****	Total Cash	902,488	1,405,035	1,993,570	2,029,042	1,495,222	1,432,333	1,945,189	1,311,043	1,231,665	813,723	978,920	979,041
	Prior year	1,631,349	1,570,863	1,730,620	1,750,978	2,355,731	1,721,597	1,362,459	2,310,410	3,098,565	1,194,605	1,938,512	1,474,094
	Change	(728,861)	(165,828)	262,950	278,064	(860,509)	(289,264)	582,730	(999,367)	(1,866,900)	(380,882)	(959,592)	(495,053)
****	136. Temporary investments			2,363,104	1,807,413	2,040,253	1,792,772	917,587	1,246,212	1,264,893	1,164,937	377,011	
	Prior year	28,726	(6,185)		28,003								780,299
	Change	(28,726)	6,185	2,363,104	1,779,410	2,040,253	1,792,772	917,587	1,246,212	1,264,893	1,164,937	377,011	(780,299)
142.1	Accounts receivab	4,022,168	3,544,050	3,025,634	3,300,827	3,542,334	4,597,766	4,516,933	3,628,656	3,343,521	3,261,068	3,656,599	3,997,788
	Prior year	4,109,682	3,734,977	3,336,509	4,176,650	4,363,332	4,800,327	5,371,261	4,176,086	3,318,661	3,145,798	3,545,374	3,656,236
	Change	(87,514)	(190,927)	(310,875)	(875,823)	(820,998)	(202,561)	(854,328)	(547,430)	24,860	115,270	111,225	341,552
142.20	Payment plans	5,856	5,177	5,102	3,525	2,083	1,201	1,767	2,034	4,516	4,134	3,706	2,644
	Prior year	7,535	5,020	7,364	6,519	3,949	3,162	2,453	4,388	5,811	7,202	7,385	5,349
	Change	(1,679)	157	(2,262)	(2,994)	(1,866)	(1,961)	(686)	(2,354)	(1,295)	(3,068)	(3,679)	(2,705)
142.3	Unbilled revenue	(91,673)	14,753	1,916	(39,456)	(35,449)	160,366	(161,044)	34,070	5,566	51,143	4,504	40,584
	Prior year	80,242	(93,251)	(47,070)	68,606	(26,985)	137,181	(149,176)	101,874	(71,431)	46,467	(24,046)	40,012
	Change	(171,915)	108,004	48,986	(108,062)	(8,464)	23,185	(11,868)	(67,804)	76,997	4,676	28,550	572
144.10	Allow for uncollect	(474,455)	(476,495)	(491,548)	(492,442)	(354,542)	(357,823)	(362,390)	(366,950)	(367,916)	(376,310)	(381,229)	(385,904)
	Prior year	(442,727)	(449,393)	(476,830)	(485,317)	(490,611)	(499,452)	(485,131)	(481,102)	(481,172)	(480,916)	(476,644)	(474,075)
	Change	(31,728)	(27,102)	(14,718)	(7,125)	136,069	141,629	122,741	114,152	113,256	104,606	95,415	88,171
143	Other receivables	288,417	292,790	300,160	378,867	55,913	51,364	75,166	93,546	106,637	124,311	147,916	183,073
	Prior year	152,900	187,303	265,540	356,242	194,221	175,192	278,788	302,338	438,973	454,759	275,731	298,243
	Change	135,517	105,487	34,620	22,625	(138,308)	(123,828)	(203,622)	(208,792)	(332,336)	(330,448)	(127,815)	(115,170)
****	Total Recievables	3,750,313	3,380,275	2,841,264	3,151,321	3,210,339	4,452,874	4,070,432	3,391,356	3,092,324	3,064,346	3,431,496	3,838,185
	Prior year	3,907,632	3,384,656	3,085,513	4,122,700	4,043,906	4,616,410	5,018,195	4,103,584	3,210,842	3,173,310	3,327,800	3,525,765
	Change	(157,319)	(4,381)	(244,249)	(971,379)	(833,567)	(163,536)	(947,763)	(712,228)	(118,518)	(108,964)	103,696	312,420
154	Material & supplie	580,268	579,194	531,996	463,172	503,107	532,081	525,048	564,579	561,871	598,976	588,672	768,651
	Prior year	638,530	643,948	575,432	565,636	544,106	531,754	589,858	704,275	810,987	776,369	820,302	589,490
	Change	(58,262)	(64,754)	(43,436)	(102,464)	(40,999)	327	(64,810)	(139,696)	(249,116)	(177,393)	(231,630)	179,161

Shelby Energy Cooperative, Inc.
Comparison of Test Year Account Balances with
those of the Preceding Year - Balance Sheet

Acct #	Description	August Month 1	September Month 1	October Month 3	November Month 4	December Month 5	January Month 6	February Month 7	March Month 8	April Month 9	May Month 10	June Month 11	July Month 12
155.1	Merchandise											(2,390)	(2,390)
	Prior year	9,791	8,325	5,392	3,927	6,663	2,461	2,461	2,461	2,461	2,461	2,461	2,461
	Change	(9,791)	(8,325)	(5,392)	(3,927)	(6,663)	(2,461)	(2,461)	(2,461)	(2,461)	(2,461)	(4,851)	(2,390)
****	Total Material & S	580,268	579,194	531,996	463,172	503,107	532,081	525,048	564,579	561,871	598,976	586,282	766,261
	Prior year	648,321	652,273	580,824	569,563	550,769	534,215	592,319	706,736	813,448	778,830	822,763	589,490
	Change	(68,053)	(73,079)	(48,828)	(106,391)	(47,662)	(2,134)	(67,271)	(142,157)	(251,577)	(179,854)	(236,481)	176,771
165.1	Prepaid insurance	28,669	95,130	82,873	142,968	130,711	118,109	102,895	90,293	80,124	67,036	53,948	40,861
	Prior year	27,564	95,918	83,087	138,473	124,767	112,362	103,101	90,696	78,291	65,885	53,480	41,075
	Change	1,105	(788)	(214)	4,495	5,944	5,747	(206)	(403)	1,833	1,151	468	(214)
165.2	Other prepayment	16,428	11,405	29,048	23,968	18,888	52,513	47,396	42,279	37,161	32,044	26,927	21,809
	Prior year	16,346	11,344	28,326	23,323	18,320	51,589	46,566	41,543	36,520	31,497	26,474	21,451
	Change	82	61	722	645	568	924	830	736	641	547	453	358
165.3	Prepaid sales tax	57,899	57,472	51,852	50,052	49,145	57,357	57,112	55,729	50,595	43,792	44,937	50,205
	Prior year	56,206	55,686	52,352	50,942	50,786	51,203	56,745	52,129	53,474	50,511	45,334	53,029
	Change	1,693	1,786	(500)	(890)	(1,641)	6,154	367	3,600	(2,879)	(6,719)	(397)	(2,824)
165.60	Prepaid maintenance support												
	Prior year												
	Change	-	-	-	-	-	-	-	-	-	-	-	-
****	Total Prepayments	102,996	164,007	163,773	216,988	198,744	227,979	207,403	188,301	167,880	142,872	125,812	112,875
	Prior year	100,116	162,948	163,765	212,738	193,873	215,154	206,412	184,368	168,285	147,893	125,288	115,555
	Change	2,880	1,059	8	4,250	4,871	12,825	991	3,933	(405)	(5,021)	524	(2,680)
171.00	Interest receivable	11,886	14,187	2,532	4,834	7,212	9,585	11,809	14,182	2,474	4,852	7,153	9,531
	Prior year	14,413	16,714	5,060	7,360	9,738	12,112	14,260	16,637	2,456	4,833	7,134	9,508
	Change	(2,527)	(2,527)	(2,528)	(2,526)	(2,526)	(2,527)	(2,451)	(2,455)	18	19	19	23
186.10	Miscellaneous						265	262					
	Prior year				623								
	Change	-	-	-	(623)	-	265	262	-	-	-	-	-
****	Total Deferred Det	11,886	14,187	2,532	4,834	7,212	9,850	12,071	14,182	2,474	4,852	7,153	9,531
	Prior year	14,413	16,714	5,060	7,983	9,738	12,112	14,260	16,637	2,456	4,833	7,134	9,508
	Change	(2,527)	(2,527)	(2,528)	(3,149)	(2,526)	(2,262)	(2,189)	(2,455)	18	19	19	23
*****	Total Assets and D	95,700,987	96,105,389	98,464,619	98,063,104	99,917,077	100,773,964	100,641,626	100,023,129	99,846,430	99,650,757	99,472,757	100,052,122
	Prior year	91,911,073	91,253,214	91,214,633	92,984,137	96,225,568	96,426,352	96,424,107	96,575,311	96,674,162	94,893,369	96,135,933	96,734,535
	Change	3,789,914	4,852,175	7,249,986	5,078,967	3,691,509	4,347,612	4,217,519	3,447,818	3,172,268	4,757,388	3,336,824	3,317,587

Shelby Energy Cooperative, Inc.
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Acct #	Description	August Month 1	September Month 1	October Month 3	November Month 4	December Month 5	January Month 6	February Month 7	March Month 8	April Month 9	May Month 10	June Month 11	July Month 12
201.10	Patrons capital cre	35,364,862	35,349,416	34,872,656	34,864,984	34,863,620	37,133,762	37,117,530	37,084,195	37,065,704	37,056,883	37,051,486	37,043,382
	Prior year	33,119,547	33,111,289	32,706,988	32,337,811	32,334,179	35,439,656	35,432,952	35,417,567	35,397,594	35,392,552	35,389,967	35,373,002
	Change	2,245,315	2,238,127	2,165,668	2,527,173	2,529,441	1,694,106	1,684,578	1,666,628	1,668,110	1,664,331	1,661,519	1,670,380
219.2	Operating/Nonope	1,274,270	1,274,270	1,274,270	1,274,270	1,274,270	1,341,780	1,341,780	1,341,780	1,341,780	1,341,780	1,341,780	1,341,780
	Prior year	1,035,520	1,035,520	1,035,520	1,035,520	1,035,520	1,274,270	1,274,270	1,274,270	1,274,270	1,274,270	1,274,270	1,274,270
	Change	238,750	238,750	238,750	238,750	238,750	67,510	67,510	67,510	67,510	67,510	67,510	67,510
219.10	Current year marg	805,001	852,817	681,811	547,210	2,340,367	67,345	340,984	678,596	654,938	333,426	54,169	(137,629)
	Prior year	(173,848)	(300,713)	(143,863)	493,528	3,360,513	563,131	903,719	1,255,726	1,214,057	1,317,862	1,081,798	815,026
	Change	978,849	1,153,530	825,674	53,682	(1,020,146)	(495,786)	(562,735)	(577,130)	(559,119)	(984,436)	(1,027,629)	(952,655)
****	Total Capital Credi	37,444,133	37,476,503	36,828,737	36,686,464	38,478,257	38,542,887	38,800,294	39,104,571	39,062,422	38,732,089	38,447,435	38,247,533
	Prior year	33,981,219	33,846,096	33,598,645	33,866,859	36,730,212	37,277,057	37,610,941	37,947,563	37,885,921	37,984,684	37,746,035	37,462,298
	Change	3,462,914	3,630,407	3,230,092	2,819,605	1,748,045	1,265,830	1,189,353	1,157,008	1,176,501	747,405	701,400	785,235
208.00	Donated capital	419,697	419,731	419,927	419,927	419,927	419,938	419,938	435,839	436,058	436,058	436,058	436,099
	Prior year	414,168	414,168	414,168	414,687	414,687	414,718	414,725	414,725	419,677	419,677	419,677	419,677
	Change	5,529	5,563	5,759	5,240	5,240	5,220	5,213	21,114	16,381	16,381	16,381	16,422
208.1	Gains, estates	579,797	587,289	590,049	594,025	594,666	595,844	603,533	612,013	620,356	624,530	627,242	631,546
	Prior year	523,157	527,542	531,652	534,655	536,080	544,832	547,784	556,257	563,322	566,136	567,331	575,863
	Change	56,640	59,747	58,397	59,370	58,586	51,012	55,749	55,756	57,034	58,394	59,911	55,683
208.2	Gains, others	905,556	905,534	1,038,134	1,037,869	1,037,884	1,042,486	1,045,215	1,044,721	1,044,378	1,044,375	1,044,216	1,044,144
	Prior year	491,290	491,140	571,072	934,049	904,156	905,328	905,409	905,011	906,059	906,044	906,044	905,681
	Change	414,266	414,394	467,062	103,820	133,728	137,158	139,806	139,710	138,319	138,331	138,172	138,463
215.31	Comprehensive inc	(220,780)	(220,780)	(220,780)	(220,780)	(209,741)	(209,741)	(209,741)	(209,741)	(209,741)	(209,741)	(209,741)	(209,741)
	Prior year	(306,833)	(306,833)	(306,833)	(306,833)	(220,780)	(220,780)	(220,780)	(220,780)	(220,780)	(220,780)	(220,780)	(220,780)
	Change	86,053	86,053	86,053	86,053	11,039	11,039	11,039	11,039	11,039	11,039	11,039	11,039
217.0	Retired gains - cap	161,431	161,431	161,431	161,431	161,431	161,431	161,431	161,431	161,431	161,431	161,431	161,431
	Prior year	161,431	161,431	161,431	161,431	161,431	161,431	161,431	161,431	161,431	161,431	161,431	161,431
	Change	-	-	-	-	-	-	-	-	-	-	-	-
****	Total Other Equitie	1,845,701	1,853,205	1,988,761	1,992,472	2,004,167	2,009,958	2,020,376	2,044,263	2,052,482	2,056,653	2,059,206	2,063,479
	Prior year	1,283,213	1,287,448	1,371,490	1,737,989	1,795,574	1,805,529	1,808,569	1,816,644	1,829,709	1,832,508	1,833,703	1,841,872
	Change	562,488	565,757	617,271	254,483	208,593	204,429	211,807	227,619	222,773	224,145	225,503	221,607
*****	Total Margins & Ec	39,289,834	39,329,708	38,817,498	38,678,936	40,482,424	40,552,845	40,820,670	41,148,834	41,114,904	40,788,742	40,506,641	40,311,012
	Prior year	35,264,432	35,133,544	34,970,135	35,604,848	38,525,786	39,082,586	39,419,510	39,764,207	39,715,630	39,817,192	39,579,738	39,304,170
	Change	4,025,402	4,196,164	3,847,363	3,074,088	1,956,638	1,470,259	1,401,160	1,384,627	1,399,274	971,550	926,903	1,006,842

Shelby Energy Cooperative, Inc.
Comparison of Test Year Account Balances with
those of the Preceding Year - Balance Sheet

Witness: James Adkins
Case No. 2016-00434

Acct #	Description	August Month 1	September Month 1	October Month 3	November Month 4	December Month 5	January Month 6	February Month 7	March Month 8	April Month 9	May Month 10	June Month 11	July Month 12
224.30	RUS notes	18,324,378	18,278,591	18,234,409	18,178,050	18,143,913	18,095,823	18,051,027	17,998,226	17,957,690	17,914,230	2,221,550	2,212,867
	Prior year	18,836,636	18,794,155	18,753,478	18,710,768	18,669,837	18,628,794	18,581,924	18,540,612	18,497,294	18,455,733	18,412,166	18,368,321
	Change	(512,258)	(515,564)	(519,069)	(532,718)	(525,924)	(532,971)	(530,897)	(542,386)	(539,604)	(541,503)	(16,190,616)	(16,155,454)
224.12	Advance payment												
	Prior year												
	Change												
224.32	FFB notes	42,831,842	42,652,723	42,652,723	42,652,723	42,472,308	42,472,308	42,472,308	42,290,882	42,290,882	42,290,882	42,108,074	42,108,074
	Prior year	23,541,052	23,366,847	43,366,847	43,366,847	43,191,290	43,191,290	43,191,290	43,011,245	43,011,245	43,011,245	42,831,842	42,831,842
	Change	19,290,790	19,285,876	(714,124)	(714,124)	(718,982)	(718,982)	(718,982)	(720,363)	(720,363)	(720,363)	(723,768)	(723,768)
224.41	FFB notes unadvar	(18,700,000)	(18,700,000)	(13,400,000)	(13,400,000)	(13,400,000)	(13,400,000)	(13,400,000)	(13,400,000)	(13,400,000)	(13,400,000)	(13,400,000)	(13,400,000)
	Prior year			(20,000,000)	(20,000,000)	(20,000,000)	(20,000,000)	(18,700,000)	(18,700,000)	(18,700,000)	(18,700,000)	(18,700,000)	(18,700,000)
	Change	(18,700,000)	(18,700,000)	6,600,000	6,600,000	6,600,000	6,600,000	5,300,000	5,300,000	5,300,000	5,300,000	5,300,000	5,300,000
224.12	CFC notes	4,748,307	4,748,307	4,748,307	4,645,145	4,645,145	4,645,145	4,549,103	4,549,103	4,549,103	4,451,958	20,136,174	20,136,174
	Prior year	5,173,842	5,173,842	5,173,842	5,069,232	5,069,232	5,069,232	4,963,450	4,963,450	4,963,450	4,856,480	4,856,480	4,856,480
	Change	(425,535)	(425,535)	(425,535)	(424,087)	(424,087)	(424,087)	(414,347)	(414,347)	(414,347)	(404,522)	15,279,694	15,279,694
****	Total long term de	47,204,527	46,979,621	52,235,439	52,075,918	51,861,366	51,813,276	51,672,438	51,438,211	51,397,675	51,257,070	51,065,798	51,057,115
	Prior year	47,551,530	47,334,844	47,294,167	47,146,847	46,930,359	46,889,316	48,036,664	47,815,307	47,771,989	47,623,458	47,400,488	47,356,643
	Change	(347,003)	(355,223)	4,941,272	4,929,071	4,931,007	4,923,960	3,635,774	3,622,904	3,625,686	3,633,612	3,665,310	3,700,472
**** 228.	Postretirement ben	1,986,250	1,988,140	1,990,560	1,993,330	1,984,457	1,986,478	1,988,541	1,990,583	1,992,598	1,994,670	1,995,913	1,995,976
	Prior year	2,033,996	2,039,862	2,045,557	2,050,338	1,970,182	1,971,705	1,973,413	1,975,969	1,977,859	1,980,398	1,982,632	1,985,175
	Change	(47,746)	(51,722)	(54,997)	(57,008)	14,275	14,773	15,128	14,614	14,739	14,272	13,281	10,801
**** 231.	Notes payable - sh	1,304,089	2,104,176										205,652
	Prior year	1,076,638	1,225,717	1,782,904	2,430,048	2,934,118	2,139,732	683,167	1,295,677	2,099,381	221,895	1,272,676	1,758,492
	Change	227,451	878,459	(1,782,904)	(2,430,048)	(2,934,118)	(2,139,732)	(683,167)	(1,295,677)	(2,099,381)	(221,895)	(1,272,676)	(1,552,840)
***232.1	AP - general	3,187,478	3,147,585	2,964,111	2,920,817	3,246,643	3,841,857	3,485,487	2,827,159	2,605,394	2,761,764	3,226,343	3,934,965
	Prior year	3,294,151	3,210,527	2,833,979	3,334,719	3,475,184	3,788,497	3,655,873	3,100,229	2,386,679	2,474,944	3,171,529	3,715,684
	Change	(106,673)	(62,942)	130,132	(413,902)	(228,541)	53,360	(170,386)	(273,070)	218,715	286,820	54,814	219,281
**** 235	Customer deposits	1,538,039	1,551,005	1,547,424	1,541,480	1,543,140	1,541,794	1,534,354	1,531,509	1,532,149	1,540,609	1,540,418	1,540,868
	Prior year	1,530,064	1,524,570	1,526,005	1,521,489	1,517,534	1,527,693	1,525,053	1,536,403	1,533,348	1,529,515	1,536,505	1,539,139
	Change	7,975	26,435	21,419	19,991	25,606	14,101	9,301	(4,894)	(1,199)	11,094	3,913	1,729
236.1	Acc property taxes	252,466	227,394	38,056	(76,077)		72,397	137,908	210,359	282,766	355,173	375,298	184,268
	Prior year	251,750	(18,612)	(121,630)	(52,285)		70,109	134,011	204,130	274,250	344,369	360,992	182,346
	Change	716	246,006	159,686	(23,792)		2,288	3,897	6,229	8,516	10,804	14,306	1,922

Shelby Energy Cooperative, Inc.
 Comparison of Test Year Account Balances with
 those of the Preceding Year - Balance Sheet

Witness: James Adkins

Case No. 2016-00434

Acct #	Description	August Month 1	September Month 1	October Month 3	November Month 4	December Month 5	January Month 6	February Month 7	March Month 8	April Month 9	May Month 10	June Month 11	July Month 12
241.20	City tax withholding												
	Prior year	-	-	-	-	-	-	-	-	-	-	-	-
	Change	-	-	-	-	-	-	-	-	-	-	-	-
241.2	Occupational tax v	3,291	(280)	1,333	2,950	4,873	1,253	2,907	4,591	1,296	3,075	4,840	1,146
	Prior year	3,148	12	1,514	2,963		1,515	2,971	4,516	1,430	2,956	(202)	1,702
	Change	143	(292)	(181)	(13)	4,873	(262)	(64)	75	(134)	119	5,042	(556)
242.0	Misc accrued liabil	(424)	(472)	(464)	(488)	(488)	(496)	(642)	(1,040)	(428)	(480)	(424)	(472)
	Prior year	(423)	(435)	(458)	(424)	(400)	(416)	(432)	(440)	(464)	(424)	(416)	(488)
	Change	(1)	(37)	(6)	(64)	(88)	(80)	(210)	(600)	36	(56)	(8)	16
242.1	Accrued vacation	132,144	126,958	126,802	130,161	121,875	137,201	144,867	149,776	147,182	147,637	132,840	124,245
	Prior year	128,980	125,223	117,512	123,647	118,135	133,566	141,988	145,661	146,855	144,133	142,321	132,111
	Change	3,164	1,735	9,290	6,514	3,740	3,635	2,879	4,115	327	3,504	(9,481)	(7,866)
****	Total Current & Ac	744,203	558,455	452,999	371,969	314,718	555,182	658,547	605,407	723,645	828,210	770,398	640,095
	Prior year	737,360	358,086	310,924	419,345	395,047	549,859	652,897	607,633	709,386	797,748	745,301	628,171
	Change	6,843	200,369	142,075	(47,376)	(80,329)	5,323	5,650	(2,226)	14,259	30,462	25,097	11,924
****	252.0 Consumer advance	446,567	446,699	456,588	480,654	484,329	482,532	481,589	481,426	480,065	479,692	367,246	366,439
	Prior year	422,902	426,064	450,962	476,503	477,358	476,964	477,530	479,886	479,890	448,219	447,064	447,061
	Change	23,665	20,635	5,626	4,151	6,971	5,568	4,059	1,540	175	31,473	(79,818)	(80,622)
*****	Total Equities & Li	95,700,987	96,105,389	98,464,619	98,063,104	99,917,077	100,773,964	100,641,626	100,023,129	99,846,430	99,650,757	99,472,757	100,052,122
	Prior year	91,911,073	91,253,214	91,214,633	92,984,137	96,225,568	96,426,352	96,424,107	96,575,311	96,674,162	94,893,369	96,135,933	96,734,535
	Change	3,789,914	4,852,175	7,249,986	5,078,967	3,691,509	4,347,612	4,217,519	3,447,818	3,172,268	4,757,388	3,336,824	3,317,587

Shelby Energy Cooperative, Inc.
 Comparison of Test Year Income Statement Account
 Balances with those of the Preceding Year

Witness: James Adkins

Case No. 2016-00434

Acct #	Description	August Month 1	September Month 2	October Month 3	November Month 4	December Month 5	January Month 6	February Month 7	March Month 8	April Month 9	May Month 10	June Month 11	July Month 12	Total
	Change	(27,529)	-	-	-	522	349	349	349	349	349	349	552	(24,361)
585.00	Street lighting	73	73	73	73	81	75	75	75	75	75	75	77	900
	Prior year	73	73	73	73	53	73	73	73	73	73	73	73	856
	Change	-	-	-	-	28	2	2	2	2	2	2	4	44
586.00	Meter	32,683	19,152	15,106	27,133	18,092	23,558	27,506	28,504	15,658	18,674	21,453	16,458	263,977
	Prior year	39,069	19,772	19,529	22,991	18,085	22,709	17,873	19,957	17,245	19,337	19,079	(11,053)	224,593
	Change	(6,386)	(620)	(4,423)	4,142	7	849	9,633	8,547	(1,587)	(663)	2,374	27,511	39,384
587.00	Consumer Installa	13,878	14,663	14,182	14,564	16,088	16,441	15,302	14,728	14,993	14,206	15,713	15,049	179,807
	Prior year	17,198	14,850	15,040	15,115	12,166	14,003	14,168	14,439	14,328	13,605	14,040	14,555	173,507
	Change	(3,320)	(187)	(858)	(551)	3,922	2,438	1,134	289	665	601	1,673	494	6,300
588.00	Miscellaneous Dist	33,257	33,717	36,625	38,478	33,753	54,166	43,256	42,829	40,172	51,928	28,397	44,777	481,355
	Prior year	12,239	20,329	22,149	38,824	30,640	37,140	45,471	30,869	32,995	29,833	30,500	28,120	359,109
	Change	21,018	13,388	14,476	(346)	3,113	17,026	(2,215)	11,960	7,177	22,095	(2,103)	16,657	122,246
***	Total Operations	132,339	116,288	135,299	135,760	133,041	159,099	158,215	155,389	122,394	145,746	113,792	132,347	1,639,709
	Prior year	152,021	109,313	117,576	135,413	103,259	130,883	148,772	128,688	123,138	117,408	118,880	86,575	1,471,926
	Change	(19,682)	6,975	17,723	347	29,782	28,216	9,443	26,701	(744)	28,338	(5,088)	45,772	167,783
590.00	Engineering & sup	1,446	1,309	1,400	1,410	3,899	553	825	1,941	808	11,964	1,372	841	27,768
	Prior year	2,215	2,148	2,537	1,650	3,444	3,321	316	1,864	3,018	1,080	1,413	1,642	24,648
	Change	(769)	(839)	(1,137)	(240)	455	(2,768)	509	77	(2,210)	10,884	(41)	(801)	3,120
593.00	Maintenance of ov	75,731	48,332	50,018	(2,065)	59,465	45,256	45,754	46,866	56,387	55,303	67,062	82,895	631,004
	Prior year	62,265	46,769	56,171	61,780	61,126	66,171	53,396	60,933	71,190	41,089	68,688	179,606	829,184
	Change	13,466	1,563	(6,153)	(63,845)	(1,661)	(20,915)	(7,642)	(14,067)	(14,803)	14,214	(1,626)	(96,711)	(198,180)
593.10	Patrolling/OCR m	362	395	1,703	350	517	211	548	80	(8,122)	46,632	80,442	42,199	165,317
	Prior year	1,697	514	948	(171,739)	(417)	(43,036)	(58)	(12,210)	51	987	7,566	(3,258)	(218,955)
	Change	(1,335)	(119)	755	172,089	934	43,247	606	12,290	(8,173)	45,645	72,876	45,457	384,272
593.20	Contract right-of-v	196,567	171,510	255,859	245,780	374,172	153,709	121,261	115,177	140,703	115,680	202,269	201,064	2,293,751
	Prior year	70,791	51,080	37,116	30,344	30,903	43,003	14,510	26,708	40,835	71,046	65,205	62,853	544,394
	Change	125,776	120,430	218,743	215,436	343,269	110,706	106,751	88,469	99,868	44,634	137,064	138,211	1,749,357
594.00	Underground mair	15,336	13,381	14,234	21,993	14,266	13,708	20,059	18,582	15,276	11,704	16,696	13,852	189,087
	Prior year	14,769	12,387	13,727	10,196	10,936	12,901	6,771	9,633	12,228	12,011	10,903	13,407	139,869
	Change	567	994	507	11,797	3,330	807	13,288	8,949	3,048	(307)	5,793	445	49,218
595.00	Transformer maint	(704)	13	373	33	(912)	328	(292)	74	(697)		(555)	546	(1,793)
	Prior year		(2,666)	98	(1,185)	3,715		(754)		189	(1,559)	(1,348)	686	(2,824)
	Change	(704)	2,679	275	1,218	(4,627)	328	462	74	(886)	1,559	793	(140)	1,031

Shelby Energy Cooperative, Inc.
 Comparison of Test Year Income Statement Account
 Balances with those of the Preceding Year

Exh
 Pg 3 of 6
 Witness: James Adkins
 Case No. 2016-00434

Acct #	Description	August Month 1	September Month 2	October Month 3	November Month 4	December Month 5	January Month 6	February Month 7	March Month 8	April Month 9	May Month 10	June Month 11	July Month 12	Total
597.00	Meter maintenance	543	416	488	1,035	708	1,159	1,100	1,037	1,069	1,016	1,086	874	10,531
	Prior year	521	409	420	547	486	556	559	469	540	491	526	517	6,041
	Change	22	7	68	488	222	603	541	568	529	525	560	357	4,490
598.00	Miscellaneous dist	13,121	12,544	10,762	13,266	15,173	9,657	7,700	8,307	7,743	6,538	6,645	6,243	117,699
	Prior year	10,692	8,947	9,250	9,411	10,396	13,509	8,050	10,211	11,725	10,888	9,754	13,834	126,667
	Change	2,429	3,597	1,512	3,855	4,777	(3,852)	(350)	(1,904)	(3,982)	(4,350)	(3,109)	(7,591)	(8,968)
***	Total Maintenance	302,402	247,900	334,837	281,802	467,288	224,581	196,955	192,064	213,167	248,837	375,017	348,514	3,433,364
	Prior year	162,950	119,588	120,267	(58,996)	120,589	96,425	82,790	97,608	139,776	136,033	162,707	269,287	1,449,024
	Change	139,452	128,312	214,570	340,798	346,699	128,156	114,165	94,456	73,391	112,804	212,310	79,227	1,984,340
901.00	Supervision	6,196	5,041	6,356	9,909	9,396	12,752	12,499	10,544	10,511	11,265	11,460	11,465	117,394
	Prior year	4,990	3,917	3,951	4,674	4,333	6,342	6,522	6,254	5,989	5,887	6,000	5,759	64,618
	Change	1,206	1,124	2,405	5,235	5,063	6,410	5,977	4,290	4,522	5,378	5,460	5,706	52,776
902.00	Meter reading	12,685	15,551	11,665	14,458	14,637	18,628	20,312	16,476	14,765	13,958	14,246	11,859	179,240
	Prior year	15,671	15,185	13,040	12,523	15,298	16,109	20,430	17,035	14,954	13,003	12,472	14,096	179,816
	Change	(2,986)	366	(1,375)	1,935	(661)	2,519	(118)	(559)	(189)	955	1,774	(2,237)	(576)
903.00	Consumer records	23,707	26,188	21,363	15,913	36,842	30,056	34,568	27,428	25,466	27,420	23,883	23,383	316,217
	Prior year	20,972	21,736	18,916	18,177	19,829	29,207	29,873	24,816	23,939	23,967	23,423	22,677	277,532
	Change	2,735	4,452	2,447	(2,264)	17,013	849	4,695	2,612	1,527	3,453	460	706	38,685
904.00	Uncollectibles					(137,825)	5,000	5,000	5,000	5,000	5,000	5,000	5,000	(102,825)
	Prior year	14,896	14,390	14,346	14,697	14,914	9,628	(9,628)						73,243
	Change	(14,896)	(14,390)	(14,346)	(14,697)	(152,739)	(4,628)	14,628	5,000	5,000	5,000	5,000	5,000	(176,068)
***	Total Consumer A	42,588	46,780	39,384	40,280	(76,950)	66,436	72,379	59,448	55,742	57,643	54,589	51,707	510,026
	Prior year	56,529	55,228	50,253	50,071	54,374	61,286	47,197	48,105	44,882	42,857	41,895	42,532	595,209
	Change	(13,941)	(8,448)	(10,869)	(9,791)	(131,324)	5,150	25,182	11,343	10,860	14,786	12,694	9,175	(85,183)
907.00	Supervision	4,538	3,436	3,930	2,873	2,117	2,026	2,491	2,292	2,378	2,369	2,387	2,407	33,244
	Prior year	4,960	3,761	4,222	5,120	4,636	4,334	4,571	4,445	4,221	4,058	4,284	3,880	52,492
	Change	(422)	(325)	(292)	(2,247)	(2,519)	(2,308)	(2,080)	(2,153)	(1,843)	(1,689)	(1,897)	(1,473)	(19,248)
908.00	Consumer Assista	11,956	5,292	3,439	9,081	747	12,556	9,035	2,476	3,159	3,892	10,794	9,200	81,627
	Prior year	12,580	12,750	14,166	11,227	12,424	14,148	14,059	12,644	13,823	13,596	18,113	16,191	165,721
	Change	(624)	(7,458)	(10,727)	(2,146)	(11,677)	(1,592)	(5,024)	(10,168)	(10,664)	(9,704)	(7,319)	(6,991)	(84,094)
909.00	Customer informat	5,766	3,898	5,099	4,978	3,920	14,688	3,772	3,381	4,064	5,119	4,069	4,171	62,925
	Prior year	3,105	2,641	3,761	3,590	3,407	4,780	3,800	3,916	4,025	4,728	4,123	3,817	45,693
	Change	2,661	1,257	1,338	1,388	513	9,908	(28)	(535)	39	391	(54)	354	17,232
910.00	Misc customer ser	17,314	16,045	15,312	24,475	20,214	24,811	23,192	22,287	21,836	22,209	22,109	20,604	250,408
	Prior year	12,835	10,914	13,974	13,124	12,898	19,034	17,206	17,252	18,213	16,977	17,223	18,780	188,430

Shelby Energy Cooperative, Inc.
 Comparison of Test Year Income Statement Account
 Balances with those of the Preceding Year

Acct #	Description	August Month 1	September Month 2	October Month 3	November Month 4	December Month 5	January Month 6	February Month 7	March Month 8	April Month 9	May Month 10	June Month 11	July Month 12	Total
	Change	4,479	5,131	1,338	11,351	7,316	5,777	5,986	5,035	3,623	5,232	4,886	1,824	61,978
***	Total Customer Se	39,574	28,671	27,780	41,407	26,998	54,081	38,490	30,436	31,437	33,589	39,359	36,382	428,204
	Prior year	33,480	30,066	36,123	33,061	33,365	42,296	39,636	38,257	40,282	39,359	43,743	42,668	452,336
	Change	6,094	(1,395)	(8,343)	8,346	(6,367)	11,785	(1,146)	(7,821)	(8,845)	(5,770)	(4,384)	(6,286)	(24,132)
***912.0	Demonstration	(9,949)	(14,583)	(1,959)	1,692	1,166	2,550	114	1,142	1,706	1,411	1,564	3,255	(11,891)
	Prior year	(1,286)	(13,633)	(4,614)	(18,427)	701	(12,789)	3,094	(5,419)	(327)	(1,730)	(1,749)	(24,170)	(80,349)
	Change	(8,663)	(950)	2,655	20,119	465	15,339	(2,980)	6,561	2,033	3,141	3,313	27,425	68,458
920.00	Administrative sal	32,431	28,840	28,487	31,872	30,415	21,528	25,718	26,174	24,793	27,165	26,100	22,178	325,701
	Prior year	18,288	17,064	21,648	24,544	26,476	32,652	27,511	29,648	31,017	29,697	32,515	30,322	321,382
	Change	14,143	11,776	6,839	7,328	3,939	(11,124)	(1,793)	(3,474)	(6,224)	(2,532)	(6,415)	(8,144)	4,319
921.00	Office supplies & c	2,514	4,374	2,131	1,831	2,719	3,500	5,138	2,716	2,348	3,085	1,906	2,227	34,489
	Prior year	3,865	3,559	2,232	3,981	683	2,902	6,598	3,304	2,304	2,370	2,464	2,234	36,496
	Change	(1,351)	815	(101)	(2,150)	2,036	598	(1,460)	(588)	44	715	(558)	(7)	(2,007)
923.00	Outside services	17,101	6,653	8,711	6,959	8,687	3,003	2,227	3,336	6,408	7,776	2,659	4,218	77,738
	Prior year	14,933	14,813	8,245	13,221	49,040	14,084	5,331	5,215	15,904	16,435	15,513	5,473	178,207
	Change	2,168	(8,160)	466	(6,262)	(40,353)	(11,081)	(3,104)	(1,879)	(9,496)	(8,659)	(12,854)	(1,255)	(100,469)
926.00	Employee benefits						23	(23)				(6,233)	6,233	-
	Prior year			(1,463)	1,463	13,838		(13)		13				13,838
	Change	-	-	1,463	(1,463)	(13,838)	23	(10)	-	(13)	-	(6,233)	6,233	(13,838)
930.20	Miscellaneous gen	20,718	21,449	18,747	(2,530)	26,508	8,211	9,860	15,248	12,672	13,413	34,478	20,141	198,915
	Prior year	13,284	21,776	11,841	23,833	15,690	12,974	15,396	6,878	21,592	13,623	39,461	19,959	216,307
	Change	7,434	(327)	6,906	(26,363)	10,818	(4,763)	(5,536)	8,370	(8,920)	(210)	(4,983)	182	(17,392)
930.21	Dues/Ky Living m	11,627	11,630	11,635	24,823	11,741	11,692	11,694	11,689	11,690	11,692	13,304	11,754	154,971
	Prior year	17,985	11,543	11,550	5,053	11,679	5,023	11,567	18,092	11,573	11,576	10,723	11,612	137,976
	Change	(6,358)	87	85	19,770	62	6,669	127	(6,403)	117	116	2,581	142	16,995
930.30	Directors fees and	8,347	8,112	10,350	9,287	9,108	9,377	8,649	8,840	8,524	8,626	8,672	8,720	106,612
	Prior year	5,955	9,825	9,003	9,367	9,343	8,295	10,335	8,542	8,250	10,787	8,186	9,099	106,987
	Change	2,392	(1,713)	1,347	(80)	(235)	1,082	(1,686)	298	274	(2,161)	486	(379)	(375)
931.00	Rents	525	525	525	525	525	525	525	525	525	525	525	525	6,300
	Prior year	525	525	525	525	525	525	525	525	525	525	525	525	6,300
	Change	-	-	-	-	-	-	-	-	-	-	-	-	-
935.00	Maintenance of ge	5,319	3,587	8,731	4,482	6,781	6,964	4,274	5,069	4,838	22,864	4,805	4,699	82,413
	Prior year	4,599	12,428	5,576	3,527	6,245	9,067	4,026	3,802	5,148	3,139	6,329	4,284	68,170
	Change	720	(8,841)	3,155	955	536	(2,103)	248	1,267	(310)	19,725	(1,524)	415	14,243

Shelby Energy Cooperative, Inc.
 Comparison of Test Year Income Statement Account
 Balances with those of the Preceding Year

Witness: James Adkins

Case No. 2016-00434

Acct #	Description	August Month 1	September Month 2	October Month 3	November Month 4	December Month 5	January Month 6	February Month 7	March Month 8	April Month 9	May Month 10	June Month 11	July Month 12	Total
***	Total Administrati	98,582	85,170	89,317	77,249	96,484	64,823	68,062	73,597	71,798	95,146	86,216	80,695	987,139
	Prior year	79,434	91,533	69,157	85,514	133,519	85,522	81,276	76,006	96,326	88,152	115,716	83,508	1,085,663
	Change	19,148	(6,363)	20,160	(8,265)	(37,035)	(20,699)	(13,214)	(2,409)	(24,528)	6,994	(29,500)	(2,813)	(98,524)
403.60	Distribution deprei	201,708	202,117	202,505	203,293	203,774	471,863	(36,846)	217,847	219,590	220,605	220,775	221,427	2,548,658
	Prior year	188,459	190,481	194,359	195,717	197,935	198,684	198,743	199,143	199,835	200,473	200,706	201,343	2,365,878
	Change	13,249	11,636	8,146	7,576	5,839	273,179	(235,589)	18,704	19,755	20,132	20,069	20,084	182,780
403.70	General depreciati	5,013	5,707	5,707	5,707	5,707	5,707	5,667	5,695	5,859	5,916	6,085	6,084	68,854
	Prior year	4,651	4,507	4,506	4,506	4,684	4,769	4,936	4,926	4,918	4,918	4,918	4,963	57,202
	Change	362	1,200	1,201	1,201	1,023	938	731	769	941	998	1,167	1,121	11,652
***	Total Depreciation	206,721	207,824	208,212	209,000	209,481	477,570	(31,179)	223,542	225,449	226,521	226,860	227,511	2,617,512
	Prior year	193,110	194,988	198,865	200,223	202,619	203,453	203,679	204,069	204,753	205,391	205,624	206,306	2,423,080
	Change	13,611	12,836	9,347	8,777	6,862	274,117	(234,858)	19,473	20,696	21,130	21,236	21,205	194,432
***408.70	Regulatory	4,644	4,644	4,644	4,644	2,408	4,681	4,681	4,681	4,681	4,681	4,681	4,032	53,102
	Prior year	4,691	4,691	4,691	4,691	4,691	4,644	4,644	4,645	4,644	4,645	4,644	4,645	55,966
	Change	(47)	(47)	(47)	(47)	(2,283)	37	37	36	37	36	37	(613)	(2,864)
427.10	RUS interest	53,769	51,926	53,529	41,353	63,576	49,621	52,916	44,911	57,176	54,252	31,336	5,724	560,089
	Prior year	59,664	57,618	59,421	57,389	59,168	59,056	53,228	58,786	56,781	58,538	56,531	53,867	690,047
	Change	(5,895)	(5,692)	(5,892)	(16,036)	4,408	(9,435)	(312)	(13,875)	395	(4,286)	(25,195)	(48,143)	(129,958)
427.20	CFC interest	17,701	23,167	23,167	16,247	23,167	21,250	16,949	21,250	21,250	18,018	21,250	21,250	244,666
	Prior year	12,866	27,904	27,904	11,484	27,904	23,167	14,815	23,167	23,167	18,890	23,167	23,167	257,602
	Change	4,835	(4,737)	(4,737)	4,763	(4,737)	(1,917)	2,134	(1,917)	(1,917)	(872)	(1,917)	(1,917)	(12,936)
427.30	FFB interest	58,518	47,064	58,518	58,518	47,927	62,500	62,500	41,950	62,500	62,500	42,218	62,500	667,213
	Prior year	60,000	48,989	60,000	60,000	47,369	58,518	58,518	46,100	58,518	58,518	47,091	58,518	662,139
	Change	(1,482)	(1,925)	(1,482)	(1,482)	558	3,982	3,982	(4,150)	3,982	3,982	(4,873)	3,982	5,074
***	Total Interest on L	129,988	122,157	135,214	116,118	134,670	133,371	132,365	108,111	140,926	134,770	94,804	89,474	1,471,968
	Prior year	132,530	134,511	147,325	128,873	134,441	140,741	126,561	128,053	138,466	135,946	126,789	135,552	1,609,788
	Change	(1,060)	(10,429)	(10,629)	(11,273)	(329)	(11,352)	1,822	(15,792)	(1,522)	(5,158)	(27,112)	(50,060)	(142,894)
431.00	Interest - customer	149	139	152	140	150	473	437	470	455	470	457	471	3,963
	Prior year	161	134	152	136	149	149	128	150	137	149	137	150	1,732
	Change	(12)	5	-	4	1	324	309	320	318	321	320	321	2,231
431.10	Short-term loans		10,450			902						245		11,597
	Prior year		3,418	6,185		12,215			8,652			6,910		37,380
	Change	-	7,032	(6,185)	-	(11,313)	-	-	(8,652)	-	-	(6,665)	-	(25,783)
***	Total Interest - Otl	149	10,589	152	140	1,052	473	437	470	455	470	702	471	15,560
	Prior year	161	3,552	6,337	136	12,364	149	128	8,802	137	149	7,047	150	39,112

Shelby Energy Cooperative, Inc.
Comparison of Test Year Income Statement Account
Balances with those of the Preceding Year

Exh.
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Witness: James Adkins
Case No. 2016-00434

Acct #	Description	August Month 1	September Month 2	October Month 3	November Month 4	December Month 5	January Month 6	February Month 7	March Month 8	April Month 9	May Month 10	June Month 11	July Month 12	Total
	Change	(12)	7,037	(6,185)	4	(11,312)	324	309	(8,332)	318	321	(6,345)	321	(23,552)
426.00	Donations	544	292	175	444	(165)	256	1,060	1,033	1,583	(119)	38	1,728	6,869
	Prior year	210	10,285	194	(47)	26	910	350	605	265	227	219	385	13,629
	Change	334	(9,993)	(19)	491	(191)	(654)	710	428	1,318	(346)	(181)	1,343	(6,760)
****	Total Cost of Elect	3,813,019	3,491,236	3,265,558	3,472,516	3,785,842	4,646,389	3,707,489	3,273,922	3,114,385	3,394,112	3,850,967	4,116,915	43,932,350
	Prior year	3,925,016	3,441,025	3,176,222	3,492,585	3,875,485	4,144,963	4,181,929	3,528,714	2,862,968	3,008,588	3,777,014	3,947,630	43,362,139
	Change	(111,997)	50,211	89,336	(20,069)	(89,643)	501,426	(474,440)	(254,792)	251,417	385,524	73,953	169,285	570,211
****	Operating Margins	(3,255)	12,305	(175,045)	(137,734)	(93,900)	64,048	267,884	328,690	(27,441)	(323,240)	(282,380)	(194,642)	(564,710)
	Prior year	(51,541)	(157,686)	153,449	634,683	311,830	544,177	336,761	351,105	(35,898)	100,958	(401,936)	(269,800)	1,516,102
	Change	48,286	169,991	(328,494)	(772,417)	(405,730)	(480,129)	(68,877)	(22,415)	8,457	(424,198)	119,556	75,158	(2,080,812)
419.00	Interest income	2,938	2,859	4,042	3,134	3,711	3,630	2,964	3,439	3,783	3,205	2,924	2,829	39,458
	Prior year	2,807	2,746	3,402	2,710	3,429	3,312	2,727	3,188	1,146	2,849	2,980	3,024	34,320
	Change	131	113	640	424	282	318	237	251	2,637	356	(56)	(195)	5,138
418.00	Equity in subsidiary					35,101								35,101
	Prior year					167,975								167,975
	Change	-	-	-	-	(132,874)	-	-	-	-	-	-	-	(132,874)
421.00	Gain/Loss on disj	(9,709)				15,116	(331)	1,696			(1,478)	200		5,494
	Prior year					6,356	300		(2,289)	(6,918)				(2,551)
	Change	(9,709)	-	-	-	8,760	(631)	1,696	2,289	6,918	(1,478)	200	-	8,045
424.40	Patronage capital - East KY					1,810,069								1,810,069
	Prior year					2,350,462						162,895		2,513,357
	Change	-	-	-	-	(540,393)	-	-	-	-	-	(162,895)	-	(703,288)
424.10	Patronage capital - other		32,652			23,063		1,101	5,483					62,299
	Prior year		28,071			26,936	15,344	1,100						71,451
	Change	-	4,581	-	-	(3,873)	(15,344)	1	5,483	-	-	-	-	(9,152)
*****	Net Margins	(10,026)	47,816	(171,003)	(134,600)	1,793,160	67,347	273,645	337,612	(23,658)	(321,513)	(279,256)	(191,813)	1,387,711
	Prior year	(48,734)	(126,869)	156,851	637,393	2,866,988	563,133	340,588	352,004	(41,670)	103,807	(236,061)	(266,776)	4,300,654
	Change	38,708	174,685	(327,854)	(771,993)	(1,073,828)	(495,786)	(66,943)	(14,392)	18,012	(425,320)	(43,195)	74,963	(2,912,943)

ACCOUNT	DESCRIPTION	AMOUNT
107.00	CONST. FUNDS - CLOSED WORK ORDERS	0.00
107.20	CONSTRUCTION WORK IN PROGRESS	773,290.66
107.21	AMI SUBSTATION WORK IN PROGRESS	0.00
107.28	CONSTRUCTION OVERHEAD INDIRECT	0.00
107.29	CONSTRUCTION MISC. OVERHEAD	0.00
107.30	SPECIAL EQUIP. WORK IN PROGRESS	0.00
107.50	CONST. IN PROGRESS	0.00
108.50	ACC. PROVISION DEPR-TRANSMISSION	0.00
108.60	ACC. PROVISION FOR DEPR-DIST PLANT	15,218,528.46
108.70	ACC. PROVISION FOR DEPR-GEN. PLANT	2,761,703.88
108.80	RETIREMENT WORK IN PROGRESS	170,212.65
108.88	RETIREMENT OVERHEAD INDIRECT	0.00
108.89	RETIREMENT MISC. OVERHEAD	0.00
111.00	ACC. PROVISION FOR AMORT ELEC PLT	0.00
123.10	INVEST IN ASSOC ORG PATR CAP EKP	19,862,502.29
123.20	INVEST IN ASSOC ORG PTR CAP KAEC	40,838.73
123.21	SUBSCRIPTIONS CAP TERM CERT CFC	0.00
123.22	INVESTMENTS CAPITAL TRM CERT CFC	635,839.90
123.23	OTHER INVEST. IN ASSOC ORGANIZATN	3,700.00
123.24	OTHER INVEST ENVISION ENERGY SER	10,000.00
123.25	EQUITY INVESTMENT - C.R.C.	20,000.00
123.30	INVEST ASSOC ORG PAT CAP U.U.S.	368,908.11
123.40	INVEST ASSOC ORG PAT CAP C.F.C.	240,342.55
123.41	COOPERATIVE INTEGRITY FUND	0.00
123.42	INVEST ASSOC ORG PAT CAP C.R.C.	9,264.50
123.50	INVEST ASSOC ORG PAT CAP CON. CR	0.00
123.60	INVEST ASSOC ORG PAT CAP NISC	133,027.07
123.65	INVEST ASSOC ORG PAT CAP SEDC	117,885.64
123.70	INVEST ASSOC PAT CAP FEDERATED	0.00
123.80	INVEST ASSOC PAT CAP TARHEEL EMA	0.00
123.90	INVEST RUS RURAL ECONOMIC DEVMT	195,583.14
123.91	INVEST SUBSID. S E S EARNINGS	281,572.93
123.92	INVEST SUBSID. SES CAPITAL STOCK	1,379,000.00
124.00	OTHER INVESTMENTS	89,706.42
124.10	INVESTMENT-CFC MEMBER CAP. SEC.	25,000.00
128.00	OTHER SPECIAL FUNDS	0.00
128.20	INVESTMENT - OTHER SPECIAL FUNDS	0.00
131.00	CASH-PAYROLL-CITIZENS UNION BANK	0.00
131.10	CASH-GEN. FNDS-CITIZENS UNION BNK	484,818.86
131.11	CASH-GEN. FNDS-FARMERS BK AND TRT	0.00
131.13	CASH-ECON. DEV. COOP. FUND-C.U.B.	462,292.53
131.20	CASH-RUS / CFC CONSTRUCTION FUND	0.00
131.30	CASH-GEN. FND-BEDFORD LN / DEP. BK	16,906.02
131.40	CASH - TRANSFER OF FUNDS	0.00
131.50	CASH - GEN. FNDS - UNITED CITIZEN	6,296.34
131.60	CASH-CAPITAL CREDIT REFUNDS	1,394.96
131.70	CASH - GEN. FUNDS - FARMERS BANK	1,857.14
131.80	CASH - HRA ACCT - CITIZENS UNION	0.00
134.00	OTHER SPECIAL DEPOSITS	425.00

Witness: Debra Martin
Case No. 2016-00434

ACCOUNT	DESCRIPTION	AMOUNT
135.00	WORKING FUNDS - PERMANENT	5,050.00
136.00	TEMPORARY CASH INVESTMENTS	0.00
136.30	TEMP CASH INVEST CEC COM PAPER	0.00
141.00	NOTES REC-SHELBY ENERGY SERVICES	0.00
142.00	ACCOUNTS RECEIVABLE - CONSUMERS	3,997,787.83
142.10	ACCT REC-CONSUMERS OFF SERVICE	0.00
142.20	DEBT MANAGEMENT	2,643.61
142.30	UNBILLED/ (OVERBILLED) REVENUE	40,583.80
142.42	LOAD MANAGEMENT CREDITS	9,456.67
143.00	ACCOUNTS RECEIVABLE - OTHER	147,633.67
143.10	ACCOUNTS RECEIVABLE - ACRE CONT	73.92
143.11	ACCT REC-SHELBY ENERGY SERVICES	2,312.27
143.12	ACCT REC-SHELBY PROPANE PLUS	0.00
143.13	ACCOUNTS REC - OTHER - MEDICAL	609.40
143.14	ACCT REC-OTHER-EMPLOYEE PURCHASE	42.97
143.15	CONSUMER BILL CONTRACT	15,203.44
143.16	ACCOUNTS REC. - OTHER - UNION	0.00
143.17	ACCT. REC. - EMPLOYEE ASSOC. DUE	0.00
143.19	ACCOUNTS REC. OTHER COOPS	11,121.39
143.20	ACCT REC-OTHER GROUP INS & 401K	0.43
143.21	ACCOUNTS REC. - OTHER -- RETIREES	1,046.45
143.22	EMPLOYEE -- ROTH 401K	0.00
143.25	YARD LIGHT ADVANCED PAYMENTS	2,360.88
143.30	ACCT REC - EAST KENTUCKY POWER	860.74
143.31	ACCOUNTS REC - E.T.S UNITS	0.00
143.40	ACCOUNTS RECEIVABLE-MATERIAL SLD	0.00
143.50	ACCOUNTS RECEIVABLE VOUCHERS	470.00
143.58	ACCOUNTS RECEIVABLE - ONLINE COL	0.00
143.60	ACCOUNTS RECEIVABLE - F.E.M.A.	0.00
143.70	ACCT REC-OTHER-EAST KY POWER	0.00
143.71	ACCOUNTS RECEIVABLE - A.T. & T.	0.00
143.80	A/R ADV EXP-DIRECTORS AND ATTY.	0.00
143.81	DIRECTOR AND ATTY-GUEST REIMBRMT	0.00
143.82	ACCOUNTS REC. - ASSISTING COOPS	0.00
143.90	CLEARING ACCOUNTS - VOID CHECKS	0.00
143.91	ACCOUNTS RECEIVABLE - KATAYAMA	0.00
143.92	ACCOUNTS RECEIVABLE - DIAGEO	0.00
144.10	ACCUM PROV UNCOLLECT RES/SM COM.	43,362.54
144.11	ACCUM PROV FOR UNCOLL LG POWER	342,541.38
144.20	ACCUM PROV FOR UNCOLL CONS ACCTS	0.00
154.00	MATERIAL AND SUPPLIES - ELECTRIC	768,651.01
154.40	MATERIAL SOLD CLEARING ACCOUNT	2,390.00
154.90	TRANSPORTATION INVENTORY	0.00
155.10	MERCHANDISE RESALE MARKETING PGM	0.00
155.20	MERCHANDISE RESALE TOY BUCKET TR	0.00
155.30	MERCHANDISE RESALE MISCELLANEOUS	0.00
163.00	STORES EXPENSE CLEARING ACCOUNT	0.00
163.10	MINOR MATERIAL - STORES EXP. (CL.	0.00
165.10	PREPAID INSURANCE	40,860.53

Witness: Debra Martin
Case No. 2016-00434

ACCOUNT	DESCRIPTION	AMOUNT
165.20	OTHER PREPAYMENTS	21,809.32
165.30	PREPAID SALES AND USE TAX	50,204.68
165.40	PREPAID INS - LIFE, DIS, AND 24 HR	0.00
165.50	PREPAID M I N T PROGRAM	0.00
165.80	PREPAID TRU CHECK MTR RDG SERVIC	0.00
165.90	PREPAID EKE MEDICAL INSURANCE	0.00
171.00	INTEREST AND DIVIDEND RECEIVABLE	9,531.09
181.00	UNAMORTIZED DEBT EXPENSE	0.00
183.00	PRELIM SRVY AND INVESTIGATN CHGS	0.00
183.60	PRE-LOAN EXPENSE	0.00
184.10	TRANSPORTATION CLEARING ACCOUNT	0.06
184.30	HEAVY WORK EQUIP CLEARING ACCT	0.00
186.00	MISCELLANEOUS DEFERRED DEBITS	0.00
186.10	SYSTEM MAPPING PROJECT	0.00
186.11	DEFERRED DEBIT-XL RUN TM LIC3100	0.00
186.13	DEFERRED DEBIT INVENTORY ADJMT	0.00
186.20	DEFERRED DEBIT LN RNG PLN ENGR	0.00
186.30	MANAGEMENT AUDIT PROJECT	0.00
186.40	DEFERRED DEBIT/ PROJECTS	0.00
186.50	DEFERRED DEBIT - METERS RETIRED	0.00
186.60	SERVICE UPGRADE - GENERAL PLANT	0.00
186.70	DEFERRED DEBIT - INSURANCE SURPL	0.00
186.80	R & S PENSION PLAN PREPAYMENT	0.00
201.10	PATRONAGE CAPITAL CR ASSIGNED	37,043,382.17
201.11	G & T PATRONAGE ASSIGNED	0.00
201.20	PATRONAGE CAPITAL CR ASSIGNABLE	0.00
208.00	DONATED CAPITAL	436,099.40
208.10	GAINS - ESTATE REFUNDS	631,546.38
208.20	GAINS - SEDC	1,044,143.65
215.31	Other Comprehensive Income	209,741.00
217.00	REACQUIRED CAPITAL STOCK	161,431.20
219.10	OPERATING MARGINS	786,030.64
219.11	OPERATING DEFICIT	0.00
219.20	NON-OPERATING MARGINS	36,110.66
219.21	NON-OPERATING DEFICIT	519,638.55
219.40	OTHER MARGINS AND EQUITIES PRIOR	0.00
224.12	OTHER LT DEBTS - CFC CONST LOAN	20,136,173.65
224.13	CFC - NOTES EXECUTED -- DEBIT	0.00
224.30	LT DEBT - RUS OBLIGATION	2,212,866.99
224.31	LT DEBT - RUS ECONOMIC DEVELOPMT	0.00
224.32	LONG TERM DEBT FFB OBLIGATION	42,108,074.42
224.40	RUS NOTES EXECUTED-CONST-DEBT	0.00
224.41	FFB NOTES EXECUTED	13,400,000.00
224.50	OTHER LONG TERM DEBT -- NRECA	0.00
224.60	ADVANCE PAYMENTS - UNAPPLIED RUS	0.00
224.70	OTHER LT DEBT - CFC CONST LOAN	0.00
226.00	INTEREST ACCRUED-DEFERRED-REA	0.00
227.00	ADVANCED PYMTS APPLIED LT DEBT	0.00
228.30	ACCUM PROV PENSION / BEN SEC 125	127.50

Witness: Debra Martin
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ACCOUNT	DESCRIPTION	AMOUNT
228.31	ACC PROV PENSION 7 BEN-FASB 106	1,995,686.14-
228.32	ACCUM PROV-BENEFIT C/A AND AEGON	0.76-
228.33	ACC PROV BENEFITS DEFERRED COMP.	0.00
228.34	ACCUM PROV BENEFITS DENTALCARE	106.55-
228.35	ACCUM. PROV. BENEFITS - GROUP ME.	0.00
228.36	ACCUM PROV BENEFITS - CANCER INS	55.20-
231.00	NOTES PAYABLE-CFC LINE OF CREDIT	205,651.77-
231.10	NOTES PAYABLE CFC SHELBY EN SERV	0.00
232.10	ACCOUNTS PAYABLE	872,181.80-
232.11	WINTERCARE ENERGY FUND	306.77-
232.12	ACCOUNTS PAYABLE - POWER BILL	3,140,799.00-
232.14	ACCOUNTS PAYABLE DAVIS H-ELLIOT	0.00
232.15	ACCOUNTS PAYABLE DOBSON POWER LN	0.00
232.16	ACCOUNTS PAYABLE M&M ELECTRICAL	0.00
232.17	ACCOUNTS PAYABLE - STS	0.00
232.18	ACCOUNTS PAYABLE - PAYROLL	0.00
232.20	OVERPAYMENT OF BILLS	0.00
232.25	PLAN 457F - DEFERRED COMP	64,000.00
232.30	ACCOUNTS PAYABLE BEDFORD LN & DP	0.00
232.40	ACCOUNTS PAYABLE - UNION DUES	0.00
232.50	ACCOUNTS PAYABLE - ONLINE COLL	29.02-
232.60	ACCOUNTS PAYABLE - BLDG ADDITION	19,854.76
232.70	ACCOUNTS PAYABLE FISHEL	0.00
232.80	A/P CUB ECONOMIC DEVELOPMENT FND	0.00
232.90	A/P Health Reimbursement Account	0.00
232.98	AP PURCHASE ORDER ACCRUAL	5,503.52-
232.99	AP PLANT PO ACCRUAL	0.00
233.00	NOTES PAYABLE EAST KENTUCKY PWR	0.00
235.00	CONSUMER DEPOSITS	1,540,867.74-
236.10	ACCRUED PROPERTY TAXES	184,267.53-
236.20	ACCRUED FEDERAL UNEMPLOYMENT	5.17-
236.30	ACCRUED FICA TAX	0.36-
236.40	ACCRUED STATE UNEMPLOYMENT TAX	38.82-
236.50	ACCRUED KENTUCKY SALES TAX	100,679.76-
236.60	DISTRICT TAX TOTAL	0.00
236.61	SHELBY COUNTY SCHOOL TAX	72,028.09-
236.62	HENRY COUNTY SCHOOL TAX	19,642.38-
236.63	TRIMBLE COUNTY SCHOOL TAX	14,012.04-
236.64	CARROLL COUNTY SCHOOL TAX	3,171.76-
236.65	EMINENCE SCHOOL TAX	0.00
236.66	SPENCER COUNTY SCHOOL TAX	249.49-
236.67	ANDERSON COUNTY SCHOOL TAX	47.04-
236.68	FRANKLIN COUNTY SCHOOL TAX	27.76-
236.69	FRANCHISE TX - SIMPSONVILLE	3,667.46-
236.71	FRANCHISE TX-S'VILLE-RES AND COM	2,445.56-
236.72	FRANCHISE TX-S'VILLE-LARGE POWER	6,437.49-
236.73	FRANCHISE TAX - CAMPBELLSBURG	889.36-
236.80	DISCRETIONARY ANNUAL BONUS	0.00
236.90	ACCRUED FOR UNION ALLOWANCE	589.49

Witness: Debra Martin
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ACCOUNT	DESCRIPTION	AMOUNT
237.10	INTEREST ACCRUED-RUS OBLIGATION	0.00
237.11	INTEREST ACCRUED FEB OBLIGATION	62,500.00
237.30	OTHER INTEREST ACCRUED	0.00
237.40	INTEREST ACCRUED CFC OBLIGATION	42,500.00
237.50	INTEREST ACCRUED CONS. DEPOSITS	3,154.61
238.10	PATRONAGE CAPITAL - PAYABLE	0.00
241.00	ACC. FEDERAL INCOME TAX EMPLOYEE	0.00
241.10	ACC STATE INCOME TAX EMPLOYEE	0.00
241.20	ACCRUED EMPLOYEE OCCUPATIONAL TX	1,145.79
242.00	MISC CURRENT / ACCRUED LIABLITS	496.06
242.01	PAYROLL CLEARING ACCOUNT	24.03
242.10	ACCRUED VACATION	124,244.79
242.20	AWARDED SICK LEAVE	0.00
252.10	CONS ADV PYMT 150' THRU 300'	0.00
252.20	CONS ADV PYMT 301' THRU 1000'	65,083.00
252.30	CONS ADV PYMT ALL OVER 1000'	301,354.76
252.40	DEFERRED CREDIT DEPR ADJUSTMENT	0.00
253.00	DEFERRED CREDIT INVENTORY ADJMT	0.00
253.10	OTHER DEFERRED CREDITS	0.00
364.00	POLES, TOWERS AND FIXTURES	24,567,655.29
365.00	OVERHEAD CONDUCTORS AND DEVICES	24,115,105.61
365.10	O C R'S AT SUBSTATION	0.00
366.00	UNDERGROUND CONDUIT	307,821.20
367.00	UNDERGROUND CONDUCTORS / DEVICES	6,660,183.33
368.00	LINE TRANSFORMERS	10,381,941.72
369.00	SERVICES	11,166,134.49
370.00	METERS	4,226,007.27
370.10	MIN-MAX AMP METERS @ SUBSTATION	0.00
371.00	INSTALLATION ON CONS PREMISES	2,476,615.29
373.00	STREET LIGHTS AND SIGNAL SYSTEM	67,096.05
389.00	LAND AND LAND RIGHTS (NEW OFFICE)	20,010.19
389.10	LAND AND LAND RIGHTS	2,075.00
390.00	STRUCTURES AND IMPROVEMENTS	1,346,220.56
390.10	STRUCTURE AND IMPROVEMENTS-LEASE	9,820.04
391.00	OFFICE FURNITURE AND FIXTURES	532,080.97
392.00	TRANSPORTATION EQUIPMENT	1,606,236.38
393.00	STORES EQUIPMENT	5,020.97
394.00	TOOLS, SHOP AND GARAGE EQUIPMENT	25,180.67
395.00	LABORATORY EQUIPMENT	101,744.18
396.00	POWER OPERATED EQUIPMENT	143,325.72
396.10	UNDERGROUND EQUIPMENT	0.00
397.00	COMMUNICATIONS EQUIPMENT	261,026.60
398.00	MISCELLANEOUS EQUIPMENT	48,485.13
403.60	DEPR. EXPENSE-DISTRIBUTION PLANT	2,548,657.99
403.70	DEPR. EXPENSE - GENERAL PLANT	68,854.37
407.00	AMORTIZATION OF PROPERTY LOSSES	0.00
408.40	TAXES --STATE UNEMPLOYMENT	0.00
408.50	TAXES --STATE ASSESSMENT	53,103.58
408.60	TAXES --HEALTH CARE / PCOR	0.00

Witness: Debra Martin
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ACCOUNT	DESCRIPTION	AMOUNT
415.00	REVENUE FROM MERCHANDISING	0.00
416.00	COST AND EXP. FROM MERCHANDISING	0.00
417.00	MANAGEMENT/CONSULTING SERVICES	300.00-
418.10	EQUITY EARNINGS-SUBSIDIARY INTERESTS	35,101.41-
418.20	EQUITY EARNINGS-SUBSID ENVISION	0.00
419.00	INVESTMENT AND DIVIDEND INCOME	39,458.65-
421.00	NON-OPERATING MARGIN - OTHER	0.00
421.10	GAIN ON DISPOSITION OF PROPERTY	18,574.00-
421.20	LOSS ON DISPOSITION OF PROPERTY	13,380.85
423.00	G AND T CAPITAL CREDITS	1,810,069.00-
424.00	OTHER CAPITAL CR. PAT DIVIDENDS	62,300.20-
426.10	DONATIONS	5,192.93
426.40	CIVIC, POLITICAL / RELATED ACTVTS	1,675.94
427.10	INTEREST ON REA CONSTRUCTION LN	560,089.81
427.20	INTEREST ON CFC CONSTRUCTION LN	244,665.73
427.30	INTEREST ON FFB CONSTRUCTION LN	667,213.39
430.00	INT ON DEBT TO ASSOC ORGANIZATNS	0.00
431.10	INTEREST EXP.-CONSUMER DEPOSITS	3,963.91
431.30	SHORT TERM INTEREST - CFC	11,596.68
440.10	RESIDENTIAL SALES-RESIDENTIAL	23,595,200.63-
440.11	RESIDENTIAL SALES-07 CORRECTION	0.00
440.20	RESIDENTIAL SALES - SEASONAL	33,505.38-
442.10	COMMERCIAL / INDUSTRIAL SALES-SM	7,770,390.94-
442.11	COMMERCIAL-IND-SM-07 CORRECTION	0.00
442.20	COMMERCIAL / INDUSTRIAL SALES-LG	11,284,625.72-
442.21	COMMERCIAL-IND-LG-07 CORRECTION	0.00
444.00	PUBLIC STREET / HIGHWAY LIGHTING	49,298.28-
444.10	PUBLIC ST-HWY LIGHT-07 CORRECTIN	0.00
450.00	FORFEITED DISCOUNTS	356,988.28-
454.00	RENT FROM ELECTRIC PROPERTY	318,220.10-
456.00	OTHER ELECTRIC REVENUE	40,586.90
555.00	PURCHASE POWER	32,780,788.00
580.00	OPERATION, SUPERVISION AND ENGR.	73,513.73
583.00	OVERHEAD LINE EXPENSE	621,507.81
584.00	UNDERGROUND LINE EXPENSE	18,650.37
585.00	STREET LIGHTING / SIGNAL EXPENSE	900.21
586.00	METER EXPENSE	225,453.12
586.10	METER TESTING	27,539.31
586.20	METERS CHANGED FOR TESTING	548.38
586.30	METER RECORD KEEPING (D. GRAHAM)	10,436.65
587.00	CONSUMER INSTALLATION EXPENSE	179,808.16
588.00	MISCELLANEOUS DISTRIBUTION EXP	481,354.67
590.00	MAINTENANCE-SUPERVISION / ENGR	27,768.71
593.00	MAINTENANCE OF OVERHEAD LINES	573,230.91
593.01	MAINTENANCE - STANDBY TIME	57,774.05
593.10	PATROLLING - PLANNED	0.00
593.20	O.C.R. MAINTENANCE - PLANNED	165,318.18
593.30	RIGHT OF WAY - PLANNED	2,145,315.95
593.35	RIGHT OF WAY - SPRAYING	130,765.24

Witness: Debra Martin
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ACCOUNT	DESCRIPTION	AMOUNT
593.40	AIR PATROL	17,670.00
593.50	TREATMENT OF POLES	0.00
593.60	FUSE MAINTENANCE - SHELBY LABOR	0.00
594.00	MAINTENANCE OF UNDERGROUND LINES	189,088.16
595.00	MAINTENANCE OF LINE TRANSFORMERS	1,794.98
597.00	MAINTENANCE OF METERS	10,533.10
598.00	MAINTENANCE OF MISC. DIST. PLANT	117,699.09
599.99	CLEARING ACCOUNT FOR BALANCING	0.00
777.77	CA/GA INTEGRATION DEFAULT	0.00
901.00	SUPERVISION	117,395.94
902.00	METER READING EXPENSE	179,241.57
903.00	CONSUMER RECORDS // COLLECT. EXP.	316,215.69
904.00	UNCOLLECTIBLE ACCOUNTS	102,825.35
907.00	SUPERVISION	33,244.10
908.00	CUSTOMER ASSISTANCE EXPENSE	81,627.02
909.00	INFORMATIONAL // INSTRUCTIONAL EP	62,926.01
910.00	MISCELLANEOUS CUSTOMER SERV. EXP.	250,407.05
912.00	DEMONSTRATING // SELLING EXPENSE	11,891.44
920.00	ADMINISTRATIVE // GENERAL SALARY	325,700.68
921.00	OFFICE SUPPLIES AND EXPENSE	34,489.12
921.10	OFFICE SUPPLIES // EXP.-CLEARING	0.00
923.00	OUTSIDE SERVICES EMPLOYED	77,739.19
925.00	INJURIES AND DAMAGES	0.00
926.10	EMPLOYEE PENSIONS // BENEFIT CLR	0.00
928.00	REGULATORY COMMISSION EXPENSES	0.00
930.20	MISCELLANEOUS GENERAL EXPENSE	198,806.75
930.21	MISC. GENERAL EXP-DUES/MAGAZINE	154,972.48
930.22	PRESIDENT/CEO MISC. GENERAL EXP	106.92
930.30	DIRECTORS FEES AND EXPENSES	106,611.43
931.00	RENTS	6,300.00
935.10	MAINT. OF STRUCTURES // IMPROVMTS	16,501.73
935.20	MAIN. OF OFFICE FURNITURE // FIXTS	16,644.66
935.30	MAIN. OF COMMUNICATIONS EQUIPMENT	16,956.57
935.40	MAIN. OF GENERAL PROPERTY	32,299.14
999.00	PAYROLL EST. HRS. CLEARING ACCT.	0.00

ACCOUNTS 000.00 TO 399.99 1,387,712.43
 ACCOUNTS 400.00 TO 999.99 1,387,712.43

Shelby Energy Cooperative
Case No. 2016 - 00434
Comparative Capital Structure (Excluding JDIC)
For the Periods as Shown
"000" Omitted

Line No.	Type of Capital	2005 10th Year		2006 9th Year		2007 8th Year		2008 7th Year		2009 6th Year		2010 5th Year	
		Amount	Ratio	Amount	Ratio	Amount	Ratio	Amount	Ratio	Amount	Ratio	Amount	Ratio
1	Long Term Debt	28,984	53%	34,357	58%	34,142	57%	35,080	58%	34,986	57%	42,610	61%
2	Short Term Debt	1,286	2%	0	0%	0	0%	0	0%	0	0%	0	0%
3	Memberships	0	0%	0	0%	0	0%	0	0%	0	0%	0	0%
4	Patronage Capital	24,295	45%	24,928	42%	25,323	43%	25,133	42%	26,650	43%	27,507	39%
5	Other (Itemize by type)												
6	Total Capitalization	54,565	100%	59,285	100%	59,465	100%	60,213	100%	61,636	100%	70,117	100%

Line No.	Type of Capital	2011 4th Year		2012 3rd Year		2013 2nd Year		2014 1st Year		2015 Test year		Latest Quarter July 31, 2016		Average Test Year	
		Amount	Ratio	Amount	Ratio	Amount	Ratio	Amount	Ratio	Amount	Ratio	Amount	Ratio	Amount	Ratio
1	Long Term Debt	41,281	57%	43,025	55%	46,501	56%	46,930	53%	51,861	56%	51,127	56%	50,570	56%
2	Short Term Debt	1,181	2%	3,287	4%	943	1%	2,934	3%	0	0%	0	0%	0	0%
3	Memberships	0	0%	0	0%	0	0%	0	0%	0	0%	0	0%	0	0%
4	Patronage Capital	30,081	41%	32,287	41%	35,475	43%	38,526	44%	40,482	44%	40,536	44%	40,088	44%
5	Other (Itemize by type)														
6	Total Capitalization	72,543	100%	78,599	100%	82,919	100%	88,390	100%	92,343	100%	91,662	100%	90,659	100%

Shelby Energy Cooperative
Case No. 2016 - 00434
Calculation of Average Test Period Capital Structure
12 months ended July 31, 2016

Line No.	Item (a)	Total Capital (b)	Long-Term Debt (c)	Short-Term Debt (d)	Memberships (e)	Common Stock (f)	Patronage Capital (g)	Total Common Equity (h)
1	Balance Beginning of Test year	86,661	47,357		-		39,304	
2	1st month	86,495	47,205		-		39,290	
3	2nd month	86,310	46,980		-		39,330	
4	3rd month	91,052	52,235		-		38,817	
5	4th month	90,755	52,076		-		38,679	
6	5th month	92,343	51,861		-		40,482	
7	6th month	92,366	51,813		-		40,553	
8	7th month	92,493	51,672		-		40,821	
9	8th month	92,586	51,438		-		41,148	
10	9th month	92,513	51,398		-		41,115	
11	10th month	92,046	51,257		-		40,789	
12	11th month	91,573	51,066		-		40,507	
13	12th month	91,368	51,057		-		40,311	
14	Total (Line 1 through Line 13)	1,178,561	657,415	-	-	-	521,146	-
15	Average balance (Line 14/13)	90,659	50,570	-	-	-	40,088	-
16	Average capitalization ratios	100%	56%	0%	0%	0%	44%	0%
17	End of period capitalization ratios	100%	56%	0%	0%	0%	44%	0%

Witness: Debra Martin

Shelby Energy Cooperative
Case No. 2016-00434

July 31, 2016

Payroll Adjustment

To reflect the increase granted by the Board of Directors, the step increases granted and promotions during the year. To give recognition to employees terminated and employees hired during the test year. Overtime pay is calculated at 1-1/2 times regular pay rate for hours worked in excess of 8 hours per day.

Temporary employees are used for certain busy times of the month, or when an employee has scheduled vacation time off. This is expected to continue into the future.

Wage and salary increases are as follows:

	<u>Increase</u>	
	<u>Union</u>	<u>Non-Union</u>
2016	2.47%	3.82%
2015	2.13%	3.69%
2014	2.04%	2.73%
2013	3.00%	3.64%
2012	2.64%	3.63%

The amount of increase was allocated based on the actual test year.

Projected wages	\$ 2,845,305
Actual wages for test year	<u>\$ 2,876,791</u>
Adjustment	<u>\$ (31,486)</u>

The allocation is on the following page:

Shelby Energy Cooperative
Case No. 2016-00434

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Allocation of increase in payroll:

		Labor		
		<u>Distribution</u>	<u>Percent</u>	<u>Allocation</u>
107.20	Construction work in progress	719,972	25.0%	(7,880)
108.80	Retirement work in progress	228,002	7.9%	(2,495)
143.00	Receivable from others	9,168	0.3%	(100)
163.00	Stores	61,223	2.1%	(670)
184.00	Transportation	0	0.0%	0
242.52	Employee sick leave/vacation	141,345	4.9%	(1,547)
580.00	Operations	46,156		
583.00	Overhead line	59,658		
584.00	Underground	0		
586.00	Meter	115,233		
587.00	Installations	7,682		
588.00	Miscellaneous distribution	156,393	13.4%	(4,215)
590.00	Maintenance	10,212		
593.00	Overhead line	361,827		
594.00	Underground	106,177		
595.00	Transformers	848		
597.00	Street lights	6,556		
598.00	Miscellaneous maintenance	69,869	19.3%	(6,080)
901.00	Supervision	75,148		
902.00	Meter reading	73,441		
903.00	Consumer records	84,509		
904.00	Consumer records	0	8.1%	(2,551)
907.00	Supervision, Customer service	19,338		
908.00	Consumer accounting	87,678		
909.00	Consumer information	28,086		
910.00	Misc customer information	153,686	10.0%	(3,161)
912.00	Customer demonstration	9,089	0.3%	(99)
920.00	Administrative	194,004		
926.00	Employee benefits	21,593		
930.00	Miscellaneous	26,628		
935.00	Maintenance general plant	<u>3,270</u>	<u>8.5%</u>	<u>(2,687)</u>
	Total	<u>2,876,791</u>	<u>100.0%</u>	<u>(31,485)</u>

Shelby Energy Cooperative
Employee Earnings and Hours
July 31, 2016

Employee Number	Hours Worked Test Year				Actual Test Year Wages						Wage Rate 1-Nov-15	Normalized Test Year Wages					
	Regular	Overtime	Vac Pay	Total	Regular	Overtime	Excess Vac Pay	Salary Overtime	Standby Pay	Total		Regular	Overtime	Excess Vac Pay	Salary Overtime	Standby Pay	Normalized Total
Salaried Employees:																	
601	2,080.00			2,080.00	████				████	████	████	████				████	████
702	2,080.00		40.00	2,120.00	████		████		████	████	████		████			████	████
706	2,080.00		40.00	2,120.00	████		████	████	████	████	████		████	████		████	████
801	2,080.00			2,080.00	████			████	████	████	████			████		████	████
1304	2,080.00		40.00	2,120.00	████		████	████	████	████	████			████		████	████
1307	2,080.00		40.00	2,120.00	████		████		████	████	████					████	████
1316	1,670.75			1,670.75	████					████	████					████	████
2314	2,080.00			2,080.00	████				████	████	████				████	████	████
Subtotal	16,230.75	0.00	160.00	16,390.75	656,977	0	7,520	2,940	25,080	692,517		676,001	0	7,520	2,940	25,080	711,541
Hourly Employees:																	
208	2,080.00	18.00	40.00	2,138.00	████	████	████			████	████					████	████
210	2,080.00	328.00	8.00	2,344.00	████	████	████			████	████					████	████
301	2,080.00	4.25		2,084.25	████	████				████	████					████	████
302	2,080.00	382.25	40.00	2,502.25	████	████	████			████	████					████	████
304	2,080.00	5.50		2,085.50	████	████				████	████					████	████
306	2,080.00	357.25		2,437.25	████	████				████	████					████	████
310	2,080.00	15.25		2,095.25	████	████				████	████					████	████
403	2,080.00	4.75		2,084.75	████	████			████	████	████					████	████
501	2,080.00	169.50	40.00	2,289.50	████	████	████			████	████					████	████
503	2,080.00	326.25		2,406.25	████	████				████	████					████	████
705	1,828.25	34.25		1,862.50	████	████				████	████					████	████
709	2,080.00	9.50		2,089.50	████	████				████	████					████	████
710	2,080.00	5.00		2,085.00	████	████				████	████					████	████
1101	2,080.00	9.50		2,089.50	████	████				████	████					████	████
1303	2,080.00			2,080.00	████					████	████					████	████
1306	2,080.00		40.00	2,120.00	████		████			████	████					████	████
1308	1,919.00	4.50		1,923.50	████	████				████	████					████	████
1310	2,080.00	336.00		2,416.00	████	████				████	████					████	████
1311	2,080.00	13.75		2,093.75	████	████				████	████					████	████
1313	2,080.00			2,080.00	████					████	████					████	████
1314	1,920.00			1,920.00	████			████	████	████	████					████	████
1315	2,072.00	9.50		2,081.50	████	████				████	████					████	████
1317	1,037.00	251.25		1,288.25	████	████				████	████					████	████
1403	2,080.00	360.00		2,440.00	████	████				████	████					████	████
1701	2,080.00	40.00		2,120.00	████	████				████	████					████	████
1801	2,080.00	296.00		2,376.00	████	████				████	████					████	████
1902	2,080.00	352.25		2,432.25	████	████				████	████					████	████
1911	2,072.50	121.00		2,193.50	████				████	████	████					████	████

Shelby Energy Cooperative
Employee Earnings and Hours
July 31, 2016

Employee Number	Hours Worked Test Year				Actual Test Year Wages						Wage Rate 1-Nov-15	Normalized Test Year Wages					
	Regular	Overtime	Vac Pay	Total	Regular	Overtime	Excess Vac Pay	Salary Overtime	Stanby Pay	Total		Regular	Overtime	Excess Vac Pay	Salary Overtime	Stanby Pay	Normalized Total
1912	2,080.00	402.50		2,482.50													
2306	2,040.00	317.50		2,357.50													
2309	2,080.00	313.25		2,393.25													
2312	1,927.00	154.75		2,081.75													
2315	2,063.00	352.00		2,415.00													
Subtotal	66,726.75	4,993.50	168.00	71,888.25	1,814,183	242,676	4,919	127	6,625	2,068,530		1,828,363	243,669	4,919	127	6,625	2,083,703
Summer and Part Time Employees:																	
708	288.00	0.50		288.50													
1318	627.00	3.50		630.50													
1319	104.00	3.00		107.00													
1802	327.00			327.00													
2316	344.00			344.00													
Subtotal	1,690.00	7.00	0.00	1,697.00	27,247	161	0	0	0	27,408		49,900	161	0	0	0	50,061
Retirees:																	
1305	1,850.00			1,850.00													0
Subtotal	1,850.00	0.00	0.00	1,850.00								0	0	0	0	0	0
Total	86,497.50	5,000.50	328.00	91,826.00	2,581,496	242,837	12,440	3,716	36,303	2,876,791		2,554,264	243,830	12,440	3,067	31,705	2,845,305

Shelby Energy Cooperative
Employee Earnings and Hours
July 31, 2016

Witness: Debra Martin

<u>Employee Number</u>	<u>Wage Rate 11/1/13</u>	<u>Wage Rate 11/1/14</u>	<u>Percent Increase</u>	<u>Wage Rate 11/1/15</u>	<u>Percent Increase</u>	<u>Date of last Increase</u>	<u>Reason for increase</u>
Salaried Employees:							
601	████	████	7.1%	████	3.0%	11/1/2015	Additional responsibilities
702	████	████	3.0%	████	2.5%	11/1/2015	
706	████	████	3.5%	████	3.0%	11/1/2015	
801	████	████	3.5%	████	2.5%	11/1/2015	
1304	████	████	3.0%	████	2.0%	11/1/2015	
1307	████	████	3.0%	████	6.5%	11/1/2015	Performance evaluation
1316	-	████	0.0%	████	1.5%	11/1/2015	New employee
2314	████	████	10.0%	████	6.0%	11/1/2015	Additional responsibilities

Subtotal

<u>Employee Number</u>	<u>Wage Rate 11/1/13</u>	<u>Wage Rate 11/1/14</u>	<u>Percent Increase</u>	<u>Wage Rate 11/1/15</u>	<u>Percent Increase</u>	<u>Date of last Increase</u>	<u>Reason for increase</u>
Hourly Employees:							
208	████	████	2.3%	████	2.5%	11/1/2015	
210	████	████	2.3%	████	2.5%	11/1/2015	
301	████	████	3.0%	████	3.0%	11/1/2015	
302	████	████	2.1%	████	2.3%	11/1/2015	
304	████	████	3.0%	████	2.5%	11/1/2015	
306	████	████	2.3%	████	2.5%	11/1/2015	
310	████	████	3.5%	████	2.5%	11/1/2015	
403	████	████	3.5%	████	2.5%	11/1/2015	
501	████	████	3.0%	████	2.5%	11/1/2015	
503	████	████	2.3%	████	2.5%	11/1/2015	
705	████	████	3.0%	████	2.5%	11/1/2015	
709	████	████	5.0%	████	3.0%	11/1/2015	
710	████	████	3.0%	████	5.6%	11/1/2015	Promotion
1101	████	████	3.0%	████	3.0%	11/1/2015	
1303	████	████	5.0%	████	3.2%	11/1/2015	
1306	████	████	3.0%	████	2.5%	11/1/2015	
1308	████	████	3.0%	████	2.5%	11/1/2015	

Shelby Energy Cooperative
Employee Earnings and Hours
July 31, 2016

Witness: Debra Martin

Employee Number	Wage Rate 11/1/13	Wage Rate 11/1/14	Percent Increase	Wage Rate 11/1/15	Percent Increase	Date of last Increase	Reason for increase
1310	████	████	2.3%	████	2.5%	11/1/2015	
1311	████	████	2.6%	████	3.0%	11/1/2015	
1313	-	████	0.0%	████	14.7%	11/1/2015	Promotion
1314	████	████	3.0%	████	2.5%	11/1/2015	
1315	-	████	0.0%	████	1.1%	11/1/2015	
1317	-	-	0.0%	████	0.0%	11/1/2015	
1403	████	████	2.2%	████	2.4%	11/1/2015	
1701	████	████	4.8%	████	10.0%	11/1/2015	Step Increase
1801	████	████	2.2%	████	2.4%	11/1/2015	
1902	████	████	6.1%	████	2.3%	11/1/2015	
1911	████	████	9.8%	████	2.5%	11/1/2015	
1912	████	████	2.3%	████	2.5%	11/1/2015	
2306	████	████	1.5%	████	2.4%	11/1/2015	
2309	████	████	2.3%	████	2.5%	11/1/2015	
2312	████	████	2.3%	████	2.5%	11/1/2015	
2315	████	████	7.6%	████	2.5%	11/1/2015	

Subtotal

Summer and Part Time Employees:

708	████	████	3.0%	████	3.0%	11/1/2015	
1318	████	████	0.0%	████	0.0%	11/1/2015	
1319	████	████	0.0%	████	0.0%	11/1/2015	
1802	████	████	1.5%	████	3.0%	11/1/2015	
2316	████	████	0.0%	████	0.0%	11/1/2015	

Subtotal

Retirees:

1305	████	████	7.6%	████	3.0%	11/1/2015	
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Shelby Energy Cooperative
Case No. 2016-00434
Employee Information
July 31, 2016

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The following is a list of employees added during the test year, and the employees that were replaced, or reason for hiring the employees.

<u>Employee Hired</u>	<u>Reason</u>
1316	New hire for new position.
1317	New hire for previous vacancy.

The following is a list of employees terminated, and the date.

<u>Employee Number</u>	<u>Month Terminated</u>
1305	May 2016

Witness: Debra Martin

Shelby Energy Cooperative
Case No. 2016-00434
Compensation of Executive Officers
July 31, 2016

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	<u>Test Year</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>
Chief Executive Officer - CEO	████████	████████	████████	████████
Percent Increase	6.5%	3.0%	3.0%	3.0%
VP, Operations/Engineering	████████	████████	████████	████████
Percent Increase	3.0%	3.5%	3.0%	3.0%
Mgr, Accounting & Finance	████████	████████	████████	████████
Percent Increase	2.5%	3.5%	3.0%	4.0%
Mgr, Member Services	████████	████████	████████	████████
Percent Increase	6.0%	10.0%	9.0%	10.8%
Mgr, Billing & Customer Service	████████	████████	████████	████████
Percent Increase	3.0%	3.0%	7.0%	NA

Witness: Debra Martin

Shelby Energy Cooperative
Case No. 2016-00434
Duties and Responsibilities of Officers

President & CEO It is the responsibility of the President & General Manager to report directly to the Board of Directors in implementing the Board policies and directives.

VP, Operations/Engineering Collaborates with Construction and Maintenance Supervisors, and contractors, on a daily basis for operational needs. Prepares and presents the President & General Manager an annual capital budget. Plans and organizes to serve members with efficient work. Promotes fast, dependable electric service to the members and maintain power quality. Maintains a knowledge of local and national laws and regulations governing the operations of Shelby. Reports directly to the President & CEO.

Manager, Accounting and Finance Coordinates all audit efforts by various agencies. Maintains the financial status of Shelby by developing budgets and financial statements. Collaborates with supervisors to fill any vacant positions. Assists and advises other departments as requested in the preparation of departmental budgets. Maintains all information related to accounting, as needed. Develops short term cash investments and long term cash requirements. Assists in the development of information necessary for filing loan applications. Reviews the financial information to ensure compliance with regulatory agencies. Ensures that taxes are properly prepared and filed on a timely basis. Maintains knowledge of laws and regulations governing the administration of Shelby. Directs in the preparation of daily cash transactions. Reports directly to the President & CEO.

Manager, Member Services Plans and organizes to serve member/owners with efficient work. Works with demand-side management, conservation and energy efficiency programs for consumers. Investigates member concerns that have not been satisfied by other employees. Encourages in economic development in the region. Maintains knowledge of laws and regulations governing the operations of Shelby. Participates in community events and programs. Reports directly to the President & CEO.

Manager, Billing and Customer Service Direct all consumer accounting activities. Direct the preparation of member bills, application of rate schedules, fuel cost factors, environmental surcharge percentage, discounts, penalties, payments and balancing of associated accounts. Manage meter reading functions, ensuring that meters are read accurately and in a timely manner and data from the meter reports are properly integrated with the billing system. Assure the member records are accurate and apply proper tariffs, tax rates, and other applicable factors related to consistent and correct revenue generation. Reports directly to the President & CEO.

Shelby Energy Cooperative
Case No. 2016-00434

Witness: Jim Adkins

Analysis of Salaries and Wages
For the calendar years 2013 through 2015
and the Test Year

Line No	Item (a)	Twelve Months Ended						Test year 2016	
		2013		2014		2015		Amount (l)	% (m)
		Amount (f)	% (g)	Amount (h)	% (i)	Amount (j)	% (k)		
1	Wages charged to expense:								
2	Distribution expense	757	1%	764	1%	870	14%	940	8%
3	Customer accounts expense	162	-2%	187	15%	197	5%	233	18%
4	Customer service and and information	225	24%	237	5%	272	15%	289	6%
5	Sales expense	14	250%	15	7%	10	-33%	9	-10%
6	Administrative and general expenses:								
	(a) Administrative and general	168	7%	174	4%	225	29%	194	-14%
	(b) Office supplies and expense	5	-17%						
	(c) Outside services employed								
	(d) Property insurance								
	(e) Injuries and damages								
	(f) Employees hospitalization and benefit	22	-27%	15	-32%	24	60%	22	-8%
	(g) Retirement and security								
	(h) Miscellaneous general	54	13%	57	6%	32	-44%	27	-16%
	(i) Maintenance of general plant	8	-20%	7	-13%	2	-71%	3	50%
7	Total administrative and general expenses L6(a) to L6(i)	257	2%	253	-3%	283	12%	246	-3%
8	Charged to clearing and others	204	15%	218	7%	211	-3%	212	0%
9	Total salaries and wages charged to expense and other L2 to L6 + L7 + L8	1,619	6%	1,674	3%	1,843	10%	1,929	5%
10	Wages capitalized	968	3%	1,005	4%	959	-5%	948	-1%
11	Total salaries and wages	2,587	5%	2,679	4%	2,802	5%	2,877	3%
12	Ratio of salaries and wages charged to expense to total wages L9 / L11	63%		62%		66%		67%	
13	Ratio of salaries and wages capitalized to total wages L10 / L11	37%		38%		34%		33%	
14	Overtime wages	234	-1%	263	12%	249	-5%	243	-2%
15	Overtime hours	5,394		5,823		5,228		5,001	

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Witness: James Adkins

Shelby Energy Cooperative

Case No. 2016-00434

Payroll Taxes

The employer's portion of FICA and Medicare rates remain the same for 2016 as they were for 2015. The FICA rate is 6.2% and Medicare is 1.45%. The wage limit increased to \$118,500 in 2016 and was \$117,000 in 2015 for FICA; all wages are subject to Medicare.

Federal unemployment rates are 0.80% for the first \$7,000 of wages and state unemployment rate is 2.01% for the first \$10,200 of wages.

Proposed FICA amounts

FICA	175,345	
Medicare	41,565	
	<u>216,910</u>	
Proposed FUTA	5,628	
Proposed SUTA	9,050	231,588

Test year amount

FICA and Medicare	221,625	
Test year FUTA	3,910	
Test year SUTA	9,313	234,848
	<u>9,313</u>	<u>234,848</u>
Increase		<u>(3,260)</u>

Adjustment:

		<u>Percent</u>	<u>Amount</u>
107	Capitalized	32.71%	(1,067)
163 - 416	Clearing and others	8.04%	(262)
580	Operations	13.29%	(433)
590	Maintenance	19.17%	(625)
901	Consumer accounts	8.04%	(262)
908	Customer service	9.96%	(325)
912	Sales	0.31%	(10)
920	Administrative and general	8.47%	(276)
		<u>100.00%</u>	<u>(\$3,260)</u>

State unemployment (SUTA) wage rates are as follows:

2016	2.01%
2015	2.02%
2014	1.80%
2013	1.80%
2012	1.80%

Shelby Energy
Cooperative

Witness: James Adkins

Case No. 2016-00434

Payroll Tax Adjustment

Employee Number	Normalized Wages	Social Security Wages		Medicare Wages		Federal Unemployment		State Unemployment	
		Up To \$118,500	@ 6.20%	All Wages	1.45%	Up to \$7,000	1.80%	Up to \$10,200	2.010%

Salaried Employees:

601	████	████	████	████	████	7,000	126	10,200	205
702	████	████	████	████	████	7,000	126	10,200	205
706	████	████	████	████	████	7,000	126	10,200	205
801	████	████	████	████	████	7,000	126	10,200	205
1304	████	████	████	████	████	7,000	126	10,200	205
1307	████	████	████	████	████	7,000	126	10,200	205
1316	████	████	████	████	████	7,000	126	10,200	205
2314	████	████	████	████	████	7,000	126	10,200	205
Subtotal Salary	711,541	676,281	41,929	711,541	10,317	56,000	1,008	81,600	1,640

Hourly Employees:

208	████	████	████	████	████	7,000	126	10,200	205
210	████	████	████	████	████	7,000	126	10,200	205
301	████	████	████	████	████	7,000	126	10,200	205
302	████	████	████	████	████	7,000	126	10,200	205
304	████	████	████	████	████	7,000	126	10,200	205
306	████	████	████	████	████	7,000	126	10,200	205
310	████	████	████	████	████	7,000	126	10,200	205
403	████	████	████	████	████	7,000	126	10,200	205
501	████	████	████	████	████	7,000	126	10,200	205
503	████	████	████	████	████	7,000	126	10,200	205
705	████	████	████	████	████	7,000	126	10,200	205
709	████	████	████	████	████	7,000	126	10,200	205
710	████	████	████	████	████	7,000	126	10,200	205
1101	████	████	████	████	████	7,000	126	10,200	205
1303	████	████	████	████	████	7,000	126	10,200	205
1306	████	████	████	████	████	7,000	126	10,200	205
1308	████	████	████	████	████	7,000	126	10,200	205
1310	████	████	████	████	████	7,000	126	10,200	205
1311	████	████	████	████	████	7,000	126	10,200	205

Shelby Energy
Cooperative

Witness: James Adkins

Case No. 2016-00434

Payroll Tax Adjustment

Employee Number	Normalized Wages	Social Security Wages		Medicare Wages		Federal Unemployment		State Unemployment	
		Up To \$118,500	@ 6.20%	All Wages	1.45%	Up to \$7,000	1.80%	Up to \$10,200	2.010%
1313	████	████	████	████	████	7,000	126	10,200	205
1314	████	████	████	████	████	7,000	126	10,200	205
1315	████	████	████	████	████	7,000	126	10,200	205
1317	████	████	████	████	████	7,000	126	10,200	205
1403	████	████	████	████	████	7,000	126	10,200	205
1701	████	████	████	████	████	7,000	126	10,200	205
1801	████	████	████	████	████	7,000	126	10,200	205
1902	████	████	████	████	████	7,000	126	10,200	205
1911	████	████	████	████	████	7,000	126	10,200	205
1912	████	████	████	████	████	7,000	126	10,200	205
2306	████	████	████	████	████	7,000	126	10,200	205
2309	████	████	████	████	████	7,000	126	10,200	205
2312	████	████	████	████	████	7,000	126	10,200	205
2315	████	████	████	████	████	7,000	126	10,200	205
Subtotal hourly	2,083,703	2,083,703	129,190	2,083,703	30,214	231,000	4,158	336,600	6,766
Summer and Part Time Employees:									
708	████	████	████	████	████	████	████	████	████
1318	████	████	████	████	████	7,000	126	10,200	205
1319	████	████	████	████	████	████	████	████	████
1802	████	████	████	████	████	████	████	████	████
2316	████	████	████	████	████	7,000	126	10,200	205
Subtotal part-time	50,061	50,061	3,104	50,061	726	25,640	462	32,040	644
Retirees:									
1305	0	0	0	0	0	0	0	0	0
Subtotal retiree	0	0	0	0	0	0	0	0	0
Total	2,845,305	2,810,045	174,223	2,845,305	41,257	312,640	5,628	450,240	9,050

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Shelby Energy Cooperative
Case No. 2016-00434
July 31, 2016

Depreciation Expense

Depreciation is computed on a composite basis. The ending plant balance is multiplied by rates that are within RUS approved guidelines. Depreciation rates and procedures follow RUS Bulletin 183-1. A copy of the depreciation study is attached.

Depreciation on transportation equipment is charged to a clearing account. Transportation costs are then cleared to various accounts based on time used for each vehicle from the daily time sheets of employees driving the vehicles.

Items fully-depreciated have been removed and identified on the far right column.

Witness: James Adkins

Shelby Energy Cooperative
Case No. 2016-00434
July 31, 2016

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Normalized depreciation accrual:

Distribution plant	2,971,207	
General plant	218,799	
Less charged to clearing	<u>(150,002)</u>	
		3,040,004

Test year depreciation accrual:

Distribution plant	2,552,809	
General plant	213,686	
Less charged to clearing	<u>(144,831)</u>	
		<u>2,621,664</u>

Normalized depreciation adjustment		<u><u>418,340</u></u>
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Transportation clearing

Normalized accrual		150,002
Test year accrual		<u>144,831</u>
		<u><u>5,171</u></u>

The allocation of the increase in depreciation on transportation equipment is based actual test year transportation clearing.

<u>Account</u>	<u>%</u>	<u>Amount</u>
Construction and retirement WIP	34%	\$1,781
Others	1%	61
Distribution - operations	15%	778
Distribution - maintenance	27%	1,391
Consumer accounts	7%	358
Consumer service and information	6%	295
Administrative and general	10%	507
Total	<u>100%</u>	<u><u>\$5,171</u></u>

Witness: James Adkins

Shelby Energy Cooperative
Case No. 2016-00434
July 31, 2016

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Account Number	Description	Test Year Balance	Existing Rate	Test Year Expense	Proposed Rate	Normalized Expense	Items Fully-Depreciated
Distribution plant:							
364	Poles, towers & fixtures	24,567,655	3.00%	725,698	3.87%	950,768	
365	Overhead conductors & devices	24,115,106	3.00%	711,384	2.91%	701,750	
366	Underground conduit	307,821	3.00%	9,230	2.93%	9,019	
367	Underground conductor & devices	6,660,183	3.00%	193,403	5.10%	339,669	
368	Line transformers	10,381,942	3.00%	306,289	2.26%	234,632	
369	Services	11,166,134	3.00%	332,027	3.21%	358,433	
370	Meters	4,226,007	6.67%	200,836	6.67%	281,875	
371	Installations on customer premises	2,476,615	3.00%	71,930	3.73%	92,378	
373	Street lights	67,096	3.00%	2,013	4.00%	2,684	
		<u>83,968,559</u>		<u>2,552,809</u>		<u>2,971,207</u>	
General plant:							
389	Land	22,085					
390	Structures and improvements	1,356,041	3.00%	22,033	3.00%	22,139	618,075
391	Office furn and eqt	532,081	6.00%	33,293	6.00%	31,925	0
392	Transportation	1,606,236	12.50%	138,510	12.50%	144,005	454,194
393	Stores	5,021	4.80%	0	4.80%	0	5,021
394	Tools, shop and garage	25,181	4.80%	610	4.80%	658	11,473
395	Laboratory	101,744	4.80%	2,387	4.80%	2,844	42,502
396	Power operated	143,326	13.50%	6,321	13.50%	5,997	98,903
397	Communications	261,027	6.50%	8,432	6.50%	9,731	111,313
398	Miscellaneous	48,485	4.80%	2,100	4.80%	1,500	17,229
		<u>4,101,227</u>		<u>213,686</u>		<u>218,799</u>	
	Total electric plant	<u><u>88,069,786</u></u>		<u><u>2,766,495</u></u>		<u><u>3,190,007</u></u>	

Items that are fully depreciated are removed from the ending balance to compute test year depreciation.

Witness: James Adkins

Shelby Energy Cooperative
Changes in Plant Balances
Case No. 2016-00434
July 31, 2016

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		<u>Begin Balance</u>	<u>Additions</u>	<u>Retirements</u>	<u>End Balance</u>
364	Poles, towers & fixtures	23,812,202	1,170,742	415,289	24,567,655
365	Overhead conductors & devices	23,310,509	1,793,434	988,837	24,115,106
366	Underground conduit	307,519	302		307,821
367	Underground conductor & devices	6,233,339	492,941	66,097	6,660,183
368	Line transformers	10,037,306	418,660	74,024	10,381,942
369	Services	10,968,990	289,784	92,640	11,166,134
370	Meters	4,131,089	110,115	15,197	4,226,007
371	Installations on customer premises	2,318,703	307,654	149,742	2,476,615
373	Street lights	67,096	0		67,096
	Subtotal distribution plant	<u>81,186,753</u>	<u>4,583,632</u>	<u>1,801,826</u>	<u>83,968,559</u>
389	Land	22,085	0		22,085
390	Structures and improvements	1,330,057	25,984		1,356,041
391	Office furn and eqt	541,308	8,120	17,347	532,081
392	Transportation	1,627,354	105,189	126,307	1,606,236
393	Stores	5,021	0		5,021
394	Tools, shop and garage	22,026	3,155		25,181
395	Laboratory	96,698	5,046		101,744
396.1	Power operated	143,326	0		143,326
397	Communication	217,478	43,549		261,027
398	Miscellaneous	45,053	3,432		48,485
	Subtotal general plant	<u>4,050,406</u>	<u>194,475</u>	<u>143,654</u>	<u>4,101,227</u>
	Total electric plant in service	<u>85,237,159</u>	<u>4,778,107</u>	<u>1,945,480</u>	<u>88,069,786</u>

Witness: James Adkins

Shelby Energy Cooperative
Changes in Reserve for Depreciation
Case No. 2016-00434
July 31, 2016

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	<u>Begin Balance</u>	<u>Accrual</u>	<u>Original Cost</u>	<u>Removal Cost</u>	<u>Gain/Loss Salvage</u>	<u>Net Charge</u>	<u>End Balance</u>
Distribution plant	15,213,164	2,548,658	1,801,826	729,278	(12,190)	2,543,294	15,218,528
Land							
Structures and improvements	963,114	22,033	0				985,147
Office furn and eqt	237,092	33,293	17,347		5,638		264,747
Transportation	1,071,818	138,510	126,307		125,729		1,084,599
Stores	5,021	0	0				5,021
Tools, shop and garage	16,335	610	0				16,945
Laboratory	73,431	2,387	0				75,818
Power operated	128,715	6,321	0				135,036
Communication	158,026	8,432	0				166,458
Miscellaneous	25,833	2,100	0				27,933
Subtotal general plant	2,679,385	213,686	143,654	0	131,367	0	2,761,704
Retirement WIP	66,908			103,304		103,304	170,212
Total accumulated depreciation	17,825,641	2,762,344	1,945,480	625,974	119,177	2,439,990	17,810,020

Witness: James Adkins

Shelby Energy Cooperative
Case No. 2016-00434
Depreciation Guideline Curve
July 31, 2016

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Year	Distribution Plant in Service	Accumulated Deprec for Distribution	Reserve Ratio	Ratio of Current Distribution Plant to Distribution Plant 10 Years Prior
2015	82,166,935	15,527,557	18.90%	1.60
2014	79,812,477	14,430,008	18.08%	1.65
2013	74,664,345	13,219,502	17.71%	1.64
2012	72,548,174	11,941,580	16.46%	1.70
2011	69,239,015	11,765,391	16.99%	1.73
2005	51,243,615	6,339,269	12.37%	
2004	48,260,929	5,881,732	12.19%	
2003	45,529,279	5,214,347	11.45%	
2002	42,674,116	4,885,497	11.45%	
2001	40,064,377	4,876,602	12.17%	

Shelby Energy Cooperative
Case No. 2016-00434
Analysis of Other Operating Taxes
12 Months Ended
July 31, 2016

Line No.	<u>Item</u> (a)	<u>Charged Expense</u> (b)	<u>Charged to Construction</u> (c)	<u>Charged to Other Accounts</u> (d)	<u>Amounts Accrued</u> (e)	<u>Amount Paid</u> (f)
14	1. Kentucky Retail:					
15	(a) State Income					
16	(b) Franchise Fees					
17	(c) Ad Valorem	\$ 788,376			\$ 788,376	\$ 788,376
18	(d) Payroll (Employer's Portion	139,298	76,904	18,645	234,847	234,847
19	(e) Other Taxes	53,104			53,104	53,104
20	2. Total Retail					
21	(L1(a) through L1(e))	980,778	76,904	18,645	1,076,327	1,076,327
22	3. Other Jurisdictions					
24	Total Per Books (L2 and L3)	\$ 980,778	\$ 76,904	\$ 18,645	\$ 1,076,327	\$ 1,076,327

Shelby Energy Cooperative
Case No. 2016-00434
Property Tax Adjustment

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Payments:	<u>2015</u>	<u>2014</u>	<u>Increase (Decrease)</u>
Ky State Treas	10.00	10.00	0.00
Ky State Treas	248,765.43	241,283.87	7,481.56
KY State Treas - PSC	53,496.40	53,079.18	417.22
Shelby County	231,288.92	221,461.46	9,827.46
Henry County	183,024.32	172,825.41	10,198.91
Trimble County	90,224.23	86,785.85	3,438.38
Carrol County	27,585.50	26,346.62	1,238.88
Oldham County	2,953.95	2,851.45	102.50
Spencer County	1,426.83	1,354.35	72.48
Owen County	382.83	374.91	7.92
Jefferson County	371.00	285.45	85.55
Anderson County	856.72	824.31	32.41
Franklin County	203.32	196.52	6.80
City of Shelbyville	355.75	362.79	(7.04)
Town of Milton	110.55	107.01	3.54
City of Campbellsburg	104.88	101.24	3.64
City of Simpsonville	7.39	7.92	(0.53)
City of Bedford	4.30	3.69	0.61
	<u>841,479.55</u>	<u>814,694.32</u>	<u>32,910.29</u>
Allocation of adjustment:			
Overhead line exp	583	26,565	
Meter exp	586	1,247	
Customer installation exp	587	1,182	
Miscellaneous distribution exp	588	1,570	
Consumer records	903	1,177	
Misc customer service	910	392	
Office supply and exp	921	776	
		<u>32,909</u>	

Shelby Energy Cooperative

Case No. 2016-00434

July 31, 2016

Adjustment for Interest on Long Term Debt

The adjustment for interest on long-term debt results in an increase of \$70,976.

This adjustment has been calculated by multiplying the test year end debt amounts by the interest rates in effect at the end of the test year for each loan.

RUS loans	\$ 71,966
FFB loans	657,816
CFC loans	<u>813,162</u>
Total annualized interest	1,542,944
Test year interest expense	<u>1,471,968</u>
Adjustment	<u>\$ 70,976</u>

During the test year Shelby refinanced certain RUS loans with proceeds from CFC.

Witness: James Adkins

Shelby Energy Cooperative
Case No. 2016-00434
Schedule of Outstanding Long-Term Debt
July 31, 2016

Format 8a
Schedule 2

Type of Debt Issued (a)	Date of Issue (b)	Date of Maturity (c)	Outstanding Amount (d)	Cost Rate to Maturity (g)	Annualized Cost Col (d)x(g) (j)	Test Year Interest Cost
RUS loans						
1B310	Dec-94	Dec-29	0	var	0	486,324
1B320	Apr-98	Mar-33	1,059,146	2.125%	22,507	23,070
1B325	Apr-98	Mar-33	655,420	4.125%	27,036	27,712
1B326	Apr-98	Mar-33	445,333	4.500%	20,040	20,541
1B327	Apr-98	Mar-33	52,968	4.500%	2,384	2,443
			<u>2,212,867</u>		<u>71,966</u>	<u>560,090</u>
FFB loans						
H0010	Sep-99	Aug-34	1,639,320	4.512%	73,966	77,690
H0020	Sep-99	Aug-34	716,928	4.472%	32,061	33,683
H0025	Sep-99	Aug-34	807,762	5.298%	42,795	44,754
H0030	May-01	Apr-36	751,759	4.408%	33,138	34,608
H0035	May-01	Apr-36	781,557	5.316%	41,548	43,180
H0040	May-01	Apr-36	761,007	4.630%	35,235	36,752
H0045	May-01	Apr-36	761,226	4.554%	34,666	36,175
H0050	May-01	Apr-36	1,909,081	4.787%	91,388	95,241
H0055	May-01	Apr-36	986,470	4.392%	43,326	45,253
H0060	May-01	Apr-36	1,294,208	4.474%	57,903	60,450
H0065	May-01	Apr-36	1,539,373	4.207%	64,761	67,716
H0070	May-01	Apr-36	1,091,649	4.207%	45,926	49,416
H0075	Sep-14	Sep-49	2,684,548	0.390%	10,470	8,951
H0080	Oct-14	Sep-49	4,508,799	0.390%	17,584	15,033
H0080	Oct-14	Sep-49	1,874,387	0.390%	7,310	10,818
F0090	Sep-14	Aug-49	1,300,000	0.390%	5,070	7,495
H0085	Sep-14	Aug-49	5,300,000	0.390%	20,670	0
			<u>28,708,074</u>		<u>657,816</u>	<u>667,213</u>
CFC loans						
9011	Mar-77	Feb-12	33,540	6.40%	2,147	2,278
9012	Jun-78	Jun-13	178,155	6.55%	11,669	12,384
9013	Feb-81	Jan-16	273,894	6.55%	17,940	19,040
9014	Jun-83	May-18	446,537	6.60%	29,471	31,278
9015	Oct-85	Oct-20	496,493	6.65%	33,017	35,041
9016	Apr-95	Mar-30	723,803	6.65%	48,133	51,083
9015	Oct-85	Oct-20	324,160	3.20%	10,373	11,009
9016005	Aug-15	Aug-16	58,894	3.50%	2,061	258
9016006	Aug-15	Aug-17	214,233	3.75%	8,034	1,004
9016007	Aug-15	Aug-18	214,813	4.00%	8,593	1,074
9016008	Aug-15	Aug-19	201,351	4.20%	8,457	1,057

Shelby Energy Cooperative

Case No. 2016-00434

Schedule of Outstanding Long-Term Debt

July 31, 2016

Format 8a
Schedule 2

	Type of Debt Issued (a)	Date of Issue (b)	Date of Maturity (c)	Outstanding Amount (d)	Cost Rate to Maturity (g)	Annualized Cost Col (d)x(g) (j)	Test Year Interest Cost
51	9016009	Aug-15	Aug-20	211,557	4.35%	9,203	1,150
52	9016010	Aug-15	Aug-21	222,562	4.50%	10,015	1,252
53	9016011	Aug-15	Aug-22	170,424	4.60%	7,840	980
54	9016012	Aug-15	Aug-23	161,014	4.70%	7,568	946
55	9016013	Aug-15	Aug-24	169,216	4.80%	8,122	1,015
56	9016014	Aug-15	Aug-25	152,424	4.90%	7,469	934
57	9016015	Aug-15	Aug-26	102,296	4.95%	5,064	633
58	9016016	Aug-15	Aug-27	96,919	5.05%	4,894	612
59	9019001	Nov-15	Nov-16	271,435	2.60%	7,057	882
60	9019002	Nov-15	Nov-17	506,194	2.70%	13,667	1,708
61	9019003	Nov-15	Nov-18	521,128	2.75%	14,331	1,791
62	9019004	Nov-15	Nov-19	535,222	2.90%	15,521	1,940
63	9019005	Nov-15	Nov-20	549,387	3.20%	17,580	2,198
64	9019006	Nov-15	Nov-21	567,959	3.30%	18,743	2,343
65	9019007	Nov-15	Nov-22	586,255	3.40%	19,933	2,492
66	9019008	Nov-15	Nov-23	605,597	3.45%	20,893	2,612
67	9019009	Nov-15	Nov-24	624,807	3.55%	22,181	2,773
68	9019010	Nov-15	Nov-25	647,507	3.60%	23,310	2,914
69	9019011	Nov-15	Nov-26	670,123	3.65%	24,459	3,057
70	9019012	Nov-15	Nov-27	693,852	3.70%	25,673	3,209
71	9019013	Nov-15	Nov-28	717,856	3.75%	26,920	3,365
72	9019014	Nov-15	Nov-29	738,074	3.80%	28,047	3,506
73	9019015	Nov-15	Nov-30	665,482	3.85%	25,621	3,203
74	9019016	Nov-15	Nov-31	690,286	3.90%	26,921	3,365
75	9019017	Nov-15	Nov-32	715,641	3.90%	27,910	3,489
76	9019018	Nov-15	Nov-33	743,272	3.95%	29,359	3,670
77	9019019	Nov-15	Nov-34	771,562	3.95%	30,477	3,810
78	9019020	Nov-15	Nov-35	801,063	4.00%	32,043	4,005
79	9019021	Nov-15	Nov-36	831,668	4.00%	33,267	4,158
80	9019022	Nov-15	Nov-37	863,941	4.00%	34,558	4,320
81	9019023	Nov-15	Nov-38	897,191	4.00%	35,888	4,486
82	9019024	Nov-15	Nov-39	468,387	4.00%	18,735	2,342
83				<u>20,136,174</u>		<u>813,162</u>	<u>244,665</u>
84	Total long term debt and annualized cost			<u>51,057,115</u>		<u>1,542,944</u>	<u>1,471,968</u>

85							
86	Annualized cost rate [Total Col. (j) / Total Col. (d)]					3.02%	
87	Actual test year cost rate [Total Col (k) / Total Reported in Col (d)]						2.88%
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Shelby Energy Cooperative
Case No. 2016-00434
Schedule of Short Term Debt
July 31, 2016

Format 8b

Adjustment for Short Term Interest

Short-term borrowings are from CFC. It is estimated that if rates are approved that it will take approximately a year to repay the short-term borrowings, therefore, it is estimated that one-half of the annualized interest will be paid.

Type of Debt Instrument	Date of Issue	Date of Maturity	Amount Outstanding	Interest Rate	Annualized Cost
(a)	(b)	(c)	(d)	(e)	(f)
CFC	5/27/2016	4/5/2018	205,652	2.10%	4,319
Annualized cost rate [Total col. (f) / Total col. (d)]					2.10%
Actual interest paid, or accrued on Short Term Debt during the Test Year					<u>11,597</u>

Witness: James Adkins

Shelby Energy Cooperative, Inc.
Case No. 2016-00434
Right of Way Adjustment

Attached is Shelby's right of way plan for the next 5 years. The adjustment was to normalize the test year right of way expense by the average of the 5 year total cost.

The calculation for the 5 year average is as follows:

Total costs for the 5 years	9,816,353
Number of years	<u>5</u>
Average of the 5 year plan	<u>1,963,271</u>

The adjustment to normalize right of way is as follows:

593.20	O.C.R. maintenance - Planned	165,318
593.30	Right of way - Planned	2,145,316
593.35	Right of way - Spraying	130,765
593.40	Air Patrol	<u>17,670</u>
		2,459,069
	Average of the 5 year plan	<u>1,963,271</u>
	Right of way adjustment	<u>495,798</u>

5 YEAR SEC RIGHT OF WAY PLAN

Substation	Feeder	Name	Miles	Last Cut	Cut	Last Sprayed	1st Spray	2nd Spray	Next Cut
Clayvillage 2	3	Benson East	148	2006	2017		2018	2020	2022
Milton 7	4	Liberty Ridge	31	2009	2017		2018	2020	2022
Milton 7	2	South 421/Milton-Bedford	53	2009	2017		2018	2020	2022
Milton 7	1	Moffet Rd.	3	2009	2017		2018	2020	2022
Milton 7	3	Pecks Pike	22	2011	2017		2018	2020	2022
Clayvillage 2	1	Vigo/Clear Creek	59	2008	2017		2018	2020	2022
New Castle 3	1	Ditto (60 mile total cut 1/2)	30	2008	2017		2018	2020	2022
		Subtotal	346						
New Castle 3	1	Ditto (60 mile total cut 1/2)	30	2008	2018		2019	2021	2023
Campbellsburg 4	4	State Police	43	2008	2018		2019	2021	2023
Logan 10	1	Ardmore/Brassfield	83	2011	2018		2019	2021	2023
Southville 6	1	Rockbridge	84	2011	2018		2019	2021	2023
Clayvillage 2	5	Benson West	9	2008	2018		2019	2021	2023
Jericho 11	3	South Lake Jericho	44	2010	2018		2019	2021	2023
Logan 1	2	Logan/Finchville	20	2010	2018		2019	2021	2023
Southville 6	2	Pea Ridge	39	2011	2018		2019	2021	2023
Industrial Park	all		5	2013	2018	2014	2019	2021	2023
		Subtotal	357						
Southville 6	3	Southville Pike	55	2012	2019	2014	2020	2022	2024
Clayvillage 2	4	Hempridge	35	2012	2019	2014	2020	2022	2024
Jericho 11	1	Pendleton North	56	2012	2019	2015	2020	2022	2024
Campbellsburg 4	2	Maddox Rdg.	98	2014	2019	2015	2020	2022	2024
Long Run 13	1 and 2	Long Run / Aiken Rd.	32	2014	2019	2015	2020	2022	2024
Clayvillage 2	2	Beard	54	2014	2019	2015	2020	2022	2024

Witness: James Adkins

		Subtotal	330						
Campbellsburg 4	3	Hillsboro	58	2014	2020	2014	2021	2023	2025
New Castle 3	3	Hwy 146 West	39	2014	2020	2016	2021	2023	2025
Bedford 5	1	Kings Rdg./ East Prong	68	2015	2020	2016	2021	2023	2025
Bedford 5	2	42/Carlisle	46	2016	2020	2016	2021	2023	2025
Campbellsburg 4	1	Munford/Mound Hill	94	2015	2020	2016	2021	2023	2025
Logan 1	4	Joyces Station/Webb Rd.	59	2015	2020	2016	2021	2023	2025
		Subtotal	364						
Bedford 5	4	Mount Pleasant	47	2016	2021		2022	2024	2026
Bedford 5	3	South Hwy 421/Barebone	74	2016	2021		2022	2024	2026
Jericho 11	2	Old Jericho/Walnut Hills	40	2016	2021		2022	2024	2026
Logan 1	3	Brunerstown/Pound Ln.	72	2016	2021		2022	2024	2026
New Castle 3	2	South Property	110	2016	2021		2022	2024	2026
Veechdale 15	1	Old Veechdale Rd.	3	2016	2021		2022	2024	2026
		Subtotal	346						
		Grand Total	1743						

5 Year Option										
Cut Year	Miles	Average \$\$/mile	Annual ROW Cutting	1st Spray	2nd Spray		Ticket Crews	Crew \$\$/year	Extended Cost	Total Expense
2017	346	\$ 5,100	\$ 1,764,600	\$ 100,340	\$ 87,000		2	\$ 210,000	\$ 420,000	\$ 2,371,940
2018	357	\$ 4,500	\$ 1,606,500	\$ 103,350	\$ 89,610		1.5	\$ 216,300	\$ 324,450	\$ 2,123,910
2019	330	\$ 4,200	\$ 1,386,000	\$ 109,835	\$ 92,298		1	\$ 222,789	\$ 222,789	\$ 1,810,922
2020	364	\$ 3,800	\$ 1,383,200	\$ 104,574	\$ 109,644		1	\$ 229,473	\$ 229,473	\$ 1,826,891
2021	346	\$ 3,500	\$ 1,211,000	\$ 118,809	\$ 116,524		1	\$ 236,357	\$ 236,357	\$ 1,682,689
TOTALS			\$ 7,351,300	\$ 536,908	\$ 495,076				\$ 1,433,069	\$ 9,816,353
										\$ 1,963,271

Witness: James Adkins

Shelby Energy Cooperative
Case No. 2016-00434
Retirement and Security

Shelby Energy provides pension benefits for substantially all employees through participation in the National Rural Electric Cooperative Association (NRECA) Retirement and Security (R & S) Program. It is the policy of Shelby Energy to fund pension costs accrued. R & S contributions are based on base salary at a rate determined by NRECA.

The adjustment is to normalize the R & S contributions using the rate for 2016 and normalized base wages for full-time salary and hourly employees. Quasi retired employees are those that have more than 30 years in the Plan and are no longer eligible to participate. The employees can remain with Shelby and participate in all other benefits. The contribution rate for 2016 and 2015 are as follows:

		Contribution Rate
	2016	22.24%
	2015	22.24%
Proposed R & S contributions	261,936	
Proposed 401(k) contributions	<u>106,611</u>	368,547
Test year R & S contributions	265,969	
Test year 401(k) contributions	<u>111,800</u>	<u>377,769</u>
Proposed adjustment		<u><u>(9,222)</u></u>

The adjustment is allocated as follows:

		<u>Percent</u>	<u>Amount</u>
107	Capitalized	32.71%	(3,017)
163 - 416	Clearing and others	8.04%	(741)
580	Operations	13.29%	(1,226)
590	Maintenance	19.17%	(1,768)
901	Consumer accounts	8.04%	(742)
908	Customer service	9.96%	(919)
912	Sales	0.31%	(29)
920	Administrative and general	<u>8.47%</u>	<u>(781)</u>
		<u>100.00%</u>	<u><u>(\$9,222)</u></u>

Shelby Energy Cooperative

Case No. 2016-00434

R&S Adjustment

Employee Number	Regular Wages	R&S		401(k)	
		Rate	Amount	Rate	Amount
Salaried Employees:					
601	██████████			2.0%	██████████
702	██████████	22.240%	██████████	2.0%	██████████
706	██████████	22.240%	██████████	2.0%	██████████
801	██████████	22.240%	██████████	2.0%	██████████
1304	██████████			2.0%	██████████
1307	██████████			2.0%	██████████
1316	██████████			12.0%	██████████
2314	██████████	22.240%	██████████	2.0%	██████████
Subtotal Salaried	676,001		70,291		20,170
Hourly Employees:					
208	██████████	22.240%	██████████	2.0%	██████████
210	██████████	22.240%	██████████	2.0%	██████████
301	██████████			12.0%	██████████
302	██████████			2.0%	██████████
304	██████████	22.240%	██████████	2.0%	██████████
306	██████████	22.240%	██████████	2.0%	██████████
310	██████████			9.0%	██████████
403	██████████	22.240%	██████████	2.0%	██████████
501	██████████			2.0%	██████████
503	██████████	22.240%	██████████	2.0%	██████████
705	██████████	22.240%	██████████	2.0%	██████████
709	██████████			12.0%	██████████
710	██████████			11.0%	██████████
1101	██████████			12.0%	██████████
1303	██████████			11.0%	██████████
1306	██████████	22.240%	██████████	2.0%	██████████
1308	██████████	22.240%	██████████	2.0%	██████████
1310	██████████			10.0%	██████████
1311	██████████			8.0%	██████████
1313	██████████			9.0%	██████████
1314	██████████			2.0%	██████████
1315	██████████			1.0%	██████████
1317	██████████	22.240%	██████████	2.0%	██████████
1403	██████████	22.240%	██████████	2.0%	██████████
1701	██████████			12.0%	██████████

Shelby Energy Cooperative
Case No. 2016-00434
R&S Adjustment

Employee Number	Regular Wages	R&S		401(k)	
		Rate	Amount	Rate	Amount
1801	██████	22.240%	██████	2.0%	██████
1902	██████			2.0%	██████
1911	██████			11.0%	██████
1912	██████			3.0%	██████
2306	██████	22.240%	██████	2.0%	██████
2309	██████	22.240%	██████	2.0%	██████
2312	██████	22.240%	██████	2.0%	██████
2315	██████			10.0%	██████
Subtotal hourly	1,828,363		191,645		86,441
Summer and Part Time Employees:					
708	██████				
1318	██████				
1319	██████				
1802	██████				
2316	██████				
Subtotal summ	49,900				
Retirees:					
1305				12.0%	0
Subtotal retiree	0				
Total	2,554,264		261,936		106,611

1 SHELBY ENERGY COOPERATIVE
2 CASE NO. 2016-00434
3 ADJUSTMENT FOR DONATIONS, ACCOUNT 426

Exhibit 8
page 1 of 2

Witness: James Adkins

CHECK
NUMBER AMOUNT

<u>VENDOR NAME</u>	<u>DESCRIPTION</u>	<u>DATE</u>	<u>NUMBER</u>	<u>AMOUNT</u>
7 FRATERNAL ORDER OF POLICE	SHOP WITH A COP CONTRIBUTION	8/4/2015	62880	250.00
8 HENRY COUNTY HIGH SCHOOL	VOLLEYBALL TOURNAMENT SPONSOR	8/19/2015	62991	100.00
9 BAGDAD RURITAN CLUB	FALL FESTIVAL DONATION	8/28/2015	63072	50.00
10 HANNA'S DAY OF HOPE	HOLE SPONSOR FOR GOLF TOURNAMENT	8/28/2015	63071	100.00
11 CANDICE WAFORD	8/2015 EXPS. 67 MILES & ROTARY	8/31/2015	63152	44.00
12 TRIMBLE COUNTY HIGH SCHOOL	DONATION: CROSS COUNTRY: BANNER	9/3/2015	63148	100.00
13 FIRST PRESBYTERIAN CHURCH	DONATION: CHILDRENS BEDDING	9/3/2015	63157	100.00
14 CANDICE WAFORD	9/2015 EXPS. 67 MILES & ROTARY	9/30/2015	63422	91.60
15 MILTON ELEMENTARY SCHOOL PTO	DONATION: FISH FRY & AUCTION	10/14/2015	63456	75.00
16 DORMAN PRESCHOOL CENTER	DONATION: FUNDRAISER	10/14/2015	63489	100.00
17 HENRY COUNTY TOUCHDOWN CLUB	SIGN RENEWALSPONSORSHIP	11/9/2015	63686	100.00
18 CITY OF CAMPBELLSBURG	LIGHT UP CAMPBELLSBURG	11/9/2015	63689	100.00
19 TRIMBLE COUNTY HIGH SCHOOL	LADY RAIDERS BASKETBALL SPONSOR	11/24/2015	63835	200.00
20 CANDICE WAFORD	11/2015 EXPS - 112 MILES	11/30/2015	63874	44.00
21 VISA	HOLIDAY & AWARDS DINNER EXP -	12/20/2015	64094	35.25
22 CANDICE WAFORD	12/2015 EXP: ROTARY NOV & DEC	12/30/2015	64063	70.40
23 TRIMBLE COUNTY HIGH SCHOOL	2016 PROM	1/5/2016	64124	100.00
24 BAGDAD BAPTIST CHURCH	BAGDAD DAY 2016	1/5/2016	64127	100.00
25 CANDICE WAFORD	1/2016 EXP:JAN ROTARY-47 MI-PHNE	1/31/2016	64309	56.40
26 HENRY COUNTY CATCHER'S CLUB	2016 SIGN RENEWAL	2/9/2016	64397	75.00
27 SHELBY COUNTY	2016 ROCKET & COLLINS PROJCT GRD	2/25/2016	64496	200.00
28 THE BERRY CENTER	HARVEST SHOWCASE	2/25/2016	64520	250.00
29 TRIMBLE COUNTY	2016 SUMMER READING PRGM	2/25/2016	64510	300.00
30 KCJEA	MEMBERSHIP FEE	2/25/2016	64521	200.00
31 CANDICE WAFORD	2/2016 EXP: 123 MI	2/29/2016	64565	35.20
32 SHELBY COUNTY COMMUNITY	MICHAEL LONG GOLF SCRAMBLE	3/1/2016	64569	50.00
33 CITY OF BEDFORD	BI-CENNTENNIAL	3/9/2016	64618	100.00
34 TRIMBLE COUNTY 4-H COUNCIL	4-H SUMMER YOUTH CAMP	3/17/2016	64681	100.00
35 VISA		3/20/2016	64804	347.68

1 SHELBY ENERGY COOPERATIVE
2 CASE NO. 2016-00434
3 ADJUSTMENT FOR DONATIONS, ACCOUNT 426

Exhibit 8
page 2 of 2

Witness: James Adkins

CHECK
NUMBER AMOUNT

<u>VENDOR NAME</u>	<u>DESCRIPTION</u>	<u>DATE</u>	<u>NUMBER</u>	<u>AMOUNT</u>
MARTHA LAYNE COLLINS	DRAMA SPONSORSHIP (SILVER)	3/22/2016	64721	100.00
HENRY COUNTY HIGH SCHOOL	2016 PROJECT GRADUATION	3/29/2016	64741	100.00
TRIMBLE COUNTY HIGH SCHOOL	SOFTBALL FIELD SIGN RENEWAL	3/30/2016	64743	100.00
CANDICE WAFORD	3/2016 EXP: 159 MI	3/31/2016	64792	35.20
KYLE HOUCHIN WILDLIFE	HOLE SPONSOR-GOLF SCRAMBLE	4/6/2016	64868	50.00
WHAS CRUSADE FOR CHILDREN	HOLE SPONSOR-GOLF SCRAMBLE	4/6/2016	64865	100.00
CARROLL COUNTY YOUTH	DONATION-CHRISTMAS PROJECT	4/6/2016	64873	100.00
PLEASUREVILLE ECONOMIC	DONATION-PLEASUREVILLE ECON DEV	4/6/2016	64877	100.00
HABITAT FOR HUMANITY	HOLE SPONSOR-GOLF CLASSIC	4/6/2016	64872	150.00
AMERICAN CANCER SOCIETY	SPONSOR-RELAY FOR LIFE 2016	4/7/2016	64878	100.00
TRIMBLE COUNTY YOUTH	DONATION-NEW FENCE SIGN W/ LOGO	4/7/2016	64875	250.00
CITY OF CAMPBELLSBURG	GOLD SPONSOR: DAY FESTIVAL	4/21/2016	64949	150.00
TRIMBLE COUNTY	DONATION	4/26/2016	64952	100.00
BEDFORD ROTARY CLUB	4TH QUARTER DUES JOHNNA DEWITT	4/26/2016	64983	119.00
UET HENRY COUNTY HIGH SCHOOL	MEAL SPONSOR - 2016 FFA BANQUET	5/2/2016	65025	50.00
EMMA DURHAM GOLF SCRAMBLE	ANNUAL GOLF SCRAMBLE	5/10/2016	65075	70.00
TRIMBLE COUNTY HIGH SCHOOL	DONATION	5/16/2016	65114	50.00
BEDFORD BASH	COMMUNITY FESTIVAL SPONSORSHIP	7/5/2016	65476	40.00
FRATERNAL ORDER OF POLICE	SHOP WITH A COP CONTRIBUTION	7/11/2016	65500	250.00
BEDFORD ROTARY CLUB	1ST QUARTER DUES: JOHNNA DEWITT	7/12/2016	65510	119.00
HENRY COUNTY LADY CAT GOLF	HOLE SPONSOR	7/18/2016	65585	60.00
OHIO VALLEY UNITED CHARITIES	2016 GOLF SCRAMBLE SPONSOR	7/18/2016	65573	100.00
TRIMBLE COUNTY HIGH SCHOOL	DONATION: CROSS COUNTRY: BANNER	7/20/2016	65576	100.00
HENRY COUNTY ECONOMIC	CONTRIBUTION	7/21/2016	65583	1,000.00

60
61 6,867.73

62 ALL DONATIONS HAVE BEEN REMOVED FOR RATE-MAKING PURPOSES.
63

Shelby Energy Cooperative
Case No. 2016-00434
Professional Services

The Board of Directors has a responsibility to select an attorney to represent the board and cooperative to maintain the legal entity. The duties and responsibilities of the attorney are to perform routine services, special services, and other services for the cooperative. The attorney also attends the monthly and special board meetings. Services are billed at the normal hourly billing rates for the attorney and his staff.

The Board of Directors hires the outside auditor to perform the annual audit.

Adjustments are to remove items that are normally excluded or rate-making purposes. Among the expenses excluded are costs for attending legal seminars, health insurance premiums, Christmas gifts, and costs for one-time events.

The list of \$31,332 of costs that have been removed for rate-making purposes is attached.

Shelby Energy Cooperative
Case No. 2016-00434

Professional Services
July 31, 2016

<u>Line No</u>	<u>Item</u>	<u>Rate Case</u>	<u>Annual Audit</u>	<u>Other</u>	<u>Total</u>
1	Legal	\$ -	\$ -	\$ 48,912	\$ 48,912
2	Engineering	\$ -	\$ -	\$ 7,933	\$ 7,933
3	Accounting	\$ 16,181	\$ -	\$ 4,665	\$ 20,846
4	Other	\$ -	\$ -	\$ -	\$ -
5	Total	<u>\$ 16,181</u>	<u>\$ -</u>	<u>\$ 61,510</u>	<u>\$ 77,691</u>

1 Shelby Energy Cooperative
2 Case No. 2016-00434
3 Professional Services

4	5	6	7	8	9
DATE	CHECK	VENDOR NAME	DESCRIPTION	AMOUNT	
08/01/15	63010	MATHIS, RIGGS, PRATHER	RECORD BOARD MINUTES	534.00	
08/01/15	62842	MATHIS, RIGGS, PRATHER	ATTORNEY - RETAINER FEE	200.00	
08/01/15	63010	MATHIS, RIGGS, PRATHER	MISC LEGAL SVCS	67.50	
08/21/15	63199	MATHIS, RIGGS, PRATHER	MISC LEGAL SVCS	54.00	
09/01/15	63089	MATHIS, RIGGS, PRATHER	ATTORNEY - RETAINER FEE	200.00	
09/30/15	63473	MATHIS, RIGGS, PRATHER	RECORD BOARD MINUTES	534.00	
10/01/15	63370	MATHIS, RIGGS, PRATHER	ATTORNEY - RETAINER FEE	200.00	
10/31/15	63699	MATHIS, RIGGS, PRATHER	RECORD BOARD MINUTES	631.00	
11/01/15	63675	MATHIS, RIGGS, PRATHER	ATTORNEY - RETAINER FEE	200.00	
11/30/15	63929	MATHIS, RIGGS, PRATHER	RECORD BOARD MINUTES	361.00	
11/30/15	63929	MATHIS, RIGGS, PRATHER	PSC ORDERS	40.50	
12/01/15	63863	MATHIS, RIGGS, PRATHER	ATTORNEY - RETAINER FEE	200.00	
12/31/15	64209	MATHIS, RIGGS, PRATHER	RECORD BOARD MINUTES	461.00	
12/31/15	64209	MATHIS, RIGGS, PRATHER	PSC ORDERS	54.00	
01/01/16	64115	MATHIS, RIGGS, PRATHER	ATTORNEY - RETAINER FEE	200.00	
01/31/16	64404	MATHIS, RIGGS, PRATHER	RECORD BOARD MINUTES	447.50	
02/02/16	64333	MATHIS, RIGGS, PRATHER	ATTORNEY - RETAINER FEE	200.00	
02/29/16	64603	MATHIS, RIGGS, PRATHER	RECORD BOARD MINUTES	205.50	
03/01/16	64529	MATHIS, RIGGS, PRATHER	ATTORNEY - RETAINER FEE	200.00	
03/31/16	64885	MATHIS, RIGGS, PRATHER	ADA MISC LEGAL	490.00	x
03/31/16	64885	MATHIS, RIGGS, PRATHER	RECORD BOARD MINUTES	455.00	
04/01/16	64779	MATHIS, RIGGS, PRATHER	ATTORNEY - RETAINER FEE	200.00	
04/06/16	65107	MATHIS, RIGGS, PRATHER	RECORD BOARD MINUTES	366.00	
04/18/16	65010	VISA	NRECA - LEGAL SEMINAR	835.00	x
05/01/16	64976	MATHIS, RIGGS, PRATHER	ATTORNEY - RETAINER FEE	200.00	
05/31/16	65287	MATHIS, RIGGS, PRATHER	RECORD BOARD MINUTES	903.50	
05/31/16	65287	MATHIS, RIGGS, PRATHER	MISC LEGAL SVCS - CONDEMNATION	135.00	
05/31/16	65287	MATHIS, RIGGS, PRATHER	MISC LEGAL SVCS - REFINANCE	3,427.60	
06/01/16	65184	MATHIS, RIGGS, PRATHER	ATTORNEY - RETAINER FEE	200.00	
06/30/16	65546	MATHIS, RIGGS, PRATHER	RECORD BOARD MINUTES	232.41	
07/01/16	65419	MATHIS, RIGGS, PRATHER	ATTORNEY - RETAINER FEE	200.00	
12/02/15	64002	KAEC	KAEC ANNUAL MTG	121.00	x
12/17/15	64028	DON PRATHER	MILEAGE	37.95	x
VAR	VAR	EAST KENTUCKY POWER COOP	MEDICAL: ATTY PENSION & BENEFITS	16,131.54	x
VAR	VAR	MATHIS, RIGGS, PRATHER	GR. MEDICAL - RETIREE	(1,290.62)	x
VAR	VAR	NRECA	NRECA ATTY AD&D	16.20	x
VAR	VAR	HEALTHSMART BENEFIT	ADMIN FEE	1,159.69	x
08/12/15	63011	KAEC	WARREN SALES TAX ISSUES	1,240.60	x
09/04/15	63200	KAEC	WARREN SALES TAX ISSUES	1,636.49	x

1 Shelby Energy Cooperative

2 Case No. 2016-00434

3 Professional Services

4	5	6	7	8	9	10
	DATE	CHECK	VENDOR NAME	DESCRIPTION	AMOUNT	
48	10/21/15	63663	KAEC	WARREN SALES TAX ISSUES	1,165.64	x
49	10/21/15	63663	KAEC	WARREN SALES TAX ISSUES	1,717.77	x
50	12/04/15	64002	KAEC	WARREN SALES TAX ISSUES	571.87	x
51	12/22/15	64051	KAEC	WARREN SALES TAX ISSUES	1,125.82	x
52	01/29/16	64363	KAEC	WARREN SALES TAX ISSUES	666.78	x
53	03/02/16	64626	KAEC	WARREN SALES TAX ISSUES	404.71	x
54						
55	09/08/15	63205	CRAWFORD & BAXTER, P.S.C.	ATTORNEY - MISCELLANEOUS	210.00	
56	10/06/15	63487	CRAWFORD & BAXTER, P.S.C.	ATTORNEY - MISCELLANEOUS	70.00	
57	11/11/15	63787	CRAWFORD & BAXTER, P.S.C.	ATTORNEY - MISCELLANEOUS	140.00	
58	02/01/16	64390	CRAWFORD & BAXTER, P.S.C.	ATTORNEY - MISCELLANEOUS	35.00	
59	04/11/16	64892	CRAWFORD & BAXTER, P.S.C.	HUMAN RESOURCES ISSUES	1,102.50	
60	05/14/16	65141	CRAWFORD & BAXTER, P.S.C.	POLICIES REVIEWED	245.00	
61	07/07/16	65556	CRAWFORD & BAXTER, P.S.C.	LINEMAN SAFETY TRAINING	52.50	
62						
63	07/19/16	65574	EAST KENTUCKY POWER COOP	LEGAL FEES	541.71	
64						
65	09/07/15	63173	HR ENTERPRISE, INC.	HUMAN RESOURCES	360.00	
66	09/07/15	63173	HR ENTERPRISE, INC.	LEGAL SERVICES UNION	400.00	
67	10/25/15	63598	HR ENTERPRISE, INC.	HUMAN RESOURCES	680.00	
68	11/19/15	63790	HR ENTERPRISE, INC.	HUMAN RESOURCES	1,740.00	
69	06/14/16	65286	HR ENTERPRISE, INC.	HUMAN RESOURCES	920.00	
70	07/04/16	65516	HR ENTERPRISE, INC.	HUMAN RESOURCES	2,120.00	
71	08/01/15	62852	HEALTHSMART BENEFIT	CONSULTANTS - HUMAN RESOURCES	300.00	
72	09/04/15	63260	FROST BROWN TODD, LLC	LEGAL SERVICES UNION	450.00	
73	10/29/15	63660	DINSMORE & SHOHL LLP	DEFERRED COMP PLAN	2,254.00	x
74						
75	08/24/15	63176	GDS ASSOCIATES, INC.	CONSULTANTS - ENGINEERING	1,500.00	
76	09/24/15	63427	GDS ASSOCIATES, INC.	CONSULTANTS - ENGINEERING	1,500.00	
77	10/21/15	63711	GDS ASSOCIATES, INC.	CONSULTANTS - ENGINEERING	630.00	
78	12/22/15	64162	GDS ASSOCIATES, INC.	CONSULTANTS - ENGINEERING	306.00	
79	01/25/16	64378	GDS ASSOCIATES, INC.	CONSULTANTS - ENGINEERING	382.50	
80	02/25/16	64640	GDS ASSOCIATES, INC.	CONSULTANTS - ENGINEERING	480.00	
81	03/23/16	64839	GDS ASSOCIATES, INC.	CONSULTANTS - ENGINEERING	480.00	
82	04/22/16	65071	GDS ASSOCIATES, INC.	CONSULTANTS - ENGINEERING	1,096.00	
83	05/24/16	65212	GDS ASSOCIATES, INC.	CONSULTANTS - ENGINEERING	1,558.00	
84						
85	08/05/15	62931	ALAN M ZUMSTEIN	ANNUAL AUDIT	8,795.00	
86	04/28/16	64993	ALAN M ZUMSTEIN	IRS FORM 990	1,550.00	
87	08/15/15	63014	JAMES R ADKINS	RATE APPLICATION	3,047.50	x
88	12/01/15	64174	JAMES R ADKINS	MISCELLANEOUS RATE WORK	4,338.75	

1 Shelby Energy Cooperative
2 Case No. 2016-00434
3 Professional Services

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DATE	CHECK	VENDOR NAME	DESCRIPTION	AMOUNT	
11/20/15	63878	W. DUDLEY SHRYOCK, CPA, PSC	INTERNAL AUDITING	<u>3,114.75</u>	
				<u>77,739.16</u>	
		REMOVE FOR RATE-MAKING PURPOSES		<u>31,331.94</u>	x

Shelby Energy Cooperative
Case No. 2016-00434
Director Fees and Expenses

Certain director expenses are removed for rate-making purposes. These costs include director health insurance, directors' per diems, Christmas gifts, attending the Legislative conference, directors attending either the KAEC annual meeting or EKPC annual meeting, when the director is not the representative for the respective organization.

Expenses that are not removed for rate-making purposes include costs of attending NRECA director training/education seminars. These seminars are critical for directors to be updated on events and activities related to the electric industry. Also included is D-O-M Liability Insurance that protects the directors for decisions they make on a monthly basis. Without DOM insurance, directors would be hesitant to make any decisions as members, consumers, or any person could file a legal claim against the director(s).

A copy of the Board Policy No. 110 regarding "Director Fees" is attached.

Costs removed for rate-making purposes of \$73,181 are detailed on the following pages.

Directors are as follows:

Ashley Chilton, Chairman	6041 Castle Highway, Pleasureville, KY
Randy Stevens, Vice Chairman	849 New Hope Rd, Bedford, KY
Roger Taylor, Sec-Treas	177 Lake Jerrico, Smithfield, KY
Diana Arnold	455 Hackney Lane, Bedford, KY
Pat Hargadon	461 Buetel Lane, Waddy, KY
R. Wayne Stratton	115 Bluebird Drive, Shelbyville, KY

East Kentucky Power Cooperative representative:

R. Wayne Stratton

Kentucky Association of Electric Cooperative representative:

Randy Stevens

National Rural Electric Cooperative Association representative:

R. Wayne Stratton

Shelby Energy Cooperative
Case No. 2016-00434
Director Fees and Expenses

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DATE	CHECK	VENDOR NAME	DESCRIPTION	Regular	Special	Per Diem	Mileage	Registration	Hotel	Meals	Medical	Allocate to Subsidiary	Include	Exclude	Total
08/27/15	63045			████			████				████	████			████
10/15/15	63482			████			████				████	████			████
11/19/15	63814			████			████				████	████			████
12/17/15	64025			████			████				████	████			████
01/21/16	64249			████			████				████	████			████
02/25/16	64500			████			████				████	████			████
03/21/16	64711			████			████				████	████			████
04/28/16	64979			████			████				████	████			████
05/19/16	65138			████			████				████	████			████
07/14/16	65553			████			████				████	████			████
06/23/16	65475			████			████				████	████			████
			TOTAL ASHLEY CHILTON	████			████				████	████			████
08/27/15	63057			████			████				████	████			████
09/18/15	63249			████			████				████	████			████
10/15/15	63496			████			████				████	████			████
11/19/15	63819			████			████				████	████			████
11/19/15	63819	DIANA S ARNOLD	NRECA DIRECTOR EDUCATION CLASS			████	████		████		████	████			████
12/02/15	64002	KAEC	COORDINATED DIRECTOR TRAINING			████	████	████			████	████			████
12/17/15	64030			████			████				████	████			████
01/21/16	64256			████			████				████	████			████
01/21/16	64256	DIANA S ARNOLD	CFC WORKSHOP			████	████				████	████			████
02/25/16	64513			████			████				████	████			████
03/21/16	64719			████			████				████	████			████
04/28/16	64988			████			████				████	████			████
05/19/16	65147			████			████				████	████			████
06/23/16	65395			████			████				████	████			████
07/14/16	65561			████			████				████	████			████
			TOTAL DIANA ARNOLD	████		████	████	████	████		████	████			████
08/27/15	63058			████			████				████	████			████
09/18/15	63250			████			████				████	████			████
10/15/15	63497			████			████				████	████			████
11/19/15	63820			████			████				████	████			████
11/19/15	63820		KAEC ANNUAL MTG			████	████				████	████			████
12/02/15	64002	KAEC	COORDINATED DIRECTOR TRAINING			████	████	████		████	████	████			████
12/17/15	64031			████			████				████	████			████
01/21/16	64257			████			████				████	████			████
01/21/16	64257	PAT HARGADON	CFC WORKSHOP			████	████				████	████			████
02/25/16	64514			████			████				████	████			████
03/21/16	64720			████			████				████	████			████
04/28/16	64989			████			████				████	████			████
05/19/16	65148			████			████				████	████			████
06/23/16	65398			████			████				████	████			████
07/14/16	65562			████			████				████	████			████
			TOTAL PAT HARGADON	████			████	████		████	████				████
08/27/15	63046			300.00			4.60				556.31	(3.48)			857.43

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Shelby Energy Cooperative
Case No. 2016-00434
Director Fees and Expenses

4	DATE	CHECK	VENDOR NAME	DESCRIPTION	Regular	Special	Per Diem	Mileage	Registration	Hotel	Meals	Medical	Allocate to Subsidiary	Include	Exclude	Total
57	09/18/15	63241			████			██				██	██			██
58	10/15/15	63483			████			██				██	██			██
59	10/19/15	63603	VISA	NRECA REGIONAL CONFERENCE						██						██
60	10/26/15	63682	R WAYNE STRATTON	NRECA REGIONAL CONFERENCE			██	██		██	██					██
61	11/19/15	63815			████			██				██	██			██
62	12/17/15	64026			████			██				██	██			██
63	01/15/16	64220	R WAYNE STRATTON	NRECA REGIONAL CONFERENCE					██							██
64	01/21/16	64250			████			██				██	██			██
65	02/25/16	64501			████			██				██	██			██
66	03/21/16	64712			████			██				██	██			██
67	04/28/16	64980			████			██				██	██			██
68	05/19/16	65139			████			██				██	██			██
69	06/01/16	65406	GENERAL INFORMATION SV BACKGROUND CHECK - STRATTON											██		██
70	06/23/16	65385	R WAYNE STRATTON	EKPC ANNUAL MEETING				██								██
71	06/23/16	65385			████			██				██	██			██
72	06/30/16	65611	ABSO - A STERLING COMPAI BACKGROUND CHECK - STRATTON											██		██
73	07/14/16	65554			████			██				██	██			██
74	07/19/16	65666	VISA	NRECA/CFC REG MG					██							██
75	VAR	VAR	HEALTHSMART BENEFIT	ADM FEE								██				██
76	VAR	VAR	EAST KENTUCKY POWER CO MEDICAL									██				██
77																
78				TOTAL R WAYNE STRATTON	████		██	██	██	██	██	██	██	██		██
79																
80	08/27/15	63055			████			██				██	██			██
81	09/18/15	63246			████			██				██	██			██
82	10/15/15	63492			████			██				██	██			██
83	11/19/15	63818			████			██				██	██			██
84	12/07/15	64002	KAEC	KAEC ANN. MTG			██				██					██
85	12/17/15	64029			████			██				██	██			██
86	01/21/16	64255			████			██				██	██			██
87	02/25/16	64511			████			██				██	██			██
88	03/21/16	64717			████			██				██	██			██
89	04/28/16	64987			████			██				██	██			██
90	05/19/16	65144			████			██				██	██			██
91	06/23/16	65392			████			██				██	██			██
92	06/23/16	65392		EKPC ANNUAL MEETING			██	██								██
93	07/14/16	65559			████			██				██	██			██
94																
95				TOTAL RANDY STEVENS	████		██	██			██	██	██			██
96																
97	08/27/15	63047			████			██				██	██			██
98	09/18/15	63242			████			██				██	██			██
99	10/15/15	63484			████			██				██	██			██
100	11/19/15	63816			████			██				██	██			██
101	11/19/15	63816	ROGER G. TAYLOR, JR.	KAEC ANNUAL MTG			██	██								██
102	12/02/15	64002	KAEC	COORDINATED DIRECTOR TRAINING			██		██							██
103	12/17/15	64107			████			██				██	██			██
104	01/21/16	64251			████			██				██	██			██
105	02/25/16	64502			████			██				██	██			██
106	03/21/16	64713			████			██				██	██			██
107	04/28/16	64981			████			██				██	██			██

**SHELBY ENERGY COOPERATIVE, INC.
Shelbyville, Kentucky**

POLICY NO. 110

DIRECTORS' FEES

I. OBJECTIVE

To establish a Director's fee for attendance at meetings in accordance with Shelby Energy Cooperative's bylaws.

II. CONTENT

1. Directors shall receive a fee of \$300 per month for the time necessary for preparation prior to the meeting and for attendance at Shelby Energy Board meetings and the annual member meeting.
2. While serving on committees of associated organizations or attending other appropriate meetings such as national, regional, state and special meetings of cooperative groups or organizations or while otherwise attending to business of Shelby Energy or functioning as a representative of Shelby Energy, directors will be paid a fee of \$100 per day for each day of the meeting they attend, plus their actual business expenses as covered in Board Policy No. 107. Shelby Energy shall not pay attendance fees or reimburse business expenses to the extent they are paid or reimbursed by other organizations.
3. For travel to out-of-state meetings, Directors will be allowed a maximum of one day of travel time each way. The \$100 per day fee applies to travel time, not to expenses.

III. RESPONSIBILITY

The Chairman of the Board is responsible for the administration of and compliance with this policy.

Reference:	BP 107				
Adopted:	02/02/84				
Revised:	08/29/85	10/27/88	07/01/98	04/22/04	04/28/05
Reviewed:	06/24/99	07/31/07	07/14/11	05/24/13	07/16/15

Shelby Energy Cooperative
Case No. 2016-00434
Miscellaneous Expenses

Amounts removed from Account 930, Miscellaneous Expenses for rate-making purposes include employee meals and picnics, gifts, flower funds for death in families, amounts paid for nominating committee, and others

Annual meeting scholarships, prizes, and giveaways have been removed for rate-making purposes. These costs are included in Account 930.20, Annual Meeting.

The amounts have been removed as follows:

Annual meeting expenses	1,732.48
Thirteen months of Ky Living magazine	6,607.25
Other miscellaneous expenses	<u>8,951.74</u>
	<u><u>17,291.47</u></u>

Shelby Energy Cooperative
Case No. 2016-00434
Account 930 - Miscellaneous General Expenses
July 31 2016

<u>Line No</u>		
1	Industry Association Dues	\$ 61,408
2	Stockholder and Debt Servicing Expenses	-
3	Institutional Advertising	-
4	Conservation Advertising	-
5	Rate Department Load Studies	-
6	Director's Fees and Expenses	106,611
7	Dues and Subscriptions ("Kentucky Living")	87,402
8	Annual Meeting	27,113
9	Miscellaneous	<u>177,963</u>
10	Total	<u>\$ 460,498</u>
	Account 930.20, Miscellaneous	\$ 353,886
	Account 930.21, Director	106,611
		-
		<u>\$ 460,498</u>

SHELBY ENERGY COOPERATIVE
CASE NO. 2016-00434
MISCELLANEOUS EXPENSES - ACCOUNT 930.2

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DATE	CHECK	VENDOR NAME	DESCRIPTION	AMOUNT
08/04/15	63018	EAST KENTUCKY POWER COOP	ANNUAL REPORT AND HANDOUTS	250.00
08/05/15	62963	KAEC	ENTERTAINMENT	575.00
08/05/15	62963	KAEC	ANNUAL MEETING SETUPS	3,612.40
08/05/15	62963	KAEC	BUCKETS AND BULBS	3,831.90
06/14/16	65338	AARON BIBELHAUSER	ENTERTAINMENT	1,000.00
06/16/16	65332	SHELBY ENERGY COOPERATIVE	FOOD AND FOOD BUCKS	200.00
06/19/16	65434	VISA	EMPLOYEE NAME BADGES	188.90
06/19/16	65434	VISA	BANNER	279.84
06/19/16	65434	VISA	SMALL AMERICAN FLAGS	148.12
06/19/16	65434	VISA	BIKES & HELMETS	332.48 x
06/19/16	65434	VISA	SETUPS AND SUPPLIES	92.47
06/20/16	65324	SHELBY ENERGY COOP., INC.	PRIZES AND GIVEAWAYS	1,000.00 x
06/20/16	65327	HENRY COUNTY SHERIFF	DONATIONS (EMS, FIRE DEPT. ETC.)	400.00 x
06/20/16	65333	EMINENCE ROTARY	MEALS	500.00
06/20/16	65405	CLASSIC PRINTING INC	PRINT ANNUAL REPORT	106.00
06/23/16	65401	JMB BIOLOGICAL SERVICES LLC	ENTERTAINMENT	275.00
06/23/16	65481	HENRY COUNTY FOOD SERVICE	BUILDING RENTAL & JANITORIAL FEE	240.24
06/23/16	65481	HENRY COUNTY FOOD SERVICE	MEALS	1,890.99
06/30/16	65608	THE SENTINEL NEWS	ADVERTISING - NEWSPAPER	1,430.00
07/01/16	65615	CAPCITY COMMUNICATIONS CORP	ADVERTISING - RADIO	557.98
07/06/16	65549	HENRY COUNTY	BUILDING RENTAL & JANITORIAL FEE	671.90
07/06/16	65549	HENRY COUNTY	MEALS	361.50
07/19/16	65657	VISA	GOLF CARTS	556.50
06/20/16	65328	BEDFORD ROTARY CLUB	MEALS	500.00
06/20/16	65323	SHELBYVILLE ROTARY	MEALS	500.00
VAR	VAR	EMPLOYEE LABOR AND BENEFITS	ANNUAL MTG LABOR/BENEFITS	42,983.03
			Subtotal Annual Meeting Expenses	62,484.25
08/01/15	63201	NEW HORIZONS CLC LOUISVILLE	VP ENG TRAINING-3 CLASSES	751.80
08/01/15	63201	NEW HORIZONS CLC LOUISVILLE	VP ENG TRAINING-2 CLASSES	501.20
08/17/15	62997	POWER SYSTEM ENGINEERING INC	ACCTG & FINANCE REGISTRATION	395.00
08/17/15	62997	POWER SYSTEM ENGINEERING INC	CEO REGISTRATION	395.00
08/17/15	62997	POWER SYSTEM ENGINEERING INC	CONS ACCT VP/MGR REGISTRATION	395.00
08/19/15	63121	VISA	LINEMAN'S SAFETY TRAINING	1,799.41
08/19/15	63122	VISA	NRECA TAX & FIN CONF EXPENSES	783.34
08/19/15	63123	VISA	MEM SVS MGR/VP - BRAND MTG	473.70
08/19/15	63123	VISA	SAFETY SPV - OSHA TRAINING	462.20
08/19/15	63123	VISA	EMP. TRAINING - LINEMAN'S SAFETY TRNG	110.90
08/19/15	63125	VISA	EMP. TRAINING - LINEMAN'S SAFETY TRNG	219.68
08/19/15	63133	VISA	NRECA A&F CONF EXPENSES	936.23
08/19/15	63137	VISA	EMPLOYEE MEETINGS-OPERATIONS	195.95
08/19/15	63137	VISA	LINEMAN'S SAFETY TRAINING	169.77
08/27/15	63162	KAEC	EMPLOYEE TRAINING - CONSTRUCTION	205.84
08/31/15	63095	DENISE HUME	NRECA ACCT & FIN CONF EXP	244.73
08/31/15	63134	TRALESE MORGAN	HR GENERALIST CONF EXPENSES	123.05
08/31/15	63187	DEBRA MARTIN	CEO - MILEAGE	156.98
09/01/15	63103	NRECA	EXECUTIVE COMPENSATION PLAN CONF	500.00
09/01/15	63419	EXECUTRAIN OF KENTUCKY INC	EMPLOYEE SAFETY TRAINING	280.00
09/07/15	63161	WILL'S GRILL	CONTRACTOR'S DINNER	935.40 x
09/07/15	63173	HR ENTERPRISE, INC.	WAGE & SALARY PLAN	370.00
09/09/15	63277	KAEC	EXECUTIVE ASST CONF REGISTRATION	884.00
09/09/15	63277	KAEC	CEO - BUSINESS OF PROF. WOMEN	884.00
09/09/15	63277	KAEC	CONS ACCT VP/MGR - CONF REGISTRATION	884.00
09/18/15	63314	VISA	UNDERGROUND WORKSHOP EXP - 5 EMPLOYEE	1,166.00
09/18/15	63314	VISA	CONTRACTOR'S DINNER	432.82 x
09/18/15	63330	VISA	EMPLOYEE TRAINING - CONSTRUCTION	151.00
09/18/15	63332	VISA	CEO - NRECA REGIONAL CONF EXPENSES	658.70

SHELBY ENERGY COOPERATIVE
CASE NO. 2016-00434
MISCELLANEOUS EXPENSES - ACCOUNT 930.2

	DATE	CHECK	VENDOR NAME	DESCRIPTION	AMOUNT	
64	09/18/15	63332	VISA	SAFETY SPV - CLCP CONF EXPENSES	492.70	
65	09/18/15	63356	VISA	CONTRACTOR'S DINNER	169.68	x
66	09/18/15	63360	VISA	KY MATERIAL MGR CONF EXPENSES	378.53	
67	09/18/15	63362	VISA	EMPLOYEE FUNCTIONS/RECREATION	103.74	
68	09/18/15	63367	VISA	NRECA HR CONF EXPENSES	1,062.94	
69	09/18/15	63368	VISA	OSHA TRAINING CONF EXPENSES	985.80	
70	09/18/15	63368	VISA	EMPLOYEE MEETINGS-OPERATIONS	182.56	
71	09/25/15	63288	SHELBY ENERGY COOPERATIVE	EMPLOYEE FUNCTIONS/RECREATION	200.00	
72	09/30/15	63380	DEBRA MARTIN	CEO - MILEAGE	156.40	
73	09/30/15	63390	MARY FEDERLE	NRECA CONF EXPENSES	376.63	
74	09/30/15	63424	ANGELA CRUMPTON	POWER UP CONF EXPENSES	429.85	
75	09/30/15	63516	TENNESSEE VALLEY PUBLIC	VP CONS ACCT EXPENSES	1,364.25	
76	09/30/15	63516	TENNESSEE VALLEY PUBLIC	OFFICE SERVICES EXPENSES	1,364.25	
77	09/30/15	63516	TENNESSEE VALLEY PUBLIC	EXECUTIVE ASST CONF EXPENSES	1,364.25	
78	09/30/15	63516	TENNESSEE VALLEY PUBLIC	CONSTRUCTION CONF EXPENSES	853.50	
79	10/08/15	63546	KENTUCKY CHAMBER OF COMMERCE	ACCTG & FINANCE REGISTRATION	595.00	
80	10/08/15	63546	KENTUCKY CHAMBER OF COMMERCE	ACCTG & FINANCE REGISTRATION	297.50	
81	10/16/15	63515	SHELBY COUNTY CHAMBER	CONFERENCE TRAINING EXPENSES	387.00	
82	10/19/15	63571	VISA	CEO - NRECA REGIONAL MEETING	154.11	
83	10/19/15	63579	VISA	IT TECH MEETINGS	138.12	
84	10/19/15	63592	VISA	SAFETY TRAINING CONF EXPENSES	999.00	
85	10/19/15	63599	VISA	EMPLOYEE PICNIC	1,281.10	x
86	10/19/15	63603	VISA	OPERATIONS/ENG CONF EXPENSES	2,171.77	
87	10/19/15	63605	VISA	SAFETY TRAINING DAY CHAIRS/LUNCHBOXES	2,885.85	
88	10/19/15	63605	VISA	MEM SVS MGR/VP - CONF EXPENSES	642.33	
89	10/19/15	63605	VISA	SAFETY TRAINING EXPENSES	472.32	
90	10/19/15	63616	VISA	POWER UP CONFER EXPENSES	984.77	
91	10/19/15	63640	VISA	SAFETY TRAINING EXPENSES	120.42	
92	10/19/15		VISA	CONS ACCT VP CONF EXPENSES	480.97	
93	10/19/15		VISA	EMPLOYEE MEETINGS-MEMBER SERVICE	258.45	
94	10/19/15		VISA	EXECUTIVE ASST CONF EXPENSES	239.73	
95	10/25/15	63598	HR ENTERPRISE, INC.	UNION CONSULTING	680.00	
96	10/25/15	63598	HR ENTERPRISE, INC.	HR CONF REGISTRATION	480.00	
97	10/31/15	63591	DEBRA MARTIN	CEO - MILEAGE	215.63	
98	10/31/15	63595	DENISE HUME	ACCTG & FINANCE CONF EXPENSES	140.30	
99	11/01/15	63828	NRECA	SAFETY TRAINING CONF REGISTRATION	1,950.00	
100	11/16/15	63824	KAEC	MEMBER SERVICE TRAINING CONF	190.00	
101	11/18/15	63762	GRIGSBY-STILTZ CATERING, LLC	SAFETY TRAINING MEALS	269.40	
102	11/18/15	63842	VISA	CEO - NRECA REGIONAL CONF EXP	298.15	
103	11/18/15	63851	VISA	SAFETY TRAINING CONF EXPENSES	595.00	
104	11/18/15	63859	VISA	ADVERTISE JOB POSTING	577.60	
105	11/18/15	63859	VISA	CERTIFICATE FRAMES	248.04	
106	11/18/15	63859	VISA	EMPLOYEE STAFF TRAINING CONF	142.49	
107	11/18/15	63860	VISA	SAFETY TRAINING CONF EXPENSES	1,274.34	
108	11/19/15	63790	HR ENTERPRISE, INC.	HR TRAINING REGISTRATION	440.00	
109	11/30/15	63869	DEBRA MARTIN	CEO - MILEAGE	185.15	
110	12/01/15	63862	LOUISVILLE IMPROVISORS	EMPLOYEE FUNCTIONS/RECREATION	600.00	
111	12/01/15	64056	NEW HORIZONS CLC LOUISVILLE	I.T. TRAINING CONFERENCE EXPENSES	2,099.00	
112	12/03/15	63966	CLASSIC PRINTING INC	BLANK BUSINESS CARD	106.00	
113	12/04/15	64221	SCIENCE HILL INN	EMPLOYEE FUNCTIONS/RECREATION	3,060.00	
114	12/07/15	64002	KAEC	CEO - KAEC ANNUAL MEETING	148.00	
115	12/09/15	64071	STG LLC	INVESTIGATING CONF-CONSTRUCTION SUPR	1,416.68	
116	12/09/15	64071	STG LLC	INVESTIGATING CONF-SAFETY	708.33	
117	12/09/15	64071	STG LLC	INVESTIGATING CONF-VP OPERATIONS	708.33	
118	12/09/15	64071	STG LLC	INVESTIGATING CONF-VP ENGINEERING	708.33	
119	12/09/15	64071	STG LLC	INVESTIGATING CONF-HR SPECIALIST	708.33	
120	12/11/15	64008	TENNESSEE VALLEY PUBLIC	CONSTRUCTION CONF EXPENSES	784.50	

SHELBY ENERGY COOPERATIVE
CASE NO. 2016-00434
MISCELLANEOUS EXPENSES - ACCOUNT 930.2

	DATE	CHECK	VENDOR NAME	DESCRIPTION	AMOUNT
121	12/16/15	64051	KAEC	CONSTRUCTION CONF REGISTRATION	200.00
122	12/18/15	64007	GRIGSBY-STILTZ CATERING, LLC	SAFETY MEETING MEALS	633.88
123	12/20/15	64091	VISA	CEO - KAEC ANNUAL MEETING EXPENSES	335.06
124	12/20/15	64094	VISA	EMPLOYEE FUNCTIONS/RECREATION	269.07
125	12/20/15	64097	VISA	CEO - NRECA ANNUAL MEETING REG	550.00
126	12/20/15	64098	VISA	INVESTIGATING CONF-HR SPECIALIST	595.00
127	12/20/15	64098	VISA	INVESTIGATING CONF-CONSTRUCTION SUPR	493.88
128	12/20/15	64098	VISA	INVESTIGATING CONF-VP ENGINEERING	469.46
129	12/20/15	64098	VISA	CEO - NRECA ANNUAL MEETING EXP	448.70
130	12/20/15	64099	VISA	EMPLOYEE COFFEE AND SUPPLIES	210.75
131	12/20/15	64103	VISA	SUPPLIES - EQUIPMENT < \$2,500.00	665.89
132	12/20/15	64103	VISA	SUPPLIES - MISCELLANEOUS	449.56
133	12/20/15	64103	VISA	SUPPLIES - MISCELLANEOUS	103.88
134	12/20/15	64104	VISA	ADVERTISE JOB POSTING	791.75
135	12/20/15	64144	VISA	OSHA CONF EXPENSES	385.85
136	12/20/15	64144	VISA	KAEC SAFETY COORD CONF EXPENSES	200.11
137	12/30/15	64060	DEBRA MARTIN	CEO - MILEAGE	104.08
138	01/04/16	64166	NEW HORIZONS CLC LOUISVILLE	I.T. WINDOWS SERVER CONF EXPENSES	2,099.00
139	01/04/16	64370	TENNESSEE VALLEY PUBLIC	DUES - OTHER ORGANIZATIONS	500.00
140	01/06/16	64200	KAEC	SAFETY COORDINATOR CONF EXP	135.00
141	01/07/16	64171	EXECUTRAIN OF KENTUCKY INC	EMPLOYEE TRAINING EXPENSES	2,587.50
142	01/19/16	64314	VISA	CLCP TRAINING CONF EXPENSES	663.70
143	01/19/16	64314	VISA	VP MEM SVC CONF EXPENSES	315.70
144	01/19/16	64317	VISA	GEN. MISC.-PHOTO BACKDROP	102.78
145	01/19/16	64328	VISA	ADVERTISE JOB POSTING	199.00
146	01/19/16		VISA	ACCTG & FINANCE CONF REGISTRATION	500.00
147	01/19/16		VISA	MEMBER SERVICE TRAINING CONF REG	375.00
148	01/21/16	64273	URISA	DUES - OTHER ORGANIZATIONS	125.00
149	01/31/16	64349	CODY PARKS	IT DEPARTMENT CONF MILEAGE	129.60
150	01/31/16	64352	TRALESE MORGAN	HR GENERALIST CONF MILEAGE	146.88
151	02/01/16	64484	ABSO - A STERLING COMPANY	EMPLOYMENT SCREENINGS	104.33
152	02/03/16	64406	KAEC	DUES - OTHER ORGANIZATIONS	300.00
153	02/17/16	64470	HR ENTERPRISE, INC.	EMPLOYEE TRAINING CONF FEE	2,550.00
154	02/17/16	64539	VISA	EMPLOYEE MTG MEALS	169.57
155	02/17/16	64544	VISA	CFO FORUM CONF EXPENSES	616.70
156	02/17/16	64544	VISA	CFO WEBINAR FEE	199.00
157	02/17/16	64545	VISA	ANNUAL BPI RENEWAL CERT.	300.00
158	02/17/16	64545	VISA	MGMT STAFF TRAINING MEALS	186.56
159	02/17/16	64549	VISA	EMPLOYEE MTG MEALS	175.79
160	02/17/16	64552	VISA	EMPLOYEE MTG MEALS	222.92
161	02/17/16	64553	VISA	EMPLOYEE MTG-OPERATIONS MEALS	153.05
162	02/22/16	64497	KAEC	DUES - OTHER ORGANIZATIONS	234.59
163	02/29/16	64589	EXECUTRAIN OF KENTUCKY INC	EMP TRN - CONSTRUCTION CREWS	560.00
164	02/29/16	64614	DENISE HUME	CFC FORUM EXP VP FINANCE	436.46
165	02/29/16	64633	KY COUNCIL OF COOPERATIVES	DUES - OTHER ORGANIZATIONS	200.00
166	03/09/16	64678	KAEC	OPERATION/ENG ASST CONF FEE	199.00
167	03/09/16	64678	KAEC	EXECUTIVE ASST CONF FEE	199.00
168	03/20/16	64797	VISA	NRECA CONNECT CONF REGISTRATION	830.00
169	03/20/16	64804	VISA	EMPLOYEE MTG MEALS	725.94
170	03/20/16	64804	VISA	MGMT STAFF TRAINING DAY MEALS	144.88
171	03/20/16	64804	VISA	2016 LINEMAN'S SAFETY TRNG EXP	100.73
172	03/20/16	64814	VISA	ADVERTISE JOB POSTING	911.44
173	03/20/16	64814	VISA	EMPLOYEE/STFF TRNG - MISC	136.40
174	03/20/16	64836	VISA	KAEC RIGHT-OF-WAY MGR MTG EXP	240.46
175	03/20/16	64844	VISA	CLCP TRAINING CONF SAFETY SUPRVISOR	1,146.99
176	03/20/16		VISA	CFC FORUM EXP - ACCTG SUPER	530.46
177	03/29/16	64746	HR ENTERPRISE, INC.	HR CONF REGISTRATION	1,240.00

SHELBY ENERGY COOPERATIVE
CASE NO. 2016-00434
MISCELLANEOUS EXPENSES - ACCOUNT 930.2

	DATE	CHECK	VENDOR NAME	DESCRIPTION	AMOUNT	
178	03/29/16	64850	KAEC	CONSTRUCTION CONF REGISTRATION	1,725.00	
179	04/04/16	64785	SHELBY COUNTY CHAMBER	DUES - OTHER ORGANIZATIONS	1,199.40	x
180	04/18/16	64909	JARED ROUTH	ACCTG & FINANCE CONF EXPENSES	152.41	
181	04/18/16	65001	VISA	EMPLOYEE SAFETY MTG MEALS	387.01	
182	04/18/16	65001	VISA	NOMINATING COMMITTEE	270.68	x
183	04/18/16	65007	VISA	TRI-STATE ACCTG CONF EXP	553.29	
184	04/18/16	65009	VISA	HR CONFERENCE EXPENSES	404.96	
185	04/18/16	65010	VISA	NRECA ACCTG & FIN CONF REGISTRATION	1,530.00	
186	04/18/16	65010	VISA	SALES & USE TAX SEMINAR REGISTRATION	374.00	
187	04/18/16	65010	VISA	HOME BUILDERS ASSOC CONF	125.00	
188	04/19/16	64938	JARED ROUTH	NRECA ACCTG & FIN CONF EXP	493.46	
189	04/19/16	64950	CLASSIC PRINTING INC	PROXY CARDS AND POSTAGE	560.13	
190	04/20/16	65044	KAEC	I.T. CONFERENCE EXP	153.00	
191	04/26/16	65073	FAYETTE GRAPHICS, INC	CALENDARS AND HANDOUTS TO MEMBERS	2,428.10	x
192	04/28/16	64994	GRIGSBY-STILTZ CATERING, LLC	LINEMAN MTG MEALS	141.51	
193	04/30/16	65011	DENISE HUME	NRECA ACCTG & FIN CONF EXP	192.24	
194	04/30/16	65033	TRALESE MORGAN	HR GENERALIST - MILEAGE	131.76	
195	04/30/16	65062	INDIANA ELECTRIC COOPERATIVE	TRI-STATE ACCT CONF REGISTRATION	200.00	
196	05/10/16	65108	KAEC	HR GENERALIST - TRAININGS EXPENSES	120.01	
197	05/16/16	65131	KAEC	CONSTRUCTION TRAINING SEMINAR	491.00	
198	05/16/16	65195	NAT'L RURAL ELEC. CO-OP ASSN	SAFETY SPV - CLCP TRAINING	2,050.00	
199	05/19/16	65204	VISA	GIS/ENG FUTURA CONFERENCE EXP	578.70	
200	05/19/16	65204	VISA	MEM SVS MGR/VP - BRAND MTG	554.70	
201	05/19/16	65223	VISA	EMP RECOGNITION & AWARDS	1,764.90	x
202	05/19/16	65224	VISA	HOT LINE TRAINING SKILLS CONF - EMP	1,585.10	
203	05/19/16	65227	VISA	TAX & ACCT CONFERENCE EXP	574.40	
204	05/20/16	65143	KAEC	ACCT & FINANCE CONF - 4 EMP.	500.00	
205	05/23/16	65155	DENISE HUME	CFC FINANCIAL FORUM - 2 EMP EXPENSES	602.00	
206	05/31/16	65220	TRALESE MORGAN	HR GENERALIST - MILEAGE	105.30	
207	05/31/16	65249	PERRYVILLE EMBROIDERY LLC	EMPLOYEE APPAREL - ANN. MTG.	953.21	
208	05/31/16	65265	WILLIAM MOORE	ENGR DEPT - MILEAGE	124.20	
209	06/06/16	65299	BACKYARD BOUNCE, INC.	MISCELLANEOUS	147.43	
210	06/07/16	65281	CLASSIC PRINTING INC	2 SIDED COLOR TRIFOLD	2,189.00	
211	06/10/16	65307	JARED ROUTH	CFC FORUM EMPLOYEE EXPENSES	1,260.06	
212	06/14/16	65286	HR ENTERPRISE, INC.	HR CONF REGISTRATION	990.00	
213	06/19/16	65422	VISA	COFFEE MAKER	816.88	
214	06/19/16	65427	VISA	COFFEE SUPPLIES	221.63	
215	06/19/16	65436	VISA	MAPPING SUPPLIES	281.73	
216	06/19/16	65440	VISA	CFC FORUM EXPENSES	1,093.00	
217	06/19/16	65443	VISA	SAFETY TRAINING SUPPLIES	107.47	
218	06/19/16	65445	VISA	OPERATIONS & ENG ADM ASST CONF EXP	1,287.70	
219	06/19/16	65445	VISA	POWER UP CONFERENCE EXP	1,287.70	
220	06/19/16	65445	VISA	NUTSEA OPERATIONS CONFERENCE REG	650.00	
221	06/20/16	65325	HENRY CO.CHAMBER OF COMMERCE	DUES - OTHER ORGANIZATIONS	300.00	x
222	06/21/16	65353	CANDICE WAFORD	MBR SVCS MEETING EXPENSES	114.00	
223	06/30/16	65429	DENISE HUME	KAEC ACCT & FINANCE CONF EXPENSES	105.84	
224	06/30/16	65438	MARY FEDERLE	CONS ACCT VP/MGR - MILEAGE 208	112.32	
225	06/30/16	65482	ANGELA CRUMPTON	SAFETY DAY MEALS	125.96	
226	06/30/16	65611	ABSO - A STERLING COMPANY	EMPLOYMENT SCREENINGS	554.71	
227	07/04/16	65516	HR ENTERPRISE, INC.	HR EMPLOYEE TRAINING	3,690.00	
228	07/08/16	65564	CLASSIC PRINTING INC	BUSINESS CARDS 17 EMPLOYEES	810.90	
229	07/18/16	65582	JEFF SCOTT	FUTURA CONFERENCE EXPENSES	147.00	
230	07/18/16	65594	WILLIAM MOORE	GIS/ENGINEERING TECH CONF EXP	147.00	
231	07/19/16	65651	VISA	FUTURA CONF EMPLOYEE EXPENSES 4 EMP	332.93	
232	07/19/16	65656	VISA	GIS/ENGINEERING TECH CONF EXP	215.00	
233	07/19/16	65657	VISA	MEMBER SERVICES CONFERENCE EXPENSES	760.92	
234	07/19/16	65666	VISA	CEO - NRECA REGIONAL MEETING EXP	1,064.70	

SHELBY ENERGY COOPERATIVE
CASE NO. 2016-00434 MISCELLANEOUS
EXPENSES - ACCOUNT
930.2

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DATE	CHECK	VENDOR NAME	DESCRIPTION	AMOUNT
07/19/16	65666	VISA	EXECUTIVE ASST CONF TRAINING EXPENSES	1,064.70
07/19/16	65666	VISA	EMPLOYEE TRAINING CONF- STAKING ENG	643.70
07/19/16	65666	VISA	HR TRAINING CONF EXPENSES	550.00
07/19/16		VISA	HR JOB POSTING AD: MGR ENG	199.00
07/19/16		VISA	HR JOB POSTING AD: SAFETY COORD	199.00
07/19/16		VISA	HR JOB POSTING AD: STAKING TECH	199.00
07/20/16	65579	DENISE HUME	NRECA ACCT & FINANCE CONF	247.00
07/20/16	65599	JARED ROUTH	NRECA ACCT & FINANCE CONF	247.00
07/20/16	65612	KELLY MICHELS	CONSTRUCTION EMPLOYEE TRNG CONF	115.00
07/20/16	65613	RICHARD SPOONAMORE	CONSTRUCTION EMPLOYEE TRNG CONF	115.00
07/20/16	65614	TYLER WORKMAN	CONSTRUCTION EMPLOYEE TRNG CONF	115.00
07/20/16	65619	BRANDON KEYTON	CONSTRUCTION EMPLOYEE TRNG CONF	115.00
07/31/16	65688	JEFF SCOTT	EMP TRNG - STAKING ENGINEER	143.04
07/31/16	65717	JARED ROUTH	FINANCIAL & ACCTNG CONF EXPENSES	1,150.45
07/31/16	65808	FUTURA SYSTEMS, INC.	EMPLOYEE TRAINING SEMINAR EXPENSES	1,172.50
07/31/16	65808	FUTURA SYSTEMS, INC.	EMP TRAINING - STAKING - J SCOTT	525.00
07/31/16	65808	FUTURA SYSTEMS, INC.	EMPLOYEE TRAININGS- GIS/ENG TECH	525.00
			Subtotal Miscellaneous Expenses	<u>130,557.91</u>
VAR	VAR		EMPLOYEE MILEAGE REIMBURSEMENT	6,669.44
VAR	VAR		FLOWERS	365.34 x
VAR	VAR		UTILITIES - TELEPHONE	309.78
VAR	VAR		SAFETY, EMPLOYEE TRAINING - MEALS, SUPPLII	2,217.61
VAR	VAR		MISCELLANEOUS	2,471.68
			Subtotal Individually less than \$100	<u>12,033.85</u>
8/1/2015	62844	KAEC	KENTUCKY LIVING	6,607.25 x
08/20/15	63042	KAEC	KENTUCKY LIVING	6,604.14
09/17/15	63277	KAEC	KENTUCKY LIVING	6,607.25
10/8/2015	63476	NRECA	ANNUAL DUES	22,666.00
10/21/15	63543	KAEC	KENTUCKY LIVING	6,612.32
11/18/15	63824	KAEC	KENTUCKY LIVING	6,614.92
12/01/15	63980	SHELBY COUNTY FARM BUREAU	DUES - OTHER ORGANIZATIONS	50.00 x
12/17/15	64051	KAEC	KENTUCKY LIVING	6,586.68
12/21/15	64037	CUMBERLAND CHAPTER OF URISA	SUBSCRIPTIONS - GENERAL	25.00 x
1/16/2016	64294	KAEC	ANNUAL DUES	38,742.49
01/21/16	64334	KAEC	KENTUCKY LIVING	6,574.65
02/15/16	64497	KAEC	KENTUCKY LIVING	6,576.75
03/18/16	64739	KAEC	KENTUCKY LIVING	6,572.04
04/21/16	65044	KAEC	KENTUCKY LIVING	6,572.54
05/18/16	65164	KAEC	KENTUCKY LIVING	6,574.13
06/15/16	65343	KAEC	KENTUCKY LIVING	8,186.56
07/20/16	65621	KAEC	KENTUCKY LIVING	6,637.42
			Subtotal Dues and Magazine	<u>148,810.14</u>
			Total Account 930.2	<u>353,886.15</u>
			Remove for rate-making purposes	<u>17,562.15</u> x

Witness: James Adkins

Shelby Energy Cooperative

Case No. 2016-00434

Rate Case Expenses

July 31, 2016

Estimated rate case costs:

Legal	\$	5,000
Consulting		50,000
Advertising		18,000
Supplies and miscellaneous		<u>2,000</u>
Total		75,000
Number of years		<u>3</u>
Adjustment	\$	<u><u>25,000</u></u>

In-house labor was not included in the above adjustment as the labor would be incurred in other accounts.

This amount is approximately the same as other rate requests filed before this Commission.

The monthly amounts filed for rate case expenses will include the labor, however, this amount is not included in the above adjustment.

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Shelby Energy Cooperative
Case No. 2016-00434
G&T Capital Credit Adjustment
July 31, 2016

G&T capital from East Kentucky Power Cooperative ("EKPC") has been removed for rate making purposes.

EKPC capital credits allocated	<u>\$ 1,810,069</u>
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Shelby Energy Cooperative, Inc.
Case No. 2016-00434
Purchased Power
July 31, 2016

Billing Rates		
KW-Sch B Contract	\$7.17	
Excess contract	\$9.98	
KW-Sch E2	\$6.02	
KWH-Sch B/C	\$0.042882	
KWH-Sch E2 On-Peak	\$0.053279	
KWH-Sch E2 Off-Peak	\$0.044554	
KVA 3000-7499	\$2,737	
KVA 7500-14999	\$3,292	
KVA 15000- 99999	\$5,310	
Metering Point	\$144	
Green Power	\$0.023750	\$0.025000

	Billing Demand				KWH Billing				Power Factor Penalty	Green Power	Metering Point	Substation Charge				Total from Base Rates	Fuel Adjustment	Environmental Surcharge	Direct Load Control	Total	
	Schedule B		Schedule E	Total	Sch B Kwh	Schedule E		Total Kwh				3000	7500	15000	Total						
	Contract	Excess				On-Peak	Off-Peak														
August	172,797	15,429	370,519	558,745	697,707	871,144	454,961	2,023,811		264	1,728	2,737	26,336	15,930	45,003	2,629,551	(153,769)	393,854	(4,199)	2,865,437	
September	171,722	9,731	369,869	551,321	645,928	754,194	410,692	1,810,814		264	1,728	2,737	26,336	15,930	45,003	2,409,129	(138,370)	368,956	(4,211)	2,635,504	
October	155,589	6,677	249,776	412,041	653,091	516,566	493,341	1,662,998	506	264	1,728	2,737	26,336	15,930	45,003	2,122,540	(160,553)	334,782	(4,266)	2,292,503	
November	140,532	11,846	346,000	498,378	612,310	579,654	565,776	1,757,740		264	1,728	2,737	26,336	15,930	45,003	2,303,113	(135,909)	401,099	(4,323)	2,563,980	
December	147,344	8,902	353,687	509,933	607,589	662,197	648,621	1,918,406	506	264	1,728	2,737	26,336	15,930	45,003	2,475,839	(123,467)	442,336	(4,339)	2,790,369	
January	148,778	22,046	480,787	651,611	637,914	898,884	929,151	2,465,949		264	1,728	2,737	26,336	15,930	45,003	3,164,554	(239,863)	538,094	(4,317)	3,458,468	
February	149,495	27,096	439,803	616,393	617,708	744,088	762,049	2,123,845		264	1,728	2,737	26,336	15,930	45,003	2,787,233	(140,518)	423,432	(4,237)	3,065,910	
March	145,193	26,377	350,918	522,487	650,705	593,569	591,897	1,836,171		264	1,728	2,737	26,336	15,930	45,003	2,405,653	(216,612)	239,014	(4,046)	2,424,009	
April	158,457	14,032	292,440	464,928	841,499	536,760	531,963	1,710,222	939	264	1,728	2,737	26,336	15,930	45,003	2,223,084	(255,118)	281,248	(4,167)	2,245,047	
May	167,420	19,321	315,171	501,912	672,711	674,055	425,601	1,772,366		278	1,728	2,737	26,336	15,930	45,003	2,321,286	(237,957)	366,406	(4,318)	2,445,417	
June	186,420	10,529	367,708	564,657	679,498	910,317	476,865	2,066,680	1,035	268	1,728	2,737	26,336	15,930	45,003	2,679,370	(277,519)	455,865	(4,372)	2,853,344	
July	187,496	5,349	404,014	596,859	664,841	992,168	528,581	2,185,591	2,167	245	1,728	2,737	26,336	15,930	45,003	2,831,593	(201,435)	515,039	(4,398)	3,140,799	
Total	1,931,240	177,335	4,340,691	6,449,265	7,781,500	8,733,595	6,819,498	23,334,593	5,153	3,163	20,736	32,844	316,032	191,160	540,036	30,352,946	(2,281,090)	4,760,125	(51,193)	32,780,788	
Normalized	1,931,240	177,335	4,340,691	6,449,265	7,781,500	8,733,595	6,819,498	23,334,593	5,153	3,123	20,736	32,844	316,032	191,160	540,036	30,352,906					
																				Normalized Adjustment	(40)

Shelby Energy Cooperative, Inc.
Case No. 2016-00434
Purchased Power
Test Year Billing Determinants
July 31, 2016

	<u>Billing Demand</u>		<u>KWH Billing</u>					<u>Green Power</u>	<u>Metering Point</u>	<u>Substation Charge</u>		
	<u>Schedule B</u>		<u>Schedule E</u>	<u>Sch B</u>	<u>Schedule E</u>		<u>Total Kwh</u>			<u>2737</u>	<u>3292</u>	<u>5310</u>
	<u>Contract</u>	<u>Excess</u>		<u>Kwh</u>	<u>On-Peak</u>	<u>Off-Peak</u>						
August	24,100	1,546	61,548	16,270,395	16,350,598	10,211,448	42,832,441	11,100	12	1	8	3
September	23,950	975	61,440	15,062,912	14,155,554	9,217,854	38,436,320	11,100	12	1	8	3
October	21,700	669	41,491	15,229,967	9,695,491	11,072,875	35,998,333	11,100	12	1	8	3
November	19,600	1,187	57,475	14,278,947	10,879,603	12,698,661	37,857,211	11,100	12	1	8	3
December	20,550	892	58,752	14,168,848	12,428,853	14,558,078	41,155,779	11,100	12	1	8	3
January	20,750	2,209	79,865	14,876,025	16,871,258	20,854,500	52,601,783	11,100	12	1	8	3
February	20,850	2,715	73,057	14,404,831	13,965,882	17,103,938	45,474,651	11,100	12	1	8	3
March	20,250	2,643	58,292	15,174,323	11,140,764	13,284,924	39,600,011	11,100	12	1	8	3
April	22,100	1,406	48,578	14,959,637	10,074,512	11,939,743	36,973,892	11,100	12	1	8	3
May	23,350	1,936	52,354	15,687,486	12,651,412	9,552,466	37,891,364	11,100	12	1	8	3
June	26,000	1,055	61,081	15,845,760	17,085,847	10,703,082	43,634,689	10,700	12	1	8	3
July	26,150	536	67,112	15,503,964	18,622,127	11,863,836	45,989,927	9,800	12	1	8	3
Total	269,350	17,769	721,045	181,463,095	163,921,901	153,061,405	498,446,401	131,500	144	12	96	36

Shelby Energy Cooperative, Inc.

Case No. 2016-00434

Analysis of Fuel Adjustment and Environmental Surcharge

July 31, 2016

An analysis of fuel adjustment and environmental surcharge as purchased and passed on to consumers as follows:

Month	Sales		Purchases	
	Fuel Adjustment	Environmental Surcharge	Fuel Adjustment	Environmental Surcharge
August	(51,126)	467,411	(153,769)	393,854
September	(57,955)	352,926	(138,370)	368,956
October	(124,862)	331,832	(160,553)	334,782
November	(147,323)	378,511	(135,909)	401,099
December	(213,666)	435,483	(123,467)	442,336
January	(182,926)	545,735	(239,863)	538,094
February	(108,220)	505,476	(140,518)	423,432
March	(144,204)	357,354	(216,612)	239,014
April	(103,077)	228,252	(255,118)	281,248
May	(249,842)	282,668	(237,957)	366,406
June	(328,288)	413,943	(277,519)	455,865
July	(304,682)	480,099	(201,435)	515,039
Total	(2,016,170)	4,779,689	(2,281,090)	4,760,125

The fuel purchased and environmental surcharge from East Kentucky Power Cooperative is passed on to the consumers using the Fuel Adjustment and Environmental Procedures established by this Commission.

Witness: James Adkins

Shelby Energy Cooperative, Inc.
Case No. 2016-00434
Normalized Revenue Adjustment

Normalized Revenue	\$ 39,969,502
Test year base revenues	<u>39,969,502</u>
Normalized adjustment	<u>\$ (0)</u>

The total increase is as follows:

Phase 1	\$ 1,089,635
Phase 2	456,378
Phase 3	<u>451,536</u>
Total increase after all phase-in's	<u>\$ 1,997,549</u>

Shelby Energy Cooperative, Inc.
Case No. 2016-00434
End of Test Year Customer Adjustment

	Rate 12 Residential Service	Rate 15 Prepay Service	Rate 11 General Service	Rate 3 Outdoor Lighting	Rate 2 Large Power	Sch B1 Large Industrial	Sche B2 Large Industrial
December	12,229	515	3,178	4,212	53	13	1
January	12,243	972	3,174	4,400	53	13	1
February	12,245	518	3,197	4,266	53	14	1
March	12,206	538	3,203	4,284	53	14	1
April	12,123	542	3,222	4,293	53	14	1
May	12,082	537	3,232	4,271	53	14	1
June	12,061	548	3,224	4,226	53	14	1
July	12,066	561	3,226	4,171	53	14	1
August	12,057	567	3,237	4,093	53	14	1
September	12,092	581	3,233	4,052	53	14	1
October	12,133	598	3,237	4,019	53	14	1
November	12,153	604	3,249	3,948	53	14	1
December	12,156	600	3,250	3,908	53	14	1
Average	12,142	591	3,220	4,165	53	14	1
Increase	<u>14</u>	<u>9</u>	<u>30</u>	<u>(257)</u>	<u>0</u>	<u>0</u>	<u>0</u>
Test year base revenue	18,776,920	906,485	3,429,381	536,355	4,178,722	8,511,553	3,610,886
kwh useage	195,123,986	9,471,107	31,793,552	2,450,356	52,584,285	126,170,360	63,560,133
Average per kwh	0.09623	0.09571	0.10786	0.21889	0.07947	0.06746	0.05681
Total billings	145,617	7,166	38,684	49,931	636	167	12
Average monthly kwh use	1,340	1,322	822	49	82,680	755,511	5,296,678
Increase in consumers, times average use, times average rate, times 12 months, equals additional revenues							
Increase in revenues	21,663	13,662	31,914	(33,128)	0	0	0
Increase in consumers, times average use, times average cost per kwh purchased, times 12 months, equals additional power cost times average cost per kwh purchased,							
Increase in power cost	13,709	8,692	18,017	(9,216)	0	0	0
Net increase	<u>7,955</u>	4,970	13,897	(23,912)	0	0	0
Adjustment	<u><u>2,909</u></u>						
Base power cost				30,352,946			
Kwh purchased				498,446,401			
Cost per kwh purchased				\$ 0.06090			

2015
KENTUCKY ELECTRIC COOPERATIVES
AVERAGE EXPENSE PER CONSUMER
STATISTICAL COMPARISONS

<u>COOPERATIVE</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>% CHANGE FROM 2011</u>
BIG SANDY	\$376	\$371	\$363	\$335	\$328	14.6 %
BLUE GRASS ENERGY	311	313	307	307	319	-2.5
CLARK ENERGY COOP	366	332	334	315	303	20.8
CUMBERLAND VALLEY	337	327	315	314	301	12.0
FARMERS	324	322	336	291	300	8.0
FLEMING-MASON	332	341	351	357	329	0.9
GRAYSON	503	559	481	492	476	5.7
INTER-COUNTY	350	358	343	347	349	0.3
JACKSON ENERGY	381	374	372	377	371	2.7
LICKING VALLEY	401	397	354	331	317	26.5
NOLIN	456	479	409	402	411	10.9
OWEN	302	297	295	291	289	4.5
SALT RIVER ELECTRIC	222	220	229	216	231	-3.9
SHELBY ENERGY	379	363	356	349	348	8.9
SOUTH KENTUCKY	307	291	284	264	280	9.6
TAYLOR COUNTY	<u>255</u>	<u>250</u>	<u>246</u>	<u>245</u>	<u>244</u>	<u>4.5</u>
AVERAGE EKPC	\$350	\$336	\$328	\$325	\$319	9.7 %
JACKSON PURCHASE	329	359	340	\$334	\$353	-6.8 %
KENERGY	386	377	379	352	362	6.6
MEADE COUNTY	<u>333</u>	<u>337</u>	<u>313</u>	<u>315</u>	<u>302</u>	<u>10.3</u>
AVERAGE BIG RIVERS	\$349	\$345	\$333	\$340	\$329	6.1 %
HICKMAN-FULTON	844	798	731	\$648	\$759	11.2 %
PENNYRILE	351	342	333	319	325	8.0
TRI-COUNTY	320	312	302	297	290	10.3
WARREN	330	330	341	347	345	-4.3
WEST KENTUCKY	<u>419</u>	<u>428</u>	<u>392</u>	<u>334</u>	<u>370</u>	<u>13.2</u>
AVERAGE TVA	\$453	\$419	\$390	\$419	\$357	26.9 %
OVERALL AVERAGE	\$370	\$355	\$341	\$346	\$329	12.5 %

2015
KENTUCKY ELECTRIC COOPERATIVES
AVERAGE EXPENSE PER MILE OF LINE
STATISTICAL COMPARISONS

Witness: James Adkins
Case No. 2016-00434

<u>COOPERATIVE</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>% CHANGE FROM 2011</u>
BIG SANDY	\$4,732	\$4,702	\$4,621	\$4,280	\$4,207	12.5 %
BLUE GRASS ENERGY	3,719	3,725	3,646	3,627	3,779	-1.6
CLARK ENERGY COOP	3,096	2,814	2,840	2,682	2,595	19.3
CUMBERLAND VALLEY	3,008	2,927	2,830	2,824	2,727	10.3
FARMERS	2,230	2,211	2,307	1,996	2,061	8.2
FLEMING-MASON	2,217	2,273	2,341	2,382	2,209	0.4
GRAYSON	3,131	3,472	2,988	3,047	2,963	5.7
INTER-COUNTY	2,320	2,387	2,285	2,326	2,341	-0.9
JACKSON ENERGY	3,433	3,383	3,368	3,410	3,348	2.5
LICKING VALLEY	3,368	3,359	3,001	2,818	2,710	24.3
NOLIN	5,228	5,448	4,613	4,484	4,527	15.5
OWEN	3,969	3,857	3,790	3,728	3,693	7.5
SALT RIVER ELECTRIC	2,642	2,606	2,702	2,539	2,711	-2.5
SHELBY ENERGY	2,825	2,676	2,608	2,548	2,542	11.1
SOUTH KENTUCKY	3,008	2,852	2,780	2,590	2,751	9.3
TAYLOR COUNTY	<u>2,050</u>	<u>2,006</u>	<u>1,972</u>	<u>1,960</u>	<u>1,948</u>	<u>5.2</u>
AVERAGE EKPC	\$3,187	\$3,044	\$2,953	\$2,946	\$2,919	9.2 %
JACKSON PURCHASE	\$3,281	\$3,577	\$3,400	\$3,340	\$3,532	-7.1 %
KENERGY	3,055	2,964	2,977	2,759	2,837	7.7
MEADE COUNTY	<u>3,019</u>	<u>3,029</u>	<u>3,015</u>	<u>3,032</u>	<u>2,892</u>	<u>4.4</u>
AVERAGE BIG RIVERS	\$3,119	\$3,130	\$3,044	\$3,087	\$2,970	5.0 %
HICKMAN-FULTON	\$4,313	\$4,069	\$3,708	\$3,395	\$4,037	6.8 %
PENNYRILE	3,248	3,165	3,080	2,945	3,000	8.3
TRI-COUNTY	2,995	2,897	2,800	2,761	2,674	12.0
WARREN	3,654	3,623	3,712	3,742	3,695	-1.1
WEST KENTUCKY	<u>3,916</u>	<u>4,000</u>	<u>3,661</u>	<u>3,128</u>	<u>3,462</u>	<u>13.1</u>
AVERAGE TVA	\$3,626	\$3,391	\$3,195	\$3,374	\$3,000	20.9 %
OVERALL AVERAGE	\$3,269	\$3,127	\$3,014	\$3,052	\$2,944	11.0 %

**KENTUCKY ELECTRIC COOPERATIVES
OPERATING EXPENSE AND STATISTICAL COMPARISONS
2015 - 2014 ANNUAL COMPARISON**

**AVERAGE EXPENSE PER CONSUMER
EKPC**

	<u>2015</u>	<u>2014</u>	<u>CHANGE</u>
DISTRIBUTION OPERATION	\$ 81.00	\$ 78.00	\$ 3.00
DISTRIBUTION MAINTENANCE	\$ 120.00	\$ 120.00	\$ -
ACCOUNTING	\$ 58.00	\$ 59.00	\$ (1.00)
CONSUMER INFORMATION	\$ 10.00	\$ 13.00	\$ (3.00)
ADMINISTRATION	\$ 81.00	\$ 80.00	\$ 1.00
TOTAL PER CONSUMER	\$ 350.00	\$ 350.00	\$ -

**AVERAGE EXPENSE PER CONSUMER
TVA**

	<u>2015</u>	<u>2014</u>	<u>CHANGE</u>
DISTRIBUTION OPERATION	\$ 111.00	\$ 106.00	\$ 5.00
DISTRIBUTION MAINTENANCE	\$ 169.00	\$ 176.00	\$ (7.00)
ACCOUNTING	\$ 58.00	\$ 56.00	\$ 2.00
CONSUMER INFORMATION	\$ 10.00	\$ 11.00	\$ (1.00)
ADMINISTRATION	\$ 105.00	\$ 93.00	\$ 12.00
TOTAL PER CONSUMER	\$ 453.00	\$ 442.00	\$ 11.00

OTHER STATISTICAL INFORMATION

NUMBER OF EMPLOYEES	1,173	1,172	1
MILES OF LINE	56,709	56,515	194
CONSUMERS BILLED	530,206	527,436	2,770
MILES OF LINE PER EMPLOYEE	48.5	48.4	0.1
CONSUMER PER EMPLOYEE	454	452	2
DENSITY CONSUMERS PER MILE	9.4	9.3	0.1

OTHER STATISTICAL INFORMATION

NUMBER OF EMPLOYEES	510	512	(2)
MILES OF LINE	21,118	21,048	70
CONSUMERS BILLED	203,654	202,017	1,637
MILES OF LINE PER EMPLOYEE	41.4	41.3	0.1
CONSUMER PER EMPLOYEE	399	396	3
DENSITY CONSUMERS PER MILE	9.6	9.6	0.0

**AVERAGE EXPENSE PER CONSUMER
BIG RIVERS**

	<u>2015</u>	<u>2014</u>	<u>CHANGE</u>
DISTRIBUTION OPERATION	\$ 89.00	\$ 95.00	\$ (6.00)
DISTRIBUTION MAINTENANCE	\$ 123.00	\$ 125.00	\$ (2.00)
ACCOUNTING	\$ 59.00	\$ 59.00	\$ -
CONSUMER INFORMATION	\$ 4.00	\$ 7.00	\$ (3.00)
ADMINISTRATION	\$ 74.00	\$ 72.00	\$ 2.00
TOTAL PER CONSUMER	\$ 349.00	\$ 358.00	\$ (9.00)

**AVERAGE EXPENSE PER CONSUMER
OVERALL AVERAGE**

	<u>2015</u>	<u>2014</u>	<u>CHANGE</u>
DISTRIBUTION OPERATION	\$ 88.00	\$ 86.00	\$ 2.00
DISTRIBUTION MAINTENANCE	\$ 130.00	\$ 132.00	\$ (2.00)
ACCOUNTING	\$ 58.00	\$ 59.00	\$ (1.00)
CONSUMER INFORMATION	\$ 9.00	\$ 12.00	\$ (3.00)
ADMINISTRATION	\$ 85.00	\$ 82.00	\$ 3.00
TOTAL PER CONSUMER	\$ 370.00	\$ 371.00	(\$1.00)

OTHER STATISTICAL INFORMATION

NUMBER OF EMPLOYEES	279	284	(5)
MILES OF LINE	13,291	13,276	15
CONSUMERS BILLED	114,936	114,210	726
MILES OF LINE PER EMPLOYEE	47.6	46.6	1.0
CONSUMER PER EMPLOYEE	412	401	11
DENSITY CONSUMERS PER MILE	8.6	8.6	0.0

OTHER STATISTICAL INFORMATION

NUMBER OF EMPLOYEES	1962	1968	(6)
MILES OF LINE	91,118	90,839	279
CONSUMERS BILLED	848,796	843,663	5,133
MILES OF LINE PER EMPLOYEE	46.3	46.2	0.1
CONSUMER PER EMPLOYEE	431	429	2
DENSITY CONSUMERS PER MILE	9.3	9.3	0.0

2015
KENTUCKY ELECTRIC COOPERATIVES
MILES OF LINE
STATISTICAL COMPARISONS

Witness: James Adkins

Case No. 2016-00434

<u>COOPERATIVE</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>% CHANGE FROM 2011</u>
BIG SANDY	1,037	1,034	1,035	1,033	1,030	0.7 %
BLUE GRASS ENERGY	4,731	4,710	4,693	4,682	4,650	1.7
CLARK ENERGY COOP	3,085	3,066	3,056	3,052	3,042	1.4
CUMBERLAND VALLEY	2,643	2,639	2,633	2,626	2,614	1.1
FARMERS	3,632	3,624	3,615	3,602	3,591	1.1
FLEMING-MASON	3,595	3,582	3,575	3,560	3,550	1.3
GRAYSON	2,465	2,470	2,478	2,485	2,485	-0.8
INTER-COUNTY	3,875	3,834	3,803	3,779	3,765	2.9
JACKSON ENERGY	5,701	5,685	5,673	5,668	5,676	0.4
LICKING VALLEY	2,062	2,057	2,053	2,047	2,039	1.1
NOLIN	3,023	3,017	3,011	3,011	2,991	1.1
OWEN	4,522	4,530	4,522	4,514	4,509	0.3
SALT RIVER ELECTRIC	4,151	4,123	4,095	4,068	4,040	2.7
SHELBY ENERGY	2,126	2,121	2,109	2,104	2,097	1.4
SOUTH KENTUCKY	6,813	6,787	6,771	6,759	6,755	0.9
TAYLOR COUNTY	<u>3,248</u>	<u>3,236</u>	<u>3,230</u>	<u>3,218</u>	<u>3,210</u>	<u>1.2</u>
TOTAL EKPC	56,709	56,352	56,208	56,044	55,869	1.5 %
JACKSON PURCHASE	2,945	2,939	2,932	2,923	2,918	0.9 %
KENERGY	7,130	7,113	7,084	7,068	7,047	1.2
MEADE COUNTY	<u>3,216</u>	<u>3,224</u>	<u>2,982</u>	<u>2,970</u>	<u>2,974</u>	<u>8.1</u>
TOTAL BIG RIVERS	13,291	12,998	12,961	12,939	12,893	3.1 %
HICKMAN-FULTON	729	726	727	704	691	5.5 %
PENNYRILE	5,124	5,095	5,079	5,092	5,089	0.7
TRI-COUNTY	5,483	5,464	5,458	5,451	5,449	0.6
WARREN	5,658	5,645	5,632	5,623	5,626	0.6
WEST KENTUCKY	<u>4,124</u>	<u>4,118</u>	<u>4,111</u>	<u>4,091</u>	<u>4,079</u>	<u>1.1</u>
TOTAL TVA	21,118	21,007	20,961	20,934	20,926	0.9 %
OVERALL TOTAL	91,118	90,357	90,130	89,917	89,688	1.6 %

**2015
KENTUCKY ELECTRIC COOPERATIVES
OPERATING EXPENSE STATISTICAL COMPARISONS
AVERAGE ANNUAL BASIS**

Witness: James Adkins

Case No. 2016-00434

COOPERATIVE NAME	DISTRIBUTION OPERATION PER CONSUMER	DISTRIBUTION MAINTENANCE PER CONSUMER	TOTAL OP. & MAINT. PER CONSUMER	CONSUMER ACCOUNTING PER CONSUMER	CONSUMER INFORMATION PER CONSUMER	ADM. & GEN. EXPENSE PER CONSUMER	TOTAL EXPENSE PER CONSUMER	NUMBER OF EMPLOYEES	MILES OF LINE	NUMBER OF CONSUMERS BILLED	MILES OF LINE PER EMPLOYEE	CONSUMERS PER EMPLOYEE	DENSITY CONSUMERS PER MILE
BIG SANDY RECC	83	120	203	67	4	102	376	42	1,037	13,053	25.0	311	13.0
BLUE GRASS ENERGY COOP	51	118	169	47	14	81	311	100	4,731	56,584	47.3	566	12.0
CLARK ENERGY COOP	83	153	246	56	10	54	366	52	3,085	26,085	59.3	502	8.5
CUMBERLAND VALLEY ELECTRIC	60	124	184	84	4	65	337	49	2,643	23,586	53.9	481	8.9
FARMERS RECC	70	119	189	44	5	86	324	62	3,632	24,987	59.0	403	6.9
FLEMING-MASON ENERGY	75	120	195	88	8	63	332	49	3,595	24,010	73.4	490	6.7
GRAYSON RECC	72	208	280	73	16	134	503	47	2,465	15,344	52.5	326	6.2
INTER-COUNTY ENERGY	108	74	182	66	16	86	350	69	3,875	25,686	56.2	372	6.6
JACKSON ENERGY COOP	90	118	208	81	17	95	381	121	5,701	51,359	47.1	424	8.0
LICKING VALLEY RECC	105	158	263	52	1	85	401	44	2,082	17,323	46.9	394	8.4
NOLIN RECC	126	112	238	72	21	125	456	98	3,023	34,658	30.8	354	11.5
OWEN EC	79	89	148	65	11	78	302	129	4,522	59,409	35.1	461	13.1
SALT RIVER ELECTRIC	53	62	115	36	6	65	222	72	4,151	49,401	57.7	686	11.8
SHELBY ENERGY COOP	95	185	260	27	24	68	379	41	2,126	15,854	51.9	387	7.5
SOUTH KENTUCKY RECC	83	123	186	56	8	59	307	144	6,813	66,763	47.3	464	8.8
TAYLOR COUNTY RECC	72	74	146	52	1	56	255	54	3,248	26,104	60.0	483	8.0
EKPC GROUP AVERAGE	81	120	201	58	10	81	360	73	3,544	33,138	48.5	454	9.4
JACKSON PURCHASE ENERGY	93	111	204	44	2	79	329	71	2,945	29,364	41.5	414	10.0
KENERGY CORP	71	151	222	79	5	80	386	146	7,130	56,406	48.8	386	7.9
MEADE COUNTY RECC	103	107	210	55	5	63	333	62	3,216	29,168	52.0	470	9.1
BIG RIVERS GROUP AVERAGE	89	123	212	59	4	74	349	93	4,430	38,312	47.6	412	8.6
HICKMAN-FULTON COUNTIES RECC	166	382	548	61	6	228	844	15	729	3,726	48.6	248	5.1
PENNYRILE RECC	106	94	200	52	12	87	351	119	5,124	47,426	43.1	399	9.3
TRI-COUNTY EMC	95	117	212	50	13	45	320	126	5,483	51,303	43.5	407	9.4
WARREN RECC	86	80	176	57	13	84	330	157	5,658	62,658	38.0	399	11.1
WEST KENTUCKY RECC	101	161	262	72	4	81	419	93	4,124	38,541	44.3	414	9.4
TVA GROUP AVERAGE	111	169	280	58	10	105	463	102	4,224	40,731	41.4	399	9.6
OVERALL AVERAGE	88	130	218	58	9	85	370	82	3,797	35,367	46.3	431	9.3

2015
KENTUCKY ELECTRIC COOPERATIVES
TOTAL AVERAGE NUMBER OF CONSUMERS BILLED
STATISTICAL COMPARISONS

Witness: James Adkins
Case No. 2016-00434

<u>COOPERATIVE</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>% CHANGE FROM 2011</u>
BIG SANDY	13,053	13,102	13,177	13,199	13,213	-1.2 %
BLUE GRASS ENERGY	56,584	56,075	55,725	55,297	55,087	2.7
CLARK ENERGY COOP	26,085	25,989	25,985	25,980	26,041	0.2
CUMBERLAND VALLEY	23,586	23,619	23,659	23,613	23,684	-0.4
FARMERS	24,987	24,894	24,816	24,710	24,683	1.2
FLEMING-MASON	24,010	23,885	23,833	23,758	23,827	0.8
GRAYSON	15,344	15,338	15,391	15,389	15,470	-0.8
INTER-COUNTY	25,686	25,568	25,328	25,338	25,250	1.7
JACKSON ENERGY	51,359	51,435	51,360	51,250	51,224	0.3
LICKING VALLEY	17,323	17,400	17,408	17,426	17,428	-0.6
NOLIN	34,658	34,314	33,957	33,580	32,948	5.2
OWEN	59,409	58,840	58,095	57,809	57,596	3.1
SALT RIVER ELECTRIC	49,401	48,851	48,320	47,805	47,411	4.2
SHELBY ENERGY	15,854	15,638	15,457	15,360	15,315	3.5
SOUTH KENTUCKY	66,763	66,530	66,272	66,327	66,361	0.6
TAYLOR COUNTY	<u>26,104</u>	<u>25,958</u>	<u>25,888</u>	<u>25,728</u>	<u>25,613</u>	<u>1.9</u>
TOTAL EKPC	530,206	524,671	522,569	521,151	520,484	1.9 %
JACKSON PURCHASE	29,364	29,293	29,313	29,241	29,199	0.6 %
KENERGY	56,406	55,932	55,677	55,419	55,210	2.2
MEADE COUNTY	<u>29,166</u>	<u>28,985</u>	<u>28,730</u>	<u>28,592</u>	<u>28,478</u>	<u>2.4</u>
TOTAL BIG RIVERS	114,936	113,720	113,252	112,887	112,410	2.2 %
HICKMAN-FULTON	3,726	3,702	3,687	3,689	3,675	1.4 %
PENNYRILE	47,426	47,154	46,976	47,013	46,965	1.0
TRI-COUNTY	51,303	50,720	50,612	50,679	50,240	2.1
WARREN	62,658	61,958	61,316	60,641	60,265	4.0
WEST KENTUCKY	<u>38,541</u>	<u>38,483</u>	<u>38,398</u>	<u>38,310</u>	<u>38,154</u>	<u>1.0</u>
TOTAL TVA	203,654	200,989	200,332	199,299	199,224	2.2 %
OVERALL TOTAL	848,796	839,380	836,153	833,337	832,118	2.0 %

2015
KENTUCKY ELECTRIC COOPERATIVES
OPERATING EXPENSE STATISTICAL COMPARISONS
AVERAGE ANNUAL BASIS

COOPERATIVE NAME	DISTRIBUTION OPERATION PER MILE	DISTRIBUTION MAINTENANCE PER MILE	TOTAL OP. & MAINT. PER MILE	CONSUMER ACCOUNTING PER MILE	CONSUMER INFORMATION PER MILE	ADM. & GEN. EXPENSE PER MILE	TOTAL EXPENSE PER MILE	NUMBER OF EMPLOYEES	MILES OF LINE	RESIDENTIAL CONSUMERS BILLED	TOTAL RESIDENTIAL REVENUES	AVERAGE MONTHLY RES'L REV
BIG SANDY RECC	1045	1,510	2,555	843	50	1,284	4,732	42	1,037	11,960	18,879,347	130.2
BLUE GRASS ENERGY COOP	610	1,411	2,021	562	167	969	3,719	100	4,731	53,808	124,393,811	182.7
CLARK ENERGY COOP	788	1,284	2,080	474	85	457	3,086	52	3,085	24,317	36,458,088	124.9
CUMBERLAND VALLEY ELECTRIC	535	1,107	1,642	750	36	580	3,008	49	2,843	21,982	31,119,699	118.0
FARMERS RECC	482	819	1,301	303	34	592	2,230	62	3,632	23,087	31,985,735	115.5
FLEMING-MASON ENERGY	501	801	1,302	454	40	421	2,217	49	3,595	22,308	30,282,759	113.1
GRAYSON RECC	448	1,295	1,743	454	100	834	3,131	47	2,465	14,117	23,009,195	135.8
INTER-COUNTY ENERGY	716	491	1,207	437	106	570	2,320	69	3,875	24,170	37,622,733	129.7
JACKSON ENERGY COOP	811	1,063	1,874	550	153	858	3,433	121	5,701	47,664	75,406,746	131.8
LICKING VALLEY RECC	882	1,327	2,209	437	8	714	3,368	44	2,062	16,212	20,838,229	107.1
NOLIN RECC	1445	1,284	2,729	825	241	1,433	5,228	98	3,023	32,678	48,140,251	122.8
OWEN EC	1038	607	1,945	854	145	1,025	3,969	129	4,522	56,754	83,000,218	121.9
SALT RIVER ELECTRIC	631	738	1,369	428	71	774	2,642	72	4,151	46,280	66,444,049	119.8
SHELBY ENERGY COOP	708	1,230	1,938	201	179	507	2,825	41	2,126	15,214	24,385,887	133.6
SOUTH KENTUCKY RECC	617	1,205	1,822	549	59	578	3,009	144	6,813	60,801	82,859,317	113.7
TAYLOR COUNTY RECC	579	595	1,174	418	8	450	2,050	54	3,248	22,935	29,711,247	108.0
EKPC GROUP AVERAGE	740	1,067	1,807	534	93	753	3,187	73	3,544	30,894	47,776,082	128.9
JACKSON PURCHASE ENERGY	927	1,107	2,034	439	20	788	3,281	71	2,945	25,347	37,547,205	123.4
KENERGY CORP	562	1,195	1,757	625	40	633	3,055	146	7,130	45,587	72,523,048	132.6
MEADE COUNTY RECC	934	970	1,904	499	45	571	3,019	62	3,216	27,038	35,511,355	109.5
BIG RIVERS GROUP AVERAGE	808	1,091	1,899	521	35	664	3,119	93	4,430	32,657	48,527,203	123.8
HICKMAN-FULTON COUNTIES RECC	948	1,952	2,800	312	31	1,170	4,313	15	729	2,880	5,391,652	156.0
PENNYRILE RECC	881	870	1,851	481	111	805	3,248	119	5,124	42,345	87,028,690	131.9
TRI-COUNTY EMC	889	1,095	1,984	468	122	421	2,895	126	5,483	41,625	65,431,598	131.0
WARREN RECC	952	997	1,949	631	144	830	3,654	157	5,658	52,123	82,518,423	147.9
WEST KENTUCKY RECC	944	1,505	2,449	673	37	757	3,916	93	4,124	30,319	54,783,894	150.6
TVA GROUP AVERAGE	923	1,284	2,207	513	89	817	3,626	102	4,224	33,858	57,030,851	140.4
OVERALL AVERAGE	786	1,115	1,901	528	85	755	3,269	82	3,787	31,732	49,786,049	130.8

2015
KENTUCKY ELECTRIC COOPERATIVES
TOTAL RESIDENTIAL REVENUES
STATISTICAL COMPARISONS

Witness: James Adkins
Case No. 2016-00434

<u>COOPERATIVE</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>% CHANGE FROM 2011</u>
BIG SANDY	\$18,679,347	\$20,352,830	\$20,214,344	\$18,915,867	\$19,254,338	-3.0 %
BLUE GRASS ENERGY	124,393,811	90,335,203	86,731,904	82,219,020	85,884,006	44.8
CLARK ENERGY COOP	36,458,088	39,274,668	37,408,399	35,261,019	36,708,481	-0.7
CUMBERLAND VALLEY	31,119,699	32,804,899	31,849,912	30,386,944	31,460,869	-1.1
FARMERS	31,985,735	35,189,349	34,021,119	31,180,284	32,782,120	-2.4
FLEMING-MASON	30,262,759	32,135,777	31,290,157	29,690,084	28,199,358	7.3
GRAYSON	23,009,195	24,408,364	23,854,195	21,816,428	21,978,172	4.7
INTER-COUNTY	37,622,733	42,209,063	39,836,984	36,934,661	38,974,091	-3.5
JACKSON ENERGY	75,406,746	84,922,276	81,972,647	77,832,875	81,135,113	-7.1
LICKING VALLEY	20,838,229	22,943,939	22,724,114	21,314,628	21,839,711	-4.6
NOLIN	48,140,251	53,001,534	51,335,752	47,495,013	48,149,006	0.0
OWEN	83,000,218	87,221,855	79,439,125	79,578,364	79,163,922	4.8
SALT RIVER ELECTRIC	66,444,049	71,348,351	69,064,012	65,507,556	66,517,122	-0.1
SHELBY ENERGY	24,385,887	26,276,277	25,519,497	23,937,841	25,853,776	-5.7
SOUTH KENTUCKY	82,959,317	90,207,014	86,420,326	80,375,682	84,493,130	-1.8
TAYLOR COUNTY	<u>29,711,247</u>	<u>32,121,022</u>	<u>30,403,252</u>	<u>28,434,719</u>	<u>29,703,937</u>	<u>0.0</u>
TOTAL EKPC	\$764,417,311	\$752,085,739	\$710,880,985	\$732,097,152	\$725,664,973	5.3 %
JACKSON PURCHASE	\$37,547,205	\$39,086,440	\$34,338,887	\$31,043,685	\$29,070,144	29.2 %
KENERGY	72,523,048	74,095,848	65,362,048	58,093,381	56,283,522	28.9
MEADE COUNTY	<u>35,511,355</u>	<u>36,725,209</u>	<u>31,876,222</u>	<u>27,769,525</u>	<u>27,479,674</u>	<u>29.2</u>
TOTAL BIG RIVERS	\$145,581,608	\$131,577,157	\$116,906,591	\$112,833,340	\$114,563,582	27.1 %
HICKMAN-FULTON	\$5,391,652	\$5,688,518	\$5,499,579	\$5,599,551	\$5,999,873	-10.1 %
PENNYRILE	67,028,690	71,535,238	66,136,309	62,724,839	65,110,934	2.9
TRI-COUNTY	65,431,598	69,404,761	64,475,661	62,236,827	65,426,019	0.0
WARREN	92,518,423	96,944,907	87,750,045	86,515,348	89,954,828	2.8
WEST KENTUCKY	<u>54,783,894</u>	<u>57,249,601</u>	<u>53,582,845</u>	<u>54,479,631</u>	<u>57,812,187</u>	<u>-5.2</u>
TOTAL TVA	\$285,154,257	\$277,444,439	\$271,556,196	\$284,303,841	\$284,036,188	0.4 %
OVERALL TOTAL	\$1,195,153,176	\$1,161,107,335	\$1,099,343,772	\$1,129,234,333	\$1,124,264,743	6.3 %

2014
KENTUCKY ELECTRIC COOPERATIVES
MILES OF LINE
STATISTICAL COMPARISONS

Witness: James Adkins
Case No. 2016-00434

<u>COOPERATIVE</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>	<u>% CHANGE FROM 2010</u>
BIG SANDY	1,034	1,035	1,033	1,030	1,027	0.7 %
BLUE GRASS ENERGY	4,710	4,693	4,682	4,650	4,632	1.7
CLARK ENERGY COOP	3,066	3,056	3,052	3,042	3,036	1.0
CUMBERLAND VALLEY	2,639	2,633	2,626	2,614	2,616	0.9
FARMERS	3,624	3,615	3,602	3,591	3,577	1.3
FLEMING-MASON	3,582	3,575	3,560	3,550	3,537	1.3
GRAYSON	2,470	2,478	2,485	2,485	2,483	-0.5
INTER-COUNTY	3,834	3,803	3,779	3,765	3,748	2.3
JACKSON ENERGY	5,685	5,673	5,668	5,676	5,664	0.4
LICKING VALLEY	2,057	2,053	2,047	2,039	2,031	1.3
NOLIN	3,017	3,011	3,011	2,991	2,980	1.2
OWEN	4,530	4,522	4,514	4,509	4,493	0.8
SALT RIVER ELECTRIC	4,123	4,095	4,068	4,040	4,016	2.7
SHELBY ENERGY	2,121	2,109	2,104	2,097	2,096	1.2
SOUTH KENTUCKY	6,787	6,771	6,759	6,755	6,735	0.8
TAYLOR COUNTY	<u>3,236</u>	<u>3,230</u>	<u>3,218</u>	<u>3,210</u>	<u>3,198</u>	<u>1.2</u>
TOTAL EKPC	56,515	56,352	56,208	56,044	55,869	1.2 %
JACKSON PURCHASE	2,939	2,932	2,923	2,918	2,909	1.0 %
KENERGY	7,113	7,084	7,068	7,047	7,010	1.5
MEADE COUNTY	<u>3,224</u>	<u>2,982</u>	<u>2,970</u>	<u>2,974</u>	<u>2,974</u>	<u>8.4</u>
TOTAL BIG RIVERS	13,276	12,998	12,961	12,939	12,893	3.0 %
HICKMAN-FULTON	726	727	704	691	684	6.1 %
PENNYRILE	5,095	5,079	5,092	5,089	5,100	-0.1
TRI-COUNTY	5,464	5,458	5,451	5,449	5,451	0.2
WARREN	5,645	5,632	5,623	5,626	5,622	0.4
WEST KENTUCKY	<u>4,118</u>	<u>4,111</u>	<u>4,091</u>	<u>4,079</u>	<u>4,069</u>	<u>1.2</u>
TOTAL TVA	21,048	21,007	20,961	20,934	20,926	0.6 %
OVERALL TOTAL	90,839	90,357	90,130	89,917	89,688	1.3 %

2014
KENTUCKY ELECTRIC COOPERATIVES
AVERAGE EXPENSE PER MILE OF LINE
STATISTICAL COMPARISONS

Exhibit 17

Pg 11 of 18

Witness: James Adkins

Case No. 2016-00434

<u>COOPERATIVE</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>	<u>% CHANGE FROM 2010</u>
BIG SANDY	\$4,702	\$4,621	\$4,280	\$4,207	\$4,611	2.0 %
BLUE GRASS ENERGY	3,725	3,646	3,627	3,779	3,798	-1.9
CLARK ENERGY COOP	2,814	2,840	2,682	2,595	2,542	10.7
CUMBERLAND VALLEY	2,927	2,830	2,824	2,727	2,805	4.3
FARMERS	2,211	2,307	1,996	2,061	1,985	11.4
FLEMING-MASON	2,273	2,341	2,382	2,209	2,135	6.5
GRAYSON	3,472	2,988	3,047	2,963	2,645	31.3
INTER-COUNTY	2,387	2,285	2,326	2,341	2,211	8.0
JACKSON ENERGY	3,383	3,368	3,410	3,348	3,118	8.5
LICKING VALLEY	3,359	3,001	2,818	2,710	2,721	23.4
NOLIN	5,448	4,613	4,484	4,527	4,469	21.9
OWEN	3,857	3,790	3,728	3,693	3,735	3.3
SALT RIVER ELECTRIC	2,606	2,702	2,539	2,711	2,612	-0.2
SHELBY ENERGY	2,676	2,608	2,548	2,542	2,572	4.0
SOUTH KENTUCKY	2,852	2,780	2,590	2,751	2,870	-0.6
TAYLOR COUNTY	<u>2,006</u>	<u>1,972</u>	<u>1,960</u>	<u>1,948</u>	<u>1,886</u>	<u>6.4</u>
AVERAGE EKPC	\$3,169	\$3,044	\$2,953	\$2,946	\$2,919	8.6 %
JACKSON PURCHASE	\$3,577	\$3,400	\$3,340	\$3,532	\$3,197	11.9 %
KENERGY	2,964	2,977	2,759	2,837	2,919	1.5
MEADE COUNTY	<u>3,029</u>	<u>3,015</u>	<u>3,032</u>	<u>2,892</u>	<u>2,794</u>	<u>8.4</u>
AVERAGE BIG RIVERS	\$3,190	\$3,130	\$3,044	\$3,087	\$2,970	7.4 %
HICKMAN-FULTON	\$4,069	\$3,708	\$3,395	\$4,037	\$2,835	43.5 %
PENNYRILE	3,165	3,080	2,945	3,000	2,644	19.7
TRI-COUNTY	2,897	2,800	2,761	2,674	2,623	10.4
WARREN	3,623	3,712	3,742	3,695	3,586	1.0
WEST KENTUCKY	<u>4,000</u>	<u>3,661</u>	<u>3,128</u>	<u>3,462</u>	<u>3,313</u>	<u>20.7</u>
AVERAGE TVA	\$3,551	\$3,391	\$3,195	\$3,374	\$3,000	18.4 %
OVERALL AVERAGE	\$3,251	\$3,127	\$3,014	\$3,052	\$2,944	10.4 %

2014
KENTUCKY ELECTRIC COOPERATIVES
TOTAL AVERAGE NUMBER OF CONSUMERS BILLED
STATISTICAL COMPARISONS

Exhibit 17
Pg 12 of 18

Witness: James Adkins
Case No. 2016-00434

<u>COOPERATIVE</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>	<u>% CHANGE FROM 2010</u>
BIG SANDY	13,102	13,177	13,199	13,213	13,226	-0.9 %
BLUE GRASS ENERGY	56,075	55,725	55,297	55,087	54,980	2.0
CLARK ENERGY COOP	25,989	25,985	25,980	26,041	26,154	-0.6
CUMBERLAND VALLEY	23,619	23,659	23,613	23,684	23,749	-0.5
FARMERS	24,894	24,816	24,710	24,683	24,574	1.3
FLEMING-MASON	23,885	23,833	23,758	23,827	23,822	0.3
GRAYSON	15,338	15,391	15,389	15,470	15,533	-1.3
INTER-COUNTY	25,568	25,328	25,338	25,250	25,256	1.2
JACKSON ENERGY	51,435	51,360	51,250	51,224	51,338	0.2
LICKING VALLEY	17,400	17,408	17,426	17,428	17,493	-0.5
NOLIN	34,314	33,957	33,580	32,948	32,638	5.1
OWEN	58,840	58,095	57,809	57,596	57,478	2.4
SALT RIVER ELECTRIC	48,851	48,320	47,805	47,411	47,046	3.8
SHELBY ENERGY	15,638	15,457	15,360	15,315	15,311	2.1
SOUTH KENTUCKY	66,530	66,272	66,327	66,361	66,430	0.2
TAYLOR COUNTY	<u>25,958</u>	<u>25,888</u>	<u>25,728</u>	<u>25,613</u>	<u>25,456</u>	<u>2.0</u>
TOTAL EKPC	527,436	524,671	522,569	521,151	520,484	1.3 %
JACKSON PURCHASE	29,293	29,313	29,241	29,199	29,152	0.5 %
KENERGY	55,932	55,677	55,419	55,210	54,991	1.7
MEADE COUNTY	<u>28,985</u>	<u>28,730</u>	<u>28,592</u>	<u>28,478</u>	<u>28,267</u>	<u>2.5</u>
TOTAL BIG RIVERS	114,210	113,720	113,252	112,887	112,410	1.6 %
HICKMAN-FULTON	3,702	3,687	3,689	3,675	3,716	-0.4 %
PENNYRILE	47,154	46,976	47,013	46,965	46,984	0.4
TRI-COUNTY	50,720	50,612	50,679	50,240	50,340	0.8
WARREN	61,958	61,316	60,641	60,265	59,995	3.3
WEST KENTUCKY	<u>38,483</u>	<u>38,398</u>	<u>38,310</u>	<u>38,154</u>	<u>38,189</u>	<u>0.8</u>
TOTAL TVA	202,017	200,989	200,332	199,299	199,224	1.4 %
OVERALL TOTAL	843,663	839,380	836,153	833,337	832,118	1.4 %

2014
KENTUCKY ELECTRIC COOPERATIVES
AVERAGE EXPENSE PER CONSUMER
STATISTICAL COMPARISONS

Exhibit 17
Pg 13 of 18

Witness: James Adkins
Case No. 2016-00434

<u>COOPERATIVE</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>	<u>% CHANGE FROM 2010</u>
BIG SANDY	\$371	\$363	\$335	\$328	\$358	3.6 %
BLUE GRASS ENERGY	313	307	307	319	320	-2.2
CLARK ENERGY COOP	332	334	315	303	295	12.5
CUMBERLAND VALLEY	327	315	314	301	309	5.8
FARMERS	322	336	291	300	289	11.4
FLEMING-MASON	341	351	357	329	317	7.6
GRAYSON	559	481	492	476	423	32.2
INTER-COUNTY	358	343	347	349	328	9.1
JACKSON ENERGY	374	372	377	371	344	8.7
LICKING VALLEY	397	354	331	317	316	25.6
NOLIN	479	409	402	411	408	17.4
OWEN	297	295	291	289	292	1.7
SALT RIVER ELECTRIC	220	229	216	231	223	-1.3
SHELBY ENERGY	363	356	349	348	352	3.1
SOUTH KENTUCKY	291	284	264	280	291	0.0
TAYLOR COUNTY	<u>250</u>	<u>246</u>	<u>245</u>	<u>244</u>	<u>237</u>	<u>5.5</u>
AVERAGE EKPC	\$350	\$336	\$328	\$325	\$319	9.7 %
JACKSON PURCHASE	359	340	\$334	\$353	\$319	12.5 %
KENERGY	377	379	352	362	372	1.3
MEADE COUNTY	<u>337</u>	<u>313</u>	<u>315</u>	<u>302</u>	<u>294</u>	<u>14.6</u>
AVERAGE BIG RIVERS	\$358	\$345	\$333	\$340	\$329	8.8 %
HICKMAN-FULTON	798	731	\$648	\$759	\$522	52.9 %
PENNYRILE	342	333	319	325	287	19.2
TRI-COUNTY	312	302	297	290	284	9.9
WARREN	330	341	347	345	336	-1.8
WEST KENTUCKY	<u>428</u>	<u>392</u>	<u>334</u>	<u>370</u>	<u>353</u>	<u>21.2</u>
AVERAGE TVA	\$442	\$419	\$390	\$419	\$357	23.8 %
OVERALL AVERAGE	\$371	\$355	\$341	\$346	\$329	12.8 %

2014
KENTUCKY ELECTRIC COOPERATIVES
TOTAL RESIDENTIAL REVENUES
STATISTICAL COMPARISONS

Exhibit 17
Pg 15 of 18

Witness: James Adkins
Case No. 2016-00434

<u>COOPERATIVE</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>	<u>% CHANGE FROM 2010</u>
BIG SANDY	\$20,352,830	\$20,214,344	\$18,915,867	\$19,254,338	\$19,504,677	4.3 %
BLUE GRASS ENERGY	90,335,203	86,731,904	82,219,020	85,884,006	84,916,241	6.4
CLARK ENERGY COOP	39,274,668	37,408,399	35,261,019	36,708,481	35,307,191	11.2
CUMBERLAND VALLEY	32,804,899	31,849,912	30,386,944	31,460,869	32,537,708	0.8
FARMERS	35,189,349	34,021,119	31,180,284	32,782,120	33,283,884	5.7
FLEMING-MASON	32,135,777	31,290,157	29,690,084	28,199,358	28,565,335	12.5
GRAYSON	24,408,364	23,854,195	21,816,428	21,978,172	22,417,367	8.9
INTER-COUNTY	42,209,063	39,836,984	36,934,661	38,974,091	38,111,051	10.8
JACKSON ENERGY	84,922,276	81,972,647	77,832,875	81,135,113	81,946,986	3.6
LICKING VALLEY	22,943,939	22,724,114	21,314,628	21,839,711	22,255,988	3.1
NOLIN	53,001,534	51,335,752	47,495,013	48,149,006	48,360,150	9.6
OWEN	87,221,855	79,439,125	79,578,364	79,163,922	77,481,108	12.6
SALT RIVER ELECTRIC	71,348,351	69,064,012	65,507,556	66,517,122	65,700,823	8.6
SHELBY ENERGY	26,276,277	25,519,497	23,937,841	25,853,776	23,574,557	11.5
SOUTH KENTUCKY	90,207,014	86,420,326	80,375,682	84,493,130	82,781,238	9.0
TAYLOR COUNTY	<u>32,121,022</u>	<u>30,403,252</u>	<u>28,434,719</u>	<u>29,703,937</u>	<u>28,920,669</u>	<u>11.1</u>
TOTAL EKPC	\$784,752,421	\$752,085,739	\$710,880,985	\$732,097,152	\$725,664,973	8.1 %
JACKSON PURCHASE	\$39,086,440	\$34,338,887	\$31,043,685	\$29,070,144	\$31,240,203	25.1 %
KENERGY	74,095,848	65,362,048	58,093,381	56,283,522	57,146,551	29.7
MEADE COUNTY	<u>36,725,209</u>	<u>31,876,222</u>	<u>27,769,525</u>	<u>27,479,674</u>	<u>26,176,828</u>	<u>40.3</u>
TOTAL BIG RIVERS	\$149,907,497	\$131,577,157	\$116,906,591	\$112,833,340	\$114,563,582	30.9 %
HICKMAN-FULTON	\$5,688,518	\$5,499,579	\$5,599,551	\$5,999,873	\$5,138,805	10.7 %
PENNYRILE	71,535,238	66,136,309	62,724,839	65,110,934	64,755,328	10.5
TRI-COUNTY	69,404,761	64,475,661	62,236,827	65,426,019	70,308,752	-1.3
WARREN	96,944,907	87,750,045	86,515,348	89,954,828	85,524,135	13.4
WEST KENTUCKY	<u>57,249,601</u>	<u>53,582,845</u>	<u>54,479,631</u>	<u>57,812,187</u>	<u>58,309,168</u>	<u>-1.8</u>
TOTAL TVA	\$300,823,025	\$277,444,439	\$271,556,196	\$284,303,841	\$284,036,188	5.9 %
OVERALL TOTAL	\$1,235,482,943	\$1,161,107,335	\$1,099,343,772	\$1,129,234,333	\$1,124,264,743	9.9 %

**KENTUCKY ELECTRIC COOPERATIVES
OPERATING EXPENSE AND STATISTICAL COMPARISONS
2014 - 2013 ANNUAL COMPARISON**

Exhibit 17

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Witness: James Adkins

Case No. 2016-00434

**AVERAGE EXPENSE PER CONSUMER
EKPC**

	<u>2014</u>	<u>2013</u>	<u>CHANGE</u>
DISTRIBUTION OPERATION	\$ 78.00	\$ 78.00	\$ -
DISTRIBUTION MAINTENANCE	\$ 120.00	\$ 109.00	\$ 11.00
ACCOUNTING	\$ 59.00	\$ 58.00	\$ 1.00
CONSUMER INFORMATION	\$ 13.00	\$ 13.00	\$ -
ADMINISTRATION	\$ 80.00	\$ 78.00	\$ 2.00
TOTAL PER CONSUMER	\$ 350.00	\$ 336.00	\$ 14.00

**AVERAGE EXPENSE PER CONSUMER
TVA**

	<u>2014</u>	<u>2013</u>	<u>CHANGE</u>
DISTRIBUTION OPERATION	\$ 106.00	\$ 101.00	\$ 5.00
DISTRIBUTION MAINTENANCE	\$ 176.00	\$ 162.00	\$ 14.00
ACCOUNTING	\$ 56.00	\$ 56.00	\$ -
CONSUMER INFORMATION	\$ 11.00	\$ 11.00	\$ -
ADMINISTRATION	\$ 93.00	\$ 89.00	\$ 4.00
TOTAL PER CONSUMER	\$ 442.00	\$ 419.00	\$ 23.00

OTHER STATISTICAL INFORMATION

NUMBER OF EMPLOYEES	1,172	1,188	(16)
MILES OF LINE	56,515	56,352	163
CONSUMERS BILLED	527,436	524,671	2,765
MILES OF LINE PER EMPLOYEE	48.4	47.6	0.8
CONSUMER PER EMPLOYEE	452	443	9
DENSITY CONSUMERS PER MILE	9.3	9.3	0

OTHER STATISTICAL INFORMATION

NUMBER OF EMPLOYEES	512	505	\$ 7.00
MILES OF LINE	21,048	21,007	\$ 41.00
CONSUMERS BILLED	202,017	200,989	\$ 1,028.00
MILES OF LINE PER EMPLOYEE	41.3	41.6	\$ (0.30)
CONSUMER PER EMPLOYEE	396	398	\$ (2.00)
DENSITY CONSUMERS PER MILE	9.6	9.6	\$ -

**AVERAGE EXPENSE PER CONSUMER
BIG RIVERS**

	<u>2014</u>	<u>2013</u>	<u>CHANGE</u>
DISTRIBUTION OPERATION	\$ 95.00	\$ 86.00	\$ 9.00
DISTRIBUTION MAINTENANCE	\$ 125.00	\$ 125.00	\$ -
ACCOUNTING	\$ 59.00	\$ 52.00	\$ 7.00
CONSUMER INFORMATION	\$ 7.00	\$ 7.00	\$ -
ADMINISTRATION	\$ 72.00	\$ 75.00	\$ (3.00)
TOTAL PER CONSUMER	\$ 358.00	\$ 345.00	\$ 13.00

**AVERAGE EXPENSE PER CONSUMER
OVERALL AVERAGE**

	<u>2014</u>	<u>2013</u>	<u>CHANGE</u>
DISTRIBUTION OPERATION	\$ 86.00	\$ 84.00	\$ 2.00
DISTRIBUTION MAINTENANCE	\$ 132.00	\$ 122.00	\$ 10.00
ACCOUNTING	\$ 59.00	\$ 57.00	\$ 2.00
CONSUMER INFORMATION	\$ 12.00	\$ 12.00	\$ -
ADMINISTRATION	\$ 82.00	\$ 80.00	\$ 2.00
TOTAL PER CONSUMER	\$ 371.00	\$ 355.00	\$ 16.00

OTHER STATISTICAL INFORMATION

NUMBER OF EMPLOYEES	284	278	6
MILES OF LINE	13,276	12,998	278
CONSUMERS BILLED	114,210	113,720	490
MILES OF LINE PER EMPLOYEE	46.6	46.6	0.0
CONSUMER PER EMPLOYEE	401	408	(7)
DENSITY CONSUMERS PER MILE	8.6	8.7	(0)

OTHER STATISTICAL INFORMATION

NUMBER OF EMPLOYEES	1968	1971	(3)
MILES OF LINE	90,839	90,357	482
CONSUMERS BILLED	843,663	839,380	4,283
MILES OF LINE PER EMPLOYEE	46.2	45.9	0
CONSUMER PER EMPLOYEE	429	427	2
DENSITY CONSUMERS PER MILE	9.3	9.3	0

2014
KENTUCKY ELECTRIC COOPERATIVES
OPERATING EXPENSE STATISTICAL COMPARISONS
AVERAGE ANNUAL BASIS

Exhibit 17

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Witness: James Adkins
Case No. 2016-00434

COOPERATIVE NAME	DISTRIBUTION OPERATION PER CONSUMER	DISTRIBUTION MAINTENANCE PER CONSUMER	TOTAL OP. & MAINT. PER CONSUMER	CONSUMER ACCOUNTING PER CONSUMER	CONSUMER INFORMATION PER CONSUMER	ADM. & GEN. EXPENSE PER CONSUMER	TOTAL EXPENSE PER CONSUMER	NUMBER OF EMPLOYEES	MILES OF LINE	NUMBER OF CONSUMERS BILLED	MILES OF LINE PER EMPLOYEE	CONSUMERS PER EMPLOYEE	DENSITY CONSUMERS PER MILE
BIG SANDY RECC	74	125	199	67	7	99	371	42	1,034	13,102	25.0	312	13.0
BLUE GRASS ENERGY COOP	48	113	161	49	18	85	313	104	4,710	56,075	45.3	539	11.9
CLARK ENERGY COOP	68	137	205	57	12	58	332	53	3,066	25,989	57.9	490	8.5
CUMBERLAND VALLEY ELECTRIC	61	115	176	80	7	64	327	51	2,639	23,619	51.8	483	9.0
FARMERS RECC	67	119	186	44	7	85	322	62	3,624	24,894	58.5	402	6.9
FLEMING-MASON ENERGY	83	118	201	74	7	59	341	51	3,582	23,685	70.2	468	6.7
GRAYSON RECC	78	263	339	74	19	127	559	46	2,470	15,338	53.7	333	6.2
INTER-COUNTY ENERGY	103	80	183	85	20	90	358	63	3,834	25,568	61.0	406	6.7
JACKSON ENERGY COOP	91	114	205	61	18	92	374	121	5,685	51,435	47.0	425	9.1
LICKING VALLEY RECC	107	143	250	57	6	84	397	44	2,057	17,400	46.7	395	8.5
NOLIN RECC	107	141	248	76	25	130	479	96	3,017	34,314	31.4	357	11.4
OWEN EC	86	63	149	66	13	69	297	130	4,530	58,840	34.9	453	13.0
SALT RIVER ELECTRIC	57	57	114	37	8	61	220	72	4,123	48,851	57.3	678	11.9
SHELBY ENERGY COOP	90	135	225	42	25	71	363	39	2,121	15,638	54.4	401	7.4
SOUTH KENTUCKY RECC	59	116	175	56	10	50	281	145	6,787	66,530	46.8	459	9.8
TAYLOR COUNTY RECC	74	74	148	42	3	57	250	53	3,236	25,958	61.0	490	8.0
EKPC GROUP AVERAGE	78	120	198	59	13	80	360	73	3,532	32,965	48.4	452	9.3
JACKSON PURCHASE ENERGY	108	112	220	50	3	86	369	74	2,939	29,293	39.7	396	10.0
KENERGY CORP	74	156	230	70	5	72	377	150	7,113	55,932	47.4	373	7.9
MEADE COUNTY RECC	104	106	210	57	13	57	337	60	3,224	28,985	54.0	483	9.0
BIG RIVERS GROUP AVERAGE	95	125	220	59	7	72	368	95	4,425	38,070	46.6	401	8.6
HICKMAN-FULTON COUNTIES RECC	151	391	542	51	13	182	798	16	726	3,702	48.4	247	5.1
PENNYRILE RECC	99	109	208	52	11	71	342	116	5,095	47,154	44.3	410	9.3
TRI-COUNTY EMC	86	105	201	50	13	48	312	131	5,464	50,720	41.7	387	9.3
WARREN RECC	89	87	176	59	13	82	330	157	5,645	61,958	36.0	395	11.0
WEST KENTUCKY RECC	87	187	284	69	4	71	428	93	4,118	38,483	44.3	414	9.4
TVA GROUP AVERAGE	106	176	282	56	11	93	442	102	4,210	40,403	41.3	396	9.6
OVERALL AVERAGE	86	132	218	59	12	82	371	82	3,785	35,153	46.2	429	9.3

**2014
KENTUCKY ELECTRIC COOPERATIVES
OPERATING EXPENSE STATISTICAL COMPARISONS
AVERAGE ANNUAL BASIS**

Exhibit 17

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Witness: James Adkins
Case No. 2016-00434

COOPERATIVE NAME	DISTRIBUTION OPERATION PER MILE	DISTRIBUTION MAINTENANCE PER MILE	TOTAL OP. & MAINT. PER MILE	CONSUMER ACCOUNTING PER MILE	CONSUMER INFORMATION PER MILE	ADM. & GEN. EXPENSE PER MILE	TOTAL EXPENSE PER MILE	NUMBER OF EMPLOYEES	MILES OF LINE	RESIDENTIAL CONSUMERS BILLED	TOTAL RESIDENTIAL REVENUES	AVERAGE MONTHLY RES'L REV
BIG SANDY RECC	838	1,584	2,522	849	89	1,242	4,702	42	1,034	12,015	20,352,830	141.2
BLUE GRASS ENERGY COOP	571	1,345	1,916	583	214	1,012	3,725	104	4,710	53,338	80,335,203	141.1
CLARK ENERGY COOP	576	1,161	1,737	483	102	492	2,814	53	3,066	24,233	39,274,668	135.1
CUMBERLAND VALLEY ELECTRIC	548	1,029	1,575	716	63	573	2,827	51	2,639	22,024	32,804,899	124.1
FARMERS RECC	460	817	1,277	302	48	584	2,211	62	3,624	23,009	35,189,349	127.5
FLEMING-MASON ENERGY	553	787	1,340	493	47	393	2,273	51	3,582	22,198	32,135,777	120.7
GRAYSON RECC	472	1,633	2,105	460	118	789	3,472	46	2,470	14,113	24,408,364	144.1
INTER-COUNTY ENERGY	687	634	1,221	433	133	600	2,387	63	3,834	24,094	42,209,063	146.0
JACKSON ENERGY COOP	823	1,031	1,854	552	145	832	3,383	121	5,685	47,723	84,922,276	148.3
LICKING VALLEY RECC	905	1,210	2,115	482	51	711	3,359	44	2,057	16,235	22,943,939	117.8
NOLIN RECC	1217	1,604	2,821	864	284	1,479	5,448	96	3,017	32,333	53,001,534	136.6
OWEN EC	1117	818	1,935	857	169	896	3,857	130	4,530	56,188	87,221,855	129.4
SALT RIVER ELECTRIC	675	675	1,350	438	95	723	2,606	72	4,123	45,790	71,348,351	129.9
SHELBY ENERGY COOP	664	995	1,659	310	184	523	2,676	39	2,121	15,189	26,276,277	144.2
SOUTH KENTUCKY RECC	578	1,137	1,715	548	88	490	2,852	145	6,787	60,800	80,207,014	123.6
TAYLOR COUNTY RECC	584	584	1,168	337	24	457	2,006	53	3,236	22,796	32,121,022	117.4
EKPC GROUP AVERAGE	711	1,060	1,771	544	117	737	3,169	73	3,532	30,755	49,047,026	132.9
JACKSON PURCHASE ENERGY	1076	1,116	2,192	498	30	857	3,577	74	2,939	25,694	39,086,440	126.8
KENERGY CORP	582	1,227	1,809	550	39	566	2,964	150	7,113	45,311	74,095,848	136.3
MEADE COUNTY RECC	935	953	1,888	512	117	512	3,029	60	3,224	28,847	38,725,209	114.0
BIG RIVERS GROUP AVERAGE	864	1,099	1,963	520	62	645	3,190	95	4,425	32,617	49,869,166	127.7
HICKMAN-FULTON COUNTIES RECC	770	1,984	2,764	260	66	979	4,069	18	726	2,819	5,688,518	168.2
PENNYRILE RECC	916	1,009	1,925	481	102	657	3,185	115	5,095	42,085	71,535,238	141.7
TRI-COUNTY EMC	891	975	1,866	464	121	448	2,897	131	5,464	41,117	69,404,761	140.7
WARREN RECC	977	955	1,932	648	143	800	3,623	157	5,645	51,847	98,844,907	156.4
WEST KENTUCKY RECC	806	1,748	2,654	645	37	684	4,000	93	4,118	30,251	57,249,601	157.7
TVA GROUP AVERAGE	892	1,336	2,228	500	94	729	3,551	102	4,210	33,584	60,164,605	149.3
OVERALL AVERAGE	768	1,122	1,890	532	105	724	3,251	82	3,785	31,577	51,478,456	135.9

AGREEMENT

BETWEEN

SHELBY ENERGY COOPERATIVE, INC.

AND

**INTERNATIONAL BROTHERHOOD OF ELECTRICAL WORKERS,
LOCAL UNION 2100**

EFFECTIVE DATES: September 2, 2012 through September 1, 2015

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AGREEMENT

THIS AGREEMENT, made and entered into as of this 2nd day of September, 2012, by and between SHELBY ENERGY COOPERATIVE, INC. (hereinafter referred to as the "Cooperative"), and INTERNATIONAL BROTHERHOOD OF ELECTRICAL WORKERS, LOCAL UNION 2100 (hereinafter referred to as the "Union").

ARTICLE 1

PREAMBLE

Statement of Principles and Union Responsibilities

The Union recognizes the responsibilities imposed on it as the bargaining agent for the employees covered by this Agreement, and realizes that in order to provide maximum opportunities for continuing employment, good working conditions and good wages, the Cooperative must be in a strong marketing position, which means that it must provide quality services to its customers at the lowest possible costs and otherwise be able to operate its business efficiently, economically and competitively. The Union assumes its full responsibility in the attainment of these goals. The Union therefore agrees that it will cooperate with the Cooperative and support its efforts to assure a full day's work on the part of employees and require employees to recognize and abide by the rules and regulations, board policies and operating procedures established by the Cooperative. The Union will actively work to avoid absenteeism and any other practices which hurt or interfere with production and the efficient operation and management of the Cooperative in its efforts to operate and manage the business covered by this Agreement as efficiently and economically as possible, improve services and products, preserve equipment, prevent accidents and strengthen good will between the Cooperative and its employees, as well as with its suppliers and customers. The Union further recognizes that the

Cooperative has certain definite and stringent obligations and responsibilities to its customers and suppliers and the Union agrees that it will fully cooperate with the Cooperative in the performance and discharge of these obligations and responsibilities. The Cooperative recognizes its responsibilities to the Union and employees and herein pledges to cooperate with the Union and strive toward a harmonious relationship between labor and management of the Cooperative.

ARTICLE 2

RECOGNITION

The Cooperative recognizes the Union as the exclusive bargaining representative for all full-time and regular part-time employees employed by the Cooperative at its Shelbyville, Kentucky, facility, including the Crew Leaders, Line Technicians, Lead Line Technicians, Service Technicians, Apprentice Line Technicians, Material Technician/Warehouse employees, but excluding, Staking Technicians, all other employees, confidential employees, clerical employees, managers, guards and supervisors as defined by the National Labor Relations Act, as amended. It is the intention of the parties hereto that the bargaining unit covered by this Agreement shall be as established by the National Labor Relations Board in its "Certification of Representative" in Case No. 9-RC-18225, and this Article is included herein solely for the purpose of discharging the Cooperative's obligation under the law to recognize the Union.

ARTICLE 3

MANAGEMENT PREROGATIVES

The operation, control and management of the Cooperative's facilities and operations, and all business and activities of the Cooperative in connection therewith which are covered or affected by this Agreement, and the supervision and direction of the working forces at such facilities, operations and business are and shall continue to be solely and exclusively the

functions and prerogatives of the management of the Cooperative. All of the rights, functions and prerogatives of management which the Cooperative had prior to entering into this Agreement with the Union are reserved and retained exclusively to the Cooperative and shall not be questioned by the Union or any employee covered by this Agreement at any time or in any manner. In no event shall any right, function or prerogative of the Cooperative ever be deemed or construed to have been modified, diminished or impaired by any past practice or course of conduct, or otherwise, than by an explicit provision of this Agreement. Specifically, but without limiting or affecting the generality of the foregoing, it is distinctly understood and agreed that this Agreement does not affect and shall not be deemed or construed to impair or limit in any way the Cooperative's right in its sole discretion and judgment, to determine the nature and extent of the business to be carried on by the Cooperative; determine the suppliers and customers with whom it will deal, and the prices at which and terms upon which its materials, equipment and supplies will be purchased, leased or otherwise acquired and its services and products will be sold; determine the size and composition of the working force covered by this Agreement, and assignment of work, and policies affecting the selection of employees; establish and enforce quality, production, construction and service standards for its employees, services and products; establish new departments; discontinue existing departments; introduce new and improved equipment, facilities and service methods; establish and change production and work performance standards; change, combine, establish or discontinue jobs or operations, set wage rates for such jobs or operations, and determine when and if vacancies in the working force shall be filled; determine the means and methods by which production and services will be made; determine the hours of operation; subcontract or procure from others any work of the business as the Cooperative may from time-to-time deem advisable or necessary, whenever and as often as,

and to such extent as the Cooperative may deem necessary and advisable; and discontinue temporarily or permanently, in whole or in part, any operations of the business of the Cooperative covered or affected by this Agreement. The Cooperative shall also have the right from time-to-time to make and enforce such reasonable rules applicable to employees covered by this Agreement, including rules concerning health and safety, alcohol and substance abuse, and to enforce, change, abolish or modify existing rules applicable to employees covered by this Agreement, as it may from time-to-time deem necessary or advisable, except as specifically limited herein.

ARTICLE 4

SUBCONTRACTING

It is understood by the Cooperative and the Union that, for the Cooperative to satisfy the demands of its customers and to successfully operate the business, contracting and/or subcontracting of work is necessary from time to time. It is therefore agreed by the Union that the Cooperative may, within its exclusive discretion, engage contractors for all construction, delivery, service and operations functions, and any and all other functions which it, in its exclusive discretion, deems necessary or desirable, with the exception that the Cooperative will not use this subcontracting clause to subcontract work while any employee who is fully qualified and capable of performing such work has any recall right, except in the case of an emergency. Subcontracting of work will not cause the direct layoff of bargaining unit employees. The exception in the preceding sentence shall not prohibit the Cooperative from subcontracting work to be performed by an employee recalled from layoff pending the employee's return to work from recall. Finally, neither this subcontracting provision nor any other provision of this

Agreement shall limit, restrict, or prohibit the Cooperative from subcontracting or continuing to subcontract any work the Cooperative subcontracted prior to the execution of this Agreement.

ARTICLE 5

DISCIPLINE AND DISCHARGE

SECTION 1.

The Cooperative shall have the right to discipline and discharge employees during their probationary period without cause and without recourse by the Union or by such probationary employee to the grievance procedure of this Agreement.

SECTION 2.

Discipline and discharge of employees will be at the sole discretion of the Cooperative. However, such discipline and discharge will only be administered for just cause (which shall include the "Rules of Conduct" adopted and implemented in accordance with Article 3 of this Agreement.)

SECTION 3.

It is agreed that in the event an employee is given any disciplinary action, including a warning notice, one (1) copy of the warning notice will be given to the employee, one (1) copy will be sent to the Union Office and one (1) copy will be retained in the employee's personnel file. A warning notice or notices for any cause may constitute a basis for discharge for any subsequent infraction and it is understood and recognized by the parties hereto that certain infractions, including those specified in Section 2 of this Article, may, at the Cooperative's sole discretion, result in immediate discharge without warning. It is further understood and recognized that in any event the Cooperative may, in its sole discretion, discharge an employee

who receives three (3) warning notices for any cause or combination of causes in a rolling twelve (12) month period.

SECTION 4.

Apprentice Employees: For the purposes of the Agreement, an apprentice may be terminated, without recourse, for the following reasons:

- (1) The employee fails to complete the TVPPA training as stated in Operating Procedure No. 7; or
- (2) the Apprenticeship Committee informs the CEO that the employee is unable or unwilling to carry out the field portion of their duties in an acceptable manner

ARTICLE 6

UNION SECURITY AND VOLUNTARY CHECKOFF

SECTION 1.

All employees who are hired by the Cooperative shall become and remain members in good standing of the Union or become an agency fee payer in accordance with the Local Union's Bylaws as a condition of continued employment upon the conclusion of their probationary period, as set out in Article 8.

"Membership in the Union in good standing" shall mean the tendering of the initiation fee and periodic dues, or the agency fee uniformly required as a condition of acquiring or retaining membership in the Union.

SECTION 2.

Thirty-one (31) days after the effective date of this Agreement, the Union shall furnish to the Cooperative a true and correct list of those employees covered by this Agreement who are members of the Union.

SECTION 3: Checkoff.

The Cooperative agrees to deduct each month, from the paychecks of all employees who are covered by this Agreement, all periodic dues and initiation fees owing to the Union by the employees, provided, however, that such employees shall have voluntarily signed and submitted a written authorization which shall conform to and be in accordance with all applicable Federal and State laws.

All monies deducted by the Cooperative shall be forwarded to the Business Manager/Financial Secretary of the Union.

It is understood and agreed that any monies collected by the Cooperative for the Union will be taken out of the paycheck for the first pay period of the month and remitted to the Union before the 30th day of the same month.

The Cooperative will recognize authorizations for deductions from wages, if in compliance with State and Federal law, to be transmitted to the Union. No such authorization shall be recognized if in violation of State or Federal law. No deduction shall be made which is prohibited by applicable law. This provision is subject to whatever shop rule is promulgated by the Cooperative with respect to garnishments or other wage deductions.

SECTION 4.

If for any reason an employee does not work during the first pay period of any month in which the checkoff is made, the Cooperative shall make deductions for the above purpose from such employee's wages out of the next succeeding pay period in which he works.

SECTION 5.

It is understood and agreed that the Cooperative shall not be obligated or required to discharge an employee for failure to make payments as required and provided for hereunder

unless the Union shall have first given the Cooperative and such employee ten (10) days written notice of such employee's default, and opportunity within said ten (10) day period to pay all sums due and owing by such employee under the provisions of this Agreement.

SECTION 6.

In consideration of the adoption by the Cooperative of the Union Security and Voluntary Checkoff provisions, the Union agrees to indemnify and hold the Cooperative harmless from and against any and all liability, loss, cost, damage, of every kind suffered, incurred or imposed upon the Cooperative because of any claim, demand, action, unfair labor practice charge, or any other legal or administrative proceedings, including attorney's fees and court costs, because any employee is discharged or other action taken, as a result of the provisions of this Article.

ARTICLE 7

NO STRIKE-NO LOCKOUT

The Union and employees agree that during the term of this Agreement neither the Union, its officers, agents or members shall authorize, instigate, aid, condone or engage in any work stoppage, strike of any kind or description, including so-called sympathy strikes, or otherwise interrupt, impede or restrict services of the Cooperative or engage in any activity which would tend to cause an interruption or delay in the accomplishment of the work and business of the Cooperative.

The Union and employees further agree that during the term of this Agreement the Union, its officers, agents or members will not honor or recognize any picket line or picketing in any form, including recognition of picket lines or picketing out of so-called sympathy, by any union at the Cooperative, or any facility or operation of the Cooperative, regardless of where it is located. Any employee who engages in any conduct prohibited by this Section, or who fails or

refuses to comply with any provision of this Section, shall be subject to appropriate discipline, including discharge by the Cooperative. Further, the Cooperative shall be under no obligation to bargain with the Union concerning employees who are on strike or concerning the subject of any strike so long as the strike continues.

The Cooperative shall not lock out members of the Union during the term of this Agreement.

Nothing in the Article will require an employee to endanger Cooperative equipment, property or the employee's personal safety, however, if an employee believes the Cooperative's equipment, property or their personal safety are threatened, they must notify the Cooperative and the local law enforcement officials immediately. Failure to give such notices will be conclusively presumed to prove that no such threat existed and the employee will be disciplined or discharged as set out above, with no recourse.

ARTICLE 8

PROBATIONARY EMPLOYEES

All new or rehired employees shall be placed on probation and shall be classified as temporary help during the first one hundred twenty (120) actual working days actually worked of their employment with the Cooperative. During such period the Cooperative may discharge or otherwise discipline, lay off, transfer or assign such employees with or without cause, and such actions shall not be subject to the grievance procedure.

Probationary employees who complete their probationary period will be classed as regular employees and their date of hire shall be from the first day of hiring.

ARTICLE 9

HOURS OF WORK AND OVERTIME

SECTION 1.

A full-time employee's regular work week shall be forty (40) hours, Monday through Friday, subject to change by the Cooperative when, as determined at the sole discretion of the Cooperative, requirements dictate—but after notice to the Union-- but shall not be less than eight (8) hours, excluding a maximum sixty (60) minute lunch break. The lunch break includes travel to the place where lunch is purchased and travel to return to the work site. In addition, employees shall receive two (2) fifteen (15) minute breaks during a full eight (8) hour shift. The Cooperative retains the sole discretion to determine when any employee(s) shall take his breaks. Employees may be required to leave work prior to the end of their shift in the case of strikes or other work stoppages, disciplinary suspension of an employee, acts of God. In such event, the employee shall only be compensated for the hours actually worked.

Part-time employees (employees regularly scheduled to work less than forty (40) hours per week) are excluded from the bargaining unit and shall work on the days and for the hours directed by the Cooperative in its sole discretion.

SECTION 2.

Overtime shall be paid for all hours actually worked in excess of eight (8) in a work day or forty (40) hours in any one (1) work week at the rate of one and one-half (1½) times the employee's regular straight-time hourly rate (only paid holidays, jury duty, bereavement leave and vacation days shall count as time worked for the purposes of over-time pay). Overtime under this Section shall be computed on a weekly (Sunday through Sunday) basis. There shall be no pyramiding of overtime or any premiums.

Employees shall be paid at the rate of one and one-half (1½) times their regular straight-time hourly rate for all hours worked on Saturday or Sunday, so long as the employee has previously actually worked a minimum of forty (40) hours during such week, except as set out above.

Employees will be paid at the rate of two (2) times their regular straight-time hourly rate for all hours worked in excess of sixteen (16) consecutive hours in a work day. In addition, employees will be paid at the rate of one and one-half (1 ½) times their regular straight-time hourly rate for all hours actually worked when performing work for other electric utilities excluding Kentucky Cooperatives.

SECTION 3.

Employees called back within four (4) hours of being released from their regular eight (8) hour shift shall have their additional hours actually worked added to the hours worked before being released. For the purposes of calculating overtime pay and total hours worked, the overtime must be consecutive hours worked after call back.

ARTICLE 10

REPORTING AND CALL-OUT PAY

SECTION 1.

The call-out rotation will consist of two (2) employees and will posted yearly. These two (2) employees will be available and will be called on every call-out. If additional help is required the employees on the over-time list will be called in order of ascending over-time hours (lowest first, etc.) until such time as the required help is obtained.

If an employee is paid for rest time during regular work hours and requests to use a portion as sick or vacation leave to complete the work day but fails to report on call-out when

contacted afterwards, up to eight (8) hours of the regular shift, the employee shall forfeit the sick leave or vacation and shall be charged unpaid leave unless planned sick leave or vacation is scheduled or the employee makes a doctor's visit and provides a written doctor's excuse to his/her supervisor when reporting to work the following work day.

The over-time list will be updated at the end of each calendar month. Employees on the call-out roster shall receive one (1) hour of pay at time and one-half (1 ½) their regular rate of pay for actually serving call-out duty for each day served.

A substitute bargaining unit employee will be assigned for on-call duty when the regularly scheduled employee is on sick leave or vacation. The substitute will be selected with low over-time as the first consideration and availability as the second.

Prior notice to and written approval from management is required for an on-call employee to trade on-call duty days. The employee requesting the trade, must work the on-call duty days(s) for which they have traded.

When an employee has completed his regularly scheduled work day, left the Cooperative's headquarters and in route to his home, but is called in to report to work more than two (2) hours prior to the beginning of his next regularly scheduled shift, he will be guaranteed two (2) hours work at his regular over-time hourly rate of pay. During this two (2) hour period the employee must respond to any re-callouts by the Cooperative. There will be no overlap of the two (2) hour minimum or overtime pay by any employee. If an employee has not left the Cooperative's headquarters, the time worked will be paid as regular overtime and not be classified as "call-out" duty. An employee shall not be required to remain longer than the time required to perform the emergency work existing during the period of such call-outs.

Any work assigned before the end of a regularly scheduled work day will be considered regular overtime and will not be subject to the minimum two (2) hour callout provision. If however, the Cooperative determines the rotations system is not efficiently or effectively covering call-out sufficiently or maintaining a balance in the overtime hours, then the Cooperative shall have the right to change from the rotation system.

SECTION 2.

Employees on vacation will only be called out after the Cooperative has made an effort to call out all other employees. Such employees will not have vacation time charged for the hours worked during scheduled vacation.

ARTICLE 11

WORK ASSIGNMENTS

Notwithstanding any of the provisions of this Agreement, there shall be no limitation or restriction upon the nature, extent and kind of work which employees who are not covered by this Agreement (including Supervisory and Management personnel) may perform, nor shall there be any limitation or restriction as to the times or occasions on which employees who are not covered by this Agreement (including Supervisory and Management personnel) may perform such work. Neither shall there be any limitation or restriction upon the nature, extent and kind of work which employees in the bargaining unit may be required to perform, nor shall there be any limitation or restriction as to the time or occasions on which bargaining unit employees shall be required to perform any work in a safe manner. Supervisory and management personnel will not regularly perform bargaining unit work.

ARTICLE 12

GRIEVANCE PROCEDURE

SECTION 1.

A grievance as referred to in this Agreement is a dispute arising out of the interpretation or application of any one or more specific provisions of this Agreement. A written grievance must designate the specific provision(s) alleged to have been violated. No grievance alleging general violation of the Agreement or Articles of the Agreement will be accepted or processed by the Cooperative. Such grievance will be void and not subject to further processing or appeal. Grievances shall be processed in accordance with the procedures set forth below.

STEP 1. The aggrieved employee shall present his grievance in writing to his immediate supervisor within four (4) days after the cause of such grievance becomes known or could reasonably be expected to have been known. If he so desires, the aggrieved employee may be accompanied by his Union Steward.

STEP 2. If the grievance is not settled in Step 1, it may be appealed by the employee within three (3) working days to the President and CEO (or designated representative in event of absence), who shall meet with the Union's Business Representative and the aggrieved employee. The President and CEO (or designated representative in event of absence) will give a written answer to the grievance within thirty (30) days of the initiation of Step 2 by the Union.

STEP 3. If the grievance is not satisfactorily settled in Step 2 and if the grievance is otherwise arbitrable under this Agreement, it may be referred to arbitration in strict accordance with the provisions of this Agreement pertaining to arbitration, provided that if the Union fails to notify the Cooperative in writing by Registered Mail within ten (10) days after the Cooperative gives its answer in writing to a grievance at Step 2 of the grievance procedure of the Union's

desire to arbitrate the grievance, then the Union shall be conclusively presumed to have accepted the Cooperative's answer and said grievance shall not thereafter be arbitrable.

SECTION 2.

The grievance procedure is subject to the following rules and conditions:

(a) A settlement satisfactory to the Union at any step in the grievance procedure shall be binding on it and the employee or employees making the complaint.

(b) Saturdays, Sundays and holidays are excluded in computing the time limits specified in this Article.

(c) All meetings conducted pursuant to the provisions of Step 1 and Step 2 of this Article shall be conducted at times when the aggrieved employee and others, including the Steward, are not regularly scheduled to work or at a time mutually agreed to between the Cooperative and the Union. Neither party shall have more than a total of three (3) persons present, including the aggrieved employee, except, by mutual consent, the parties may agree to a greater number.

(d) Employees will not leave their work to investigate, present or discuss grievances.

(e) This grievance procedure constitutes the sole and exclusive means of resolving controversies. Pending the raising, processing and/or settlement of a grievance, all employees will continue to work in a normal manner, and there shall be no slowdown, stoppage or other interference with work or operations as discussed and set forth in the Article of this Agreement entitled "No Strike - No Lockout."

(f) Infrequently, due to the nature of the subject matter, the Cooperative or the Union may request that Step 1 of the grievance procedure be waived. In such cases Step 1 of the

grievance procedure may be waived provided there is mutual agreement by the Cooperative and the Union to do so.

(g) Any time the Cooperative offers a settlement with regard to any grievance, there will be a Union Official present. "Union Official" shall mean the employee's Steward or the Union's Business Manager.

(h) Any grievance of any kind which has been presented under the grievance procedure set forth herein which is not appealed to the next step within the applicable time specified above and any grievance which has not been presented under the grievance procedure set forth herein within the time period for presentation of grievances shall be considered settled and shall not be subject to further discussion or appeal.

SECTION 3.

The Cooperative shall not be required or obligated under the terms of this Agreement or otherwise to submit to the grievance procedure any claim or cause of action which it may have or assert on account of any alleged violation of this Agreement by the Union or any employee or employees covered by this Agreement.

SECTION 4.

No grievance may be filed or considered which is based in whole or in part on an occurrence happening prior to the execution of or after the term of this Agreement. A grievance which is timely filed over an issue which occurred before the Agreement expired will be processed as though the Agreement were still in effect.

SECTION 5.

The provisions of this Agreement covering grievance procedure and arbitration are completely unrelated to and independent of the provisions of the Article of this Agreement

entitled "No Strike – No Lockout" clause. In the event the Cooperative claims that a grievance filed hereunder is not arbitrable, whether or not such claim be ultimately sustained, such claim shall not in any way affect or excuse the Union or any employee or employees covered by this Agreement from the provisions of the Article entitled "No Strike – No Lockout" and their respective obligations and duties thereunder.

SECTION 6.

In the event any grievance which is otherwise arbitrable under the terms of this Agreement shall be arbitrated, selection of an arbitrator shall first be attempted by the Union and the Cooperative attempting to agree on an arbitrator, and, if they cannot agree upon a selection, the Federal Mediation and Conciliation Service shall be asked to furnish a panel consisting of at least seven (7) names of arbitrators. One person selected by the Union and one person selected by the Cooperative shall select a single arbitrator from the panel by alternately striking a name until such time as only one (1) name remains. The Cooperative and the Union will alternate in striking the first name from the list. The Cooperative will strike the first name in the first arbitration case and the Union will strike the first name in the second arbitration case, etc. The Cooperative and the Union shall each have the right to reject one (1) panel.

SECTION 7.

No more than one grievance shall be submitted to any one arbitrator unless the Cooperative and the Union agree otherwise in writing. The Arbitrators selected shall have power to receive relevant testimony from the parties to the dispute and hear such witnesses as they may desire to present. The parties may, if they so desire, be represented by counsel in all proceedings held before the Arbitrator. The Cooperative shall bear the costs of preparing and presenting its case to the Arbitrator and the Union shall bear the costs of preparing and presenting its case to

the Arbitrator. All other expenses of arbitration, such as, but not limited to the Arbitrator's fee, and the hiring of a space in which the arbitration proceedings are held, shall be divided equally between the Cooperative and the Union.

SECTION 8.

The function of the Arbitrator shall be of a judicial, rather than a legislative, nature. The Arbitrator shall not have authority to add to, ignore or modify any of the terms or provisions of this Agreement. The Arbitrator shall not substitute his judgment for the Cooperative's judgment and where matters of judgment are involved he shall be limited to deciding whether or not the Cooperative acted arbitrarily, capriciously or in bad faith. The Arbitrator shall not decide issues which are not directly involved in the case submitted to him. In any discharge or disciplinary suspension case where the Arbitrator decides that the aggrieved employee should be awarded any back pay, the Cooperative shall be entitled to full credit on such awards for the employee's gross interim earnings, unemployment compensation benefits, worker's compensation benefits received or receivable and any other compensation he receives from any form of employment during the period he was not working for the Cooperative. Subject to the foregoing qualifications and limitations, the Arbitrator's award shall be final and binding upon he Cooperative, the Union and the aggrieved employee or employees.

SECTION 9.

Only the Union shall have the right to prosecute grievances under this Agreement and only the Union shall have the right to take to arbitration any grievance which is otherwise arbitrable under this Agreement. If the Union fails, refuses or declines to prosecute a grievance on behalf of an employee, or on behalf of a group of employees hereunder, such employee or employees who filed such grievance or on whose behalf it has been filed shall be conclusively

bound thereby and both the Union and the aggrieved employee or employees shall thereafter be prohibited from reviving or further prosecuting said grievance.

ARTICLE 13

PAY PERIOD

Members of the Union shall be paid on the first and sixteenth of the month, the Cooperative's regular pay day. When the pay day falls on Sundays or Holidays, employees will be paid the next regular working day, but no later than 2nd and 17th of the month.

ARTICLE 14

ASSIGNMENT OF OVERTIME

Overtime work shall be assigned to the employee(s) where the overtime exists. The duty crew and those employees currently working overtime will be utilized to assist the duty crew. All other overtime assignments shall be determined by an established on-duty roster and/or overtime list with the understanding that during major outage or emergency situations, all Cooperative personnel, contractor employees or mutual-aid assistance from other cooperatives may be utilized to serve the members of the Cooperative. The Cooperative will endeavor to divide overtime work within a classification equally. In order to assist management in equalizing overtime, the on-duty roster and current overtime list will be used for Scheduled Overtime and an Out of Town Overtime roster will be utilized for out of town work.

ARTICLE 15

RATES FOR NEW JOB CLASSIFICATIONS

Recognizing that during the term of this Agreement the Cooperative may install new equipment or change work methods resulting in the creation of new job classifications, the Cooperative shall establish rates for such new classifications in line with the Cooperative's wage

scale for like work and notify the Union's representative in writing. If after ten (10) days the Union does not question the rate established for the new classification, it shall become the established rate for the job.

ARTICLE 16

INSPECTION PRIVILEGES

The Local Union Business Manager or designated representative of the Union, the name of whom shall be furnished to the Cooperative in writing, shall have access to the Cooperative's establishment during working hours for any legitimate purpose in connection with the administration of this Agreement, provided he notifies the President and CEO (or designated representative in event of absence) of the Cooperative beforehand and obtains permission. The Cooperative will not unreasonably withhold such permission. The Union hereby agrees that its agents and representatives will not cause any interruption of the Cooperative's working schedule or interfere with the work of employees or otherwise abuse these visitation privileges when on its premises. Union representatives will follow the procedures of other visitors to the Cooperative and sign in at the reception area and be accompanied by a management employee or other designated representative while on Cooperative property. In the event of a change of agents, the Cooperative will be immediately notified in writing.

ARTICLE 17

SENIORITY

SECTION 1.

Seniority of employees covered by this Agreement shall be determined by the Cooperative on the basis of length of continuous service with the Cooperative from the last date of hire.

SECTION 2.

An employee's seniority, qualifications, ability, skill, work record, and adaptability to perform the work involved, as determined by the Cooperative, shall apply in the case of layoff, recall from layoff, and promotions. It is agreed that in the case of layoff no employee, regardless of his seniority, may displace any other employee unless he is at that time able to perform the work of the employee being displaced to the satisfaction of the Cooperative. An employee who displaces another employee pursuant to the provisions of this Section shall be paid at the hourly rate of pay for that job classification as set forth in Appendix A. When the working force is being increased after a layoff the Cooperative will apply the same standards as it originally applied for layoff when the employees are being recalled. The Union shall possess the right to grieve and/or take to arbitration the issue of whether the Cooperative has acted arbitrarily, capriciously, or in bad faith in its application of the above factors.

SECTION 3.

When there is to be a reduction/layoff in the workforce, the Cooperative will notify the Union as to the classification(s) and number of employees to be affected. All probationary, seasonal, part-time, and casual employees shall be laid off before any employees who have established seniority are affected.

SECTION 4.

The Cooperative will, when it determines it to be practicable, give employees one (1) week notice prior to layoff.

SECTION 5.

Seniority, qualifications, ability, skill, work record, and adaptability to perform the work involved, as determined by the Cooperative, shall be the controlling factors in promotion of employees, and where in the Cooperative's exclusive judgment, these factors are equal between two (2) or more employees, seniority will control.

SECTION 6.

All job vacancies in jobs which the Cooperative decides to fill will be posted for bid for at least ten (10) full working days. Until the Cooperative has selected an employee to regularly fill such job vacancy, the vacant job may be filled in any manner the Cooperative sees fit. The Cooperative will take final action with respect to all job openings within two (2) weeks after the posting is taken down. Employees shall be permitted to bid on jobs even if in a lower classification and shall accept the applicable pay scale and a successful job bidder shall not thereafter bid for any other posted job for six (6) months. If no employee in the unit who bids on the job is selected, using the criteria set out in this Sections 5 and 6, then the Cooperative may hire a new employee(s) from outside the work force.

If the Cooperative creates more than one (1) reporting location, there will be no bidding within the Apprentice, Crew Leader, Lead Line Technician Line or Service Technician or Material/Warehouse classifications, unless the employee lives or commits to relocate within fifteen (15) miles of such location. Such relocation must occur within six (6) months of being awarded the job and, if not, the employee will be removed from that job.

The progression within the Line classifications will be as follows:

Apprentice-Level 1

Apprentice-Level 2

Apprentice-Level 3

Apprentice-Level 4

Line Technician

Service Technician

Lead Line Technician

Crew Leader

Promotion from level-to-level within the Apprentice classification and to Line Technician, Service Technician, Lead Line Technician and/or Crew Leader will be at the sole discretion of the Cooperative.

SECTION 7.

An employee shall lose his seniority and his status as an employee shall cease for any of the following reasons:

- (a) If an employee quits or is discharged.
- (b) If an employee is in layoff status for more than six (6) months.
- (c) If an employee, after having been laid off, when notified of recall by the Cooperative by certified mail sent to the employee's last address appearing on the Cooperative's records, fails by the end of the seventh (7th) day following the day of receipt of such notification to notify the Cooperative of his/her acceptance and intent to return to work, or such employee fails to report for work on or before the beginning of the fourteenth (14th) calendar day following the day the employee received the Company's notification of recall. It shall be the employee's responsibility to keep the Cooperative informed of his/her current address.
- (d) If an employee is absent from work for one (1) day without reporting to the supervisor before the regular work day begins, unless prevented from doing so because of

being hospitalized or physically unable to do so. The burden of proving such circumstances existed is on the employee making the claim. Progressive discipline will be administered beginning with a (1) written warning; (2) a three (3) day suspension without pay, and (3) discharge. Discipline will be administered on a rolling twelve (12) month basis.

- (e) If an employee has retired.

SECTION 8.

Seasonal, temporary, part-time and casual employees are excluded from the bargaining unit covered by this Agreement and are not entitled to any of the benefits and privileges provided for in this Agreement.

SECTION 9.

If, and when, employees in the bargaining unit covered by this Agreement are promoted or transferred to jobs outside the bargaining unit they will retain and accumulate seniority for a period of twelve (12) months, during which period such employees will have the right to return to a job in the bargaining unit, provided they have the seniority to do so. At the end of said twelve (12) month period, if the employee remains in the job outside of the bargaining unit, he will lose all seniority rights under this Agreement.

SECTION 10.

A seniority list shall be made up by the Cooperative within thirty (30) days after the date this Agreement becomes effective. A copy shall be furnished to the Business Manager or his designee and a copy posted on the Bulletin Board and the Union Bulletin Board. This list shall be open for correction for a period of thirty (30) days thereafter and if an employee does not make a protest in writing to the Cooperative, with a copy to the Union, within such thirty (30)

day period after the posting of such list, his seniority shall be brought up-to-date on January 31 of each year thereafter.

SECTION 11.

In the event a job vacancy is posted, in accordance with Section 6 of this Article, and no employees bid on the job and the Cooperative decides not to fill the vacancy by hiring a new employee from outside the work force, then the Cooperative may assign employees to the position on a permanent basis. Such assignment will be by seniority within the classification involved, with the least senior employee(s) being required to perform that job.

Section 12.

If it is necessary for an employee to perform work in a higher rated classification for a period of five (5) consecutive days or more, including holidays then the Cooperative will offer such work to qualified employees, by seniority. The employee selected will be paid at the rate of that position. If it is necessary for an employee to perform work in a higher classification for less than a five (5) day period, the position will be filled by management of the Cooperative and the employee selected will be paid at the rate of that position.

ARTICLE 18

MEDICAL AND BEREAVEMENT LEAVE

SECTION 1.

“Leave,” as that term is used in this Agreement, shall mean time off taken by an employee who has accumulated leave time for purposes of bereavement, illness or other medical condition, including maternity, and shall be used only as provided in this Article.

SECTION 2.

Sick Leave shall be earned and taken in accordance with Board Policy No. 905, except employees are not eligible for sick leave until they have completed one hundred twenty (120) actual working days of employment, actually worked.

SECTION 3.

To receive compensation under this Article, before his/her shift begins, an employee must notify his immediate supervisor of the necessity for absence, except in the rare instances when the employee is completely physically unable to give the required notice (i.e., unconscious or totally incapacitated). To receive compensation for planned, non-emergency, sick leave under this Article and to accommodate the planning of work and service to customers, an employee must notify his/her immediate supervisor as soon as possible after the employee has scheduled such sick leave.

An employee who has been absent from work for three (3) consecutive work days because of illness or accident must notify and advise his supervisor in writing regarding the anticipated duration of his/her continued absence. Such written notice must be from the employee's attending physician.

SECTION 4.

Any employee found to have falsified the reason for leave or who has abused the leave provision by falsification or misrepresentation shall, in the Cooperative's sole discretion, thereupon be subject to disciplinary action, including discharge. In addition, such employee will restore to the Cooperative amounts paid to him to which he was not entitled.

ARTICLE 19

JURY DUTY

An employee who is required to serve and perform jury duty shall be compensated at his regular straight-time hourly rate by the Cooperative for a maximum of thirty (30) regularly scheduled work days (up to a maximum of eight (8) hours per work day) per year on a rolling twelve (12) month basis. Any amount received as juror's fees by an employee performing jury duty and being compensated under this Article shall be tendered and released to the Cooperative. To receive compensation under this Article, an employee must provide to the Cooperative valid proof of such jury duty and the amount received as juror's fees. Whenever the employee is temporarily excused from such jury duty by the Court on a scheduled work day he shall advise his immediate supervisor as promptly as possible and report to the Cooperative and stand ready to work immediately if requested by the Cooperative. The receipt of notice to report for jury duty must be reported immediately to the employee's immediate supervisor.

ARTICLE 20

MILITARY SERVICE

Employees inducted into the Armed Forces of the United States shall be re-employed according to the provisions of the Vietnam Era Veterans Readjustment Assistance Act of 1974, as amended (VEVRA), and the Uniformed Services Employment and Reemployment Rights Act of 1994, as amended (USERRA). Any and all benefits under this Agreement which require working as a condition of earning such benefits and such other benefits as health, medical and other insurance shall not be due such employees, unless specifically required by statute.

ARTICLE 21

HOLIDAYS

SECTION 1.

Employees shall be paid eight (8) hours pay at their regular straight time rate for the following holidays:

New Year's Day	Thanksgiving Day
Martin Luther King, Jr. Day	Friday after Thanksgiving
Memorial Day	Christmas Eve
Fourth of July	Christmas Day
Labor Day	Floating Holiday*

* The "Floating" Holiday is added as a vacation day the first pay period of January for the employee to use as regularly scheduled vacation.

SECTION 2.

To receive holiday pay, an employee must have worked his regularly scheduled hours on the day immediately preceding the holiday and the day immediately after the holiday, or have either of these days charged to vacation, funeral leave or jury duty.

SECTION 3.

In addition to the above allowance, an employee will be compensated for hours actually worked on the above listed holidays, except the Floating Holiday, at one and one-half (1 ½) times his regular straight time rate.

SECTION 4.

Holidays falling on Saturday shall be recognized on the previous scheduled work day and holidays falling on Sunday shall be recognized on the following scheduled work day.

SECTION 5.

In the event a holiday falls during an employee's vacation, the employee shall have not vacation time charged for the holiday.

ARTICLE 22

VACATIONS

The earning, accumulation and scheduling of vacation will be as follows:

- A. New employees, after successfully completing one hundred and twenty (120) work days of training and continuous employment, will have forty (40) hours of vacation time placed on the books which may be taken thereafter, upon approval of the department manager.
- B. Regular full-time employees earn vacation days as follows, based on their employment date:
 - 1. Ten (10) days earned per year through five (5) years of continuous service.
 - 2. Ten (10) days earned per year plus one (1) additional day per year added for six (6) through fourteen (14) years of continuous service.
 - 3. The maximum earned vacation, twenty (20) days, will be earned at fifteen (15) years of continuous service.
 - 4. Vacation is not to be taken during the annual meeting, employee development day, lineman's rodeo and first aid/CPR training.

- C. Maximum carryover at the end of the calendar year will be equal to annual vacation earned, plus one (1) week. Example: An employee who earns four (4) weeks of vacation may carry over five (5) weeks at year end.
- D. Vacation will be scheduled as follows:
1. Selection of one (1) weeks vacation by each employee based upon seniority followed by repeated selections until all employees have their planned and/or eligible vacation selected.
 2. All vacation planned for the following calendar year will be selected by the 15th of December annually. The Cooperative shall provide a duty roster no less than one (1) week prior to vacation selection.

All eligible vacation for the following calendar year not selected by the 15th of December will be scheduled based on availability and management approval.
 3. Employees entitled to ten (10) days vacation shall take at least one full workweek.
 4. No more than two (2) employees will be permitted to schedule vacations on the same dates.
- E. In the event one of the Cooperative's regularly scheduled holidays falls within the employee's scheduled vacation, such holiday will not be charged against the employee's vacation time.
- F. Employees who have earned four (4) weeks of vacation per year may take one (1) week in bonus pay during a designated time in the month of December.

- G. Vacation leave will not be advanced nor may an employee show a negative leave balance on their record.
- H. In the case of a person on compulsory military leave, the numbers of years which determine the vacation earned will continue uninterrupted and the time while on military leave will count toward the number of years of continuous service to determine the amount of vacation earned.

ARTICLE 23

GROUP INSURANCE

SECTION 1.

The Cooperative shall have the right to change insurance carriers or programs at any time so long as the group insurance coverage is not substantially reduced.

SECTION 2.

The contracts between the Cooperative and insurance carriers will govern in all matters related to the insurance plans provided for herein. The exact coverage and the conditions for the coverage of such insurance will be determined by the terms and conditions of the policy or contract, and the Cooperative will not be liable under any circumstances as an insurer of any of the benefits to employees.

SECTION 3.

Any employee covered by this Agreement who is off work for more than six (6) months-- other than for vacation or a leave of absence approved in writing by the CEO of the Cooperative-- will lose entitlement to all benefits provided for in this Agreement and any insurance contributions made by the Cooperative will terminate. In order for any such benefits to continue, the employee, if eligible, will be required to make the contributions previously made by the

Cooperative in accordance with the Consolidated Omnibus Budget Reconciliation Act of 1985, and, if not made by the employee, such benefits will terminate.

SECTION 4.

Employees shall contribute ten percent (10%) of the total premium for the health insurance provided by the Cooperative.

SECTION 5.

(1) If an employee's spouse is employed by another employer where health insurance is available, then such spouse must obtain health insurance from that employer and it shall be primary for such spouse. If the spouse is not eligible to obtain the health insurance, under the provisions of HIPPA, at the time the employee is eligible for health insurance under the Cooperative's plan, then upon a certification from the spouse's employer and its health insurance provider (whether insured or self-insured) that the spouse is not eligible under the provisions of HIPPA until a later date, the spouse will be eligible to be covered under the Cooperative's health insurance program until the earliest date on which such employee's spouse is eligible for insurance provided by their employer.

(2) Dependents will be covered by the health insurance of the employee or the spouse with such dependents being covered by the spouse whose Birthday falls earliest in the calendar year.

(3) A spouse who loses insurance from their employer will be added to the Cooperative's health insurance program within (30) days of notice of termination of such coverage. An employee who has a spouse covered by the Cooperative's health insurance program shall certify in writing yearly, during the month of January, that the spouse continues to be unemployed or is not eligible for health insurance from their employer.

SECTION 6.

The Cooperative may reopen for negotiations Article 23 of this Agreement with respect to health and medical insurance if Federal or State health care reform legislation is enacted, and if either of the below situations occur:

- (1) Legislation requires the Cooperative to make payments above that required to provide the specified coverage set forth in this Article; or
- (2) The legislation would allow the Cooperative to realize a cost reduction in replacing its current plan with that provided for in such legislation.

ARTICLE 24

PENSION PLAN

SECTION 1.

Employees hired on or before September 2, 2009 shall receive the NRECA Pension Plan. The instruments composing the Pension Plan will govern in all matters related to it. The exact terms and conditions for coverage, retirement, etc. will be determined by the terms and conditions of such instruments and the Cooperative will not under any circumstances be liable for any benefits to the employees. New employees hired on and after September 3, 2009 will not be eligible for or participate in such plan.

For the term of this Agreement, the Cooperative shall pay for such employees the full contribution rates (Cooperative and employee contributions) required under the NRECA Pension Plan. The current so-called multiplier will be 1.7. In no case will the Cooperative maintain or provide Pension Plan benefits to employees who have not completed their probationary period.

SECTION 2.

Employees hired on and before September, 2009, will be permitted to participate in the Cooperative's 401(k) Plan. That Plan currently provides that if an employee contributes one percent (1%) of his straight time wages, then the Cooperative will contribute two percent (2%) of such employee's straight time wages. In addition, only new employees hired on and after September 3, 2009, will also be permitted to contribute an additional eight percent (8%) of their straight time wages and each one percent (1%) of such wages an employee contributes, the Cooperative will contribute one percent (1%) up to a maximum of eight percent (8%).

The instruments composing the 401(k) Plan will govern in all matters related to it. The exact terms and conditions for coverage, contributions, withdrawal, retirement, etc. will be determined by the terms and conditions of such instruments and the Cooperative will not under any circumstances be liable for any benefits to the employees.

ARTICLE 25

MISCELLANEOUS

SECTION 1. Clothing.

The Cooperative will provide employees with thirteen (13) sets of uniforms per year and pay for the laundry of such uniforms. In addition, the Cooperative will provide an additional five hundred and twenty-five dollars (\$525.00) per year for employees to purchase boots, tools or other appropriate clothing to wear with the uniforms. All uniforms, clothing and other apparel shall be clean and well maintained, as determined by the Cooperative.

A Cooperative representative will place clothing orders twice per year with sufficient notification of the order date to allow bargaining unit employees to make selections and submit a

completed and signed order form to the representative. Only clothing and other apparel with logos and/or insignias approved by the Cooperative management shall be worn.

SECTION 2. Climbing Equipment.

The Cooperative specifically retains the sole discretion to determine the equipment bargaining unit employees shall use to perform their work. The Cooperative will provide new employees seven hundred dollars (\$700.00) for the purchase of belt, hooks and hand tools or five hundred dollars (\$500.00) for appropriate clothing to wear with uniforms. This is in addition to Article 25, Section 1 for newly hired employees. Should the employee complete the Apprenticeship Program, the belt and hooks will belong to the employee for the duration of his employment. Any such replacement climbing equipment and/or hand tools shall conform to all applicable rules and regulations as determined by the Cooperative's safety representative.

Each employee will furnish the initial set of hand tools. The Cooperative will replace such climbing equipment and/or hand tools that are broken or worn to a point of being unsafe. Such equipment must be returned by the employee as a condition of having it replaced.

SECTION 3. Driver's License.

Crew Leaders, Lead Line Technicians, Line Technicians, Service Technicians, Apprentice Technicians and any other employees who drive or operate Cooperative vehicles or equipment shall maintain an active, Kentucky driver's license with a Commercial Driver's License ("CDL") certification. The Cooperative will pay for the required CDL portion of the license. Loss or revocation of a driver's license or a CDL for a "Major Violation" under the CDL Regulations will result in the termination of the employee. If it is a "Serious Violation" under the CDL Regulations, then the disciplinary action can be, in the Cooperative's discretion, up to and including termination of employment.

SECTION 4. Union Bulletin Board.

The Cooperative will provide bulletin board for posting of official Union bulletins and job postings. Nothing, however, shall be posted on such bulletin board which is derogatory to any individual or which is libelous or obscene, or which deals with any matter that is subject to the grievance-arbitration procedure set forth in this Agreement. Only official matters which relate directly to members of the bargaining unit at the Cooperative may be posted on the bulletin board.

SECTION 5. Cellular Telephones.

Effective January 1, 2013, the Cooperative will reimburse each bargaining unit employee no less than \$55.00 each month towards the cost of cellular telephone service as required for all bargaining unit job positions. The telephones shall be the property of the employees who are required to have the telephone available at all times, excluding vacation, and answer it when called. Guidelines for the cellular telephones are attached as Appendix B.

ARTICLE 26

NON-DISCRIMINATION

The Cooperative and the Union agree that the provisions of this Agreement shall be applied to all employees without discrimination on the basis of age (over age 40), disability (as defined and provided for in the Americans with Disabilities Act of 1990), sex, race, color, religion or national origin or status as a Vietnam Veteran.

Whenever the words "he", "him" or "his" are used herein, those words shall be deemed to include the feminine gender as well.

ARTICLE 27

WAGE RATES AND CLASSIFICATIONS

SECTION 1. Moves Into Lower-Rated Positions.

All employees, whether employed as of the ratification date of this Agreement or not, who are demoted to a lower rated classification (determined by reference to Regular Classified Rates) after the ratification of this Agreement shall receive the rate of the job classification to which they are demoted to or to which they have bumped

SECTION 2. Rates.

Wage rates for all classifications within the bargaining unit are set forth in Appendix A.

ARTICLE 28

STEWARDS

The Union shall have the right to designate a Chief Steward and an Assistant Chief Steward from employees in the bargaining unit. Such designation of the person to be steward shall be communicated to the President and CEO (or designated representative in event of absence) of the Cooperative within seven (7) days. Any change in the steward shall be communicated to the Cooperative in the same way and within the same period as set forth above. Employees shall not engage in any Union activities during working hours. All Union activities, including the discussion of grievances, whether or not with management, and other activities incidental to collective bargaining, shall take place at times mutually convenient to the Cooperative and the Union.

ARTICLE 29

EFFECT OF LAW

All provisions of this Agreement shall be subordinate and subject to any statute or law that may be applicable, whether now in effect or hereinafter enacted. If any provision of this Agreement

or application of this Agreement to any employee is contrary to law, then such provision or application shall not be deemed valid except to the extent permitted by law, but all other provisions or applications of this Agreement shall continue in full force and effect.

ARTICLE 29

ENTIRE AGREEMENT

SECTION 1.

This Agreement sets out the entire understanding between the Cooperative and the Union with respect to the unit of employees described in this Agreement. Neither party intends to be bound or obligated except to the extent that it has expressly so agreed herein and this Agreement shall be strictly construed. The Union shall not use or attempt to use in any arbitration or legal proceeding of any kind under this Agreement or in which involves this Agreement any concession or change in the language or position which the Cooperative made or agreed to in the course of the negotiations for this Agreement, and evidence of any such concession or change in the language or position on the Cooperative's part shall be inadmissible. This Agreement applies only to the collective bargaining unit defined in this Agreement. None of the benefits, rights or privileges accorded by this Agreement to the Union or to any employee covered by this Agreement shall survive the expiration or termination of this Agreement.

SECTION 2.

It is distinctly understood and agreed by the Union that the Cooperative shall not be obligated, contractually or otherwise, to continue in effect any custom, practice or benefit unless it has contractually obligated itself to do so by clear and explicit language in this Agreement.

SECTION 3.

The Cooperative and the Union agree that the agreements reached to settle grievances that were posted for arbitration under the Agreement effective from September 2, 2009 through September 1, 2012 shall remain in effect as though fully set forth in the new Agreement effective September 2, 2012 through September 1, 2015.

ARTICLE 30

COLLECTIVE BARGAINING

The Cooperative and the Union each acknowledge that this Agreement has been reached as a result of collective bargaining in good faith by both parties hereto, and that both parties hereto have had the unlimited opportunity during negotiations to submit and discuss proposals on all subjects which are bargainable matters. While it is the intent and purpose of the parties hereto that each of them shall fully perform all obligations by them to be performed in accordance with the terms of this Agreement, the Union agrees that the Cooperative shall not be obligated to bargain collectively with the Union during the term of this Agreement on any matter pertaining to rates of pay (except as provided in Article 15, "Rates of Pay for New Classifications"), wages, hours of employment, or other conditions of employment, and the Union hereby specifically waives any right which it might otherwise have to request or demand such bargaining, and acknowledges that the Cooperative's obligations during the term of this Agreement shall be limited to the performance and discharge of its obligations under this Agreement.

ARTICLE 31

DURATION OF AGREEMENT

The effective date of this Agreement is September 2, 2012. This Agreement shall be in full force and effect for the entire period from September 2, 2012 through September 1, 2015, and from year-to-year thereafter, unless either party hereto shall at least sixty (60) days prior to September 1, 2015, or the 1st day of September in any year thereafter, notify the other party in writing of its intention and desire to terminate this Agreement. If proper notice is given and the parties, after negotiation, fail to reach agreement on the proposed changes, this Agreement may be terminated by either party upon ten (10) days' written notice delivered to the other at any time after the date upon which this Agreement would have otherwise terminated if no notice for termination had been given. Such ten (10) days' notice must be given before any lockout or strike may occur.

IN TESTIMONY WHEREOF, the Cooperative and the Union by their respective officers and representatives hereunto duly authorized, have signed this Agreement on the day, month and year first set forth above.

SHELBY ENERGY COOPERATIVE, INC
OF

By: Debra J. Martin

INTERNATIONAL BROTHERHOOD
ELECTRICAL WORKERS,
LOCAL UNION 2100

By: W. J. [Signature]

Union Wages - Appendix "A"
11/01/12 through 11/01/2014

2.25% Current Method
08/08/12

Year	Crew Leader	Net +(-)	Net %	Variance vs Lead Line Tech	Lead Line Technician	Net Increase	Net Percent	Variance vs Svs/Line Technician	Service/ Line Technician	Net Increase	Annual Approved Increase
September, 2012											
11/01/12 - 10/31/13			2.04%				2.18%				2.25%
11/01/13 - 10/31/14			2.05%				2.18%				2.25%
11/01/14 - 10/31/15			2.05%				2.18%				2.25%

Former Line Supervisor Positions (2) positions											
11/01/12 - 10/31/13	2012						1.00%				1.00%
11/01/13 - 10/31/14	2013						1.00%				1.00%
11/01/14 - 10/31/15	2014						1.52%				1.00%

	Apprentice	Hire	Enter Program	At completion of:					
				Level 1	Level 2	Level 3	Level 4		
11/01/12 - 10/31/13	2012								2.25%
11/01/13 - 10/31/14	2013								2.25%
11/01/14 - 10/31/15	2014								2.25%

Materials Technician											
11/01/12 - 10/31/13	2012										2.25%
11/01/13 - 10/31/14	2013										2.25%
11/01/14 - 10/31/15	2014										2.25%

Starting Position Rates:

Crew Leader
Lead Line Technician
Line Technician
Service Technician
Materials Technician



Apprentice - Hire
Enter Apprentice Program
Complete Level 1
Complete Level 2
Complete Level 3
Complete Level 4
Complete (1) year of work
at Level 4 to move to Line Technician classification



AGREEMENT

BETWEEN

SHELBY ENERGY COOPERATIVE, INC.

AND

**INTERNATIONAL BROTHERHOOD OF ELECTRICAL WORKERS,
LOCAL UNION 2100**

EFFECTIVE DATES: September 2, 2015 through September 1, 2018.

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AGREEMENT

THIS AGREEMENT, made and entered into as of this 2nd day of September, 2015, by and between SHELBY ENERGY COOPERATIVE, INC. (hereinafter referred to as the "Cooperative"), and INTERNATIONAL BROTHERHOOD OF ELECTRICAL WORKERS, LOCAL UNION 2100 (hereinafter referred to as the "Union").

ARTICLE 1

PREAMBLE

Statement of Principles and Union Responsibilities

The Union recognizes the responsibilities imposed on it as the bargaining agent for the employees covered by this Agreement, and realizes that in order to provide maximum opportunities for continuing employment, good working conditions and good wages, the Cooperative must be in a strong marketing position, which means that it must provide quality services to its customers at the lowest possible costs and otherwise be able to operate its business efficiently, economically and competitively. The Union assumes its full responsibility in the attainment of these goals. The Union therefore agrees that it will cooperate with the Cooperative and support its efforts to assure a full day's work on the part of employees and require employees to recognize and abide by the rules and regulations, board policies and operating procedures established by the Cooperative. The Union will actively work to avoid absenteeism and any other practices which hurt or interfere with production and the efficient operation and management of the Cooperative in its efforts to operate and manage the business covered by this Agreement as efficiently and economically as possible, improve services and products, preserve equipment, prevent accidents and strengthen good will between the Cooperative and its employees, as well as with its suppliers and customers. The Union further recognizes that the Cooperative has certain definite and stringent obligations and responsibilities to its customers

and suppliers and the Union agrees that it will fully cooperate with the Cooperative in the performance and discharge of these obligations and responsibilities. The Cooperative recognizes its responsibilities to the Union and employees and herein pledges to cooperate with the Union and strive toward a harmonious relationship between labor and management of the Cooperative.

ARTICLE 2

RECOGNITION

The Cooperative recognizes the Union as the exclusive bargaining representative for all full-time and regular part-time employees employed by the Cooperative at its Shelbyville, Kentucky, facility, including the Crew Leaders, Line Technicians, Lead Line Technicians, Apprentice Line Technicians, Material Technician/Warehouse employees, but excluding, Staking Technicians, all other employees, confidential employees, clerical employees, managers, guards and supervisors as defined by the National Labor Relations Act, as amended. It is the intention of the parties hereto that the bargaining unit covered by this Agreement shall be as established by the National Labor Relations Board in its "Certification of Representative" in Case No. 9-RC-18225, and this Article is included herein solely for the purpose of discharging the Cooperative's obligation under the law to recognize the Union.

ARTICLE 3

MANAGEMENT PREROGATIVES

The operation, control and management of the Cooperative's facilities and operations, and all business and activities of the Cooperative in connection therewith which are covered or affected by this Agreement, and the supervision and direction of the working forces at such facilities, operations and business are and shall continue to be solely and exclusively the functions and prerogatives of the management of the Cooperative. All of the rights, functions and prerogatives of management which the Cooperative had prior to entering into this

Agreement with the Union are reserved and retained exclusively to the Cooperative and shall not be questioned by the Union or any employee covered by this Agreement at any time or in any manner. In no event shall any right, function or prerogative of the Cooperative ever be deemed or construed to have been modified, diminished or impaired by any past practice or course of conduct, or otherwise, than by an explicit provision of this Agreement. Specifically, but without limiting or affecting the generality of the foregoing, it is distinctly understood and agreed that this Agreement does not affect and shall not be deemed or construed to impair or limit in any way the Cooperative's right in its sole discretion and judgment, to determine the nature and extent of the business to be carried on by the Cooperative; determine the suppliers and customers with whom it will deal, and the prices at which and terms upon which its materials, equipment and supplies will be purchased, leased or otherwise acquired and its services and products will be sold; determine the size and composition of the working force covered by this Agreement, and assignment of work, and policies affecting the selection of employees; establish and enforce quality, production, construction and service standards for its employees, services and products; establish new departments; discontinue existing departments; introduce new and improved equipment, facilities and service methods; establish and change production and work performance standards; change, combine, establish or discontinue jobs or operations, set wage rates for such jobs or operations, and determine when and if vacancies in the working force shall be filled; determine the means and methods by which production and services will be made; determine the hours of operation; subcontract or procure from others any work of the business as the Cooperative may from time-to-time deem advisable or necessary, whenever and as often as, and to such extent as the Cooperative may deem necessary and advisable; and discontinue temporarily or permanently, in whole or in part, any operations of the business of the Cooperative covered or affected by this Agreement. The Cooperative shall also have the right

from time-to-time to make and enforce such reasonable rules applicable to employees covered by this Agreement, including rules concerning health and safety, alcohol and substance abuse, and to enforce, change, abolish or modify existing rules applicable to employees covered by this Agreement, as it may from time-to-time deem necessary or advisable, except as specifically limited herein.

ARTICLE 4

SUBCONTRACTING

It is understood by the Cooperative and the Union that, for the Cooperative to satisfy the demands of its customers and to successfully operate the business, contracting and/or subcontracting of work is necessary from time to time. It is therefore agreed by the Union that the Cooperative may, within its exclusive discretion, engage contractors for all construction, delivery, service and operations functions, and any and all other functions which it, in its exclusive discretion, deems necessary or desirable, with the exception that the Cooperative will not use this subcontracting clause to subcontract work while any employee who is fully qualified and capable of performing such work has any recall right, except in the case of an emergency. Subcontracting of work will not cause the direct layoff of bargaining unit employees. The exception in the preceding sentence shall not prohibit the Cooperative from subcontracting work to be performed by an employee recalled from layoff pending the employee's return to work from recall. Finally, neither this subcontracting provision nor any other provision of this Agreement shall limit, restrict, or prohibit the Cooperative from subcontracting or continuing to subcontract any work the Cooperative subcontracted prior to the execution of this Agreement.

ARTICLE 5

DISCIPLINE AND DISCHARGE

SECTION 1.

The Cooperative shall have the right to discipline and discharge employees during their probationary period without cause and without recourse by the Union or by such probationary employee to the grievance procedure of this Agreement.

SECTION 2.

Discipline and discharge of employees will be at the sole discretion of the Cooperative. However, such discipline and discharge will only be administered for just cause (which shall include the "Rules of Conduct" adopted and implemented in accordance with Article 3 of this Agreement.)

SECTION 3.

It is agreed that in the event an employee is given any disciplinary action, including a warning notice, one (1) copy of the warning notice will be given to the employee, one (1) copy will be sent to the Union Office and one (1) copy will be retained in the employee's personnel file. A warning notice or notices for any cause may constitute a basis for discharge for any subsequent infraction and it is understood and recognized by the parties hereto that certain infractions, including those specified in Section 2 of this Article, may, at the Cooperative's sole discretion, result in immediate discharge without warning. It is further understood and recognized that in any event the Cooperative may, in its sole discretion, discharge an employee who receives three (3) warning notices for any cause or combination of causes in a rolling twelve (12) month period.

SECTION 4.

Apprentice Employees: For the purposes of the Agreement, an apprentice may be terminated, without recourse, for the following reasons:

1) The employee fails to complete the Apprentice Lineman training and obtain the job classification of a qualified Journeyman Lineman (Line Technician) within the designated time as determined by the Cooperative; or

2) the Safety Committee informs the CEO that the employee is unable or unwilling to carry out the field portion of their duties in an acceptable manner. Any Apprentice Line Technician serving on the Safety Committee will not participate in any review process.

ARTICLE 6

UNION SECURITY AND VOLUNTARY CHECKOFF

SECTION 1.

All employees who are hired by the Cooperative shall become and remain members in good standing of the Union or become an agency fee payer in accordance with the Local Union's Bylaws as a condition of continued employment upon the conclusion of their probationary period, as set out in Article 8.

"Membership in the Union in good standing" shall mean the tendering of the initiation fee and periodic dues, or the agency fee uniformly required as a condition of acquiring or retaining membership in the Union.

SECTION 2.

Thirty-one (31) days after the effective date of this Agreement, the Union shall furnish to the Cooperative a true and correct list of those employees covered by this Agreement who are members of the Union.

SECTION 3. Checkoff.

The Cooperative agrees to deduct each month, from the paychecks of all employees who are covered by this Agreement, all periodic dues and initiation fees owing to the Union by the employees, provided, however, that such employees shall have voluntarily signed and submitted a written authorization which shall conform to and be in accordance with all applicable Federal and State laws.

All monies deducted by the Cooperative shall be forwarded to the Business Manager/Financial Secretary of the Union.

It is understood and agreed that any monies collected by the Cooperative for the Union will be taken out of the paycheck for the first pay period of the month and remitted to the Union before the 30th day of the same month.

The Cooperative will recognize authorizations for deductions from wages, if in compliance with State and Federal law, to be transmitted to the Union. No such authorization shall be recognized if in violation of State or Federal law. No deduction shall be made which is prohibited by applicable law. This provision is subject to whatever shop rule is promulgated by the Cooperative with respect to garnishments or other wage deductions.

SECTION 4.

If for any reason an employee does not work during the first pay period of any month in which the checkoff is made, the Cooperative shall make deductions for the above purpose from such employee's wages out of the next succeeding pay period in which he works.

SECTION 5.

It is understood and agreed that the Cooperative shall not be obligated or required to discharge an employee for failure to make payments as required and provided for hereunder

unless the Union shall have first given the Cooperative and such employee ten (10) days written notice of such employee's default, and opportunity within said ten (10) day period to pay all sums due and owing by such employee under the provisions of this Agreement.

SECTION 6.

In consideration of the adoption by the Cooperative of the Union Security and Voluntary Checkoff provisions, the Union agrees to indemnify and hold the Cooperative harmless from and against any and all liability, loss, cost, damage, of every kind suffered, incurred or imposed upon the Cooperative because of any claim, demand, action, unfair labor practice charge, or any other legal or administrative proceedings, including attorney's fees and court costs, because any employee is discharged or other action taken, as a result of the provisions of this Article.

ARTICLE 7

NO STRIKE-NO LOCKOUT

The Union and employees agree that during the term of this Agreement neither the Union, its officers, agents or members shall authorize, instigate, aid, condone or engage in any work stoppage, strike of any kind or description, including so-called sympathy strikes, or otherwise interrupt, impede or restrict services of the Cooperative or engage in any activity which would tend to cause an interruption or delay in the accomplishment of the work and business of the Cooperative.

The Union and employees further agree that during the term of this Agreement the Union, its officers, agents or members will not honor or recognize any picket line or picketing in any form, including recognition of picket lines or picketing out of so-called sympathy, by any union at the Cooperative, or any facility or operation of the Cooperative, regardless of where it is located. Any employee who engages in any conduct prohibited by this Section, or who fails or refuses to comply with any provision of this Section, shall be subject to appropriate discipline,

including discharge by the Cooperative. Further, the Cooperative shall be under no obligation to bargain with the Union concerning employees who are on strike or concerning the subject of any strike so long as the strike continues.

The Cooperative shall not lock out members of the Union during the term of this Agreement.

Nothing in the Article will require an employee to endanger Cooperative equipment, property or the employee's personal safety, however, if an employee believes the Cooperative's equipment, property or their personal safety are threatened, they must notify the Cooperative and the local law enforcement officials immediately. Failure to give such notices will be conclusively presumed to prove that no such threat existed and the employee will be disciplined or discharged as set out above, with no recourse.

ARTICLE 8

PROBATIONARY EMPLOYEES

All new or rehired employees shall be placed on probation and shall be classified as temporary help during the first one hundred twenty (120) actual working days actually worked of their employment with the Cooperative. During such period the Cooperative may discharge or otherwise discipline, lay off, transfer or assign such employees with or without cause, and such actions shall not be subject to the grievance procedure.

Probationary employees who complete their probationary period will be classed as regular employees and their date of hire shall be from the first day of hiring.

ARTICLE 9

HOURS OF WORK AND OVERTIME

SECTION 1.

A full-time employee's regular work week shall be forty (40) hours, Monday through Friday, subject to change by the Cooperative when, as determined at the sole discretion of the Cooperative, requirements dictate—but after notice to the Union-- but shall not be less than eight (8) hours, excluding a maximum sixty (60) minute lunch break. The lunch break includes travel to the place where lunch is purchased and travel to return to the work site. In addition, employees shall receive two (2) fifteen (15) minute breaks during a full eight (8) hour shift. The Cooperative retains the sole discretion to determine when any employee(s) shall take his breaks. Employees may be required to leave work prior to the end of their shift in the case of strikes or other work stoppages, disciplinary suspension of an employee, acts of God. In such event, the employee shall only be compensated for the hours actually worked.

Part-time employees (employees regularly scheduled to work less than forty (40) hours per week) are excluded from the bargaining unit and shall work on the days and for the hours directed by the Cooperative in its sole discretion.

SECTION 2.

Overtime shall be paid for all hours actually worked in excess of eight (8) in a workday or forty (40) hours in any one (1) work week at the rate of one and one-half (1½) times the employee's regular straight-time hourly rate (only paid holidays, jury duty, bereavement leave and vacation days shall count as time worked for the purposes of over-time pay). Overtime under this Section shall be computed on a weekly (Sunday through Sunday) basis. There shall be no pyramiding of overtime or any premiums.

Employees shall be paid at the rate of one and one-half (1½) times their regular straight-time hourly rate for all hours worked on Saturday or Sunday, so long as the employee has previously actually worked a minimum of forty (40) hours during such week, except as set out above.

Employees will be paid at the rate of two (2) times their regular straight-time hourly rate for all hours worked in excess of sixteen (16) consecutive hours. In addition, employees will be paid at the rate of one and one-half (1 ½) times their regular straight-time hourly rate for all hours actually worked when performing work for other electric utilities excluding Kentucky cooperatives. When working for other Kentucky cooperatives, employees will be paid for time worked in accordance with this agreement.

SECTION 3.

If an outage occurs that in the opinion of management is considered a major outage situation or has been declared as such by either a County or State official, employees may be authorized by management to work up to a maximum of twenty-four (24) hours straight from their first call-out. At no time will employees work beyond sixteen (16) hours without prior authorization by management

All employees will then be given a minimum rest period of eight (8) hours. If said rest period falls within the normal workday, (Monday-Friday, 7:30 a.m. to 4:30 p.m.), the employees will be paid at their regular straight time pay rate.

After the initial twenty-four (24) hour work period, employees will be put on a schedule of sixteen (16) hours worked followed by eight (8) hours of rest. Employees returning from the rest period will start at the straight time pay rate unless the start time is outside the regular workday hours as defined in Article 9, Section 1.

The Cooperative has the right to start employees on rest time prior to completing twenty-four (24) hours of work and may extend the rest period beyond eight (8) hours to ensure that employees are rested and available throughout the duration of the outage. Employees have the right to request, and will be granted, rest time prior to working twenty-four (24) hours. At no time will employees work beyond sixteen (16) hours without prior approval by management.

SECTION 4.

Employees will have a Callout Performance Standard regarding the response to additional callouts based on the following. Additional callouts are defined as any request for employees to work other than assigned standby duty. Refer to Appendix B - *Callout Performance Standard Guidelines*.

ARTICLE 10

REPORTING AND CALL-OUT PAY

SECTION 1.

The call-out rotation will consist of two (2) employees and will be posted yearly. These two (2) employees will be available and will be called on every call-out. If additional help is required the employees on the over-time list will be called in order of ascending over-time hours (lowest first, etc.) until such time as the required help is obtained.

If an employee is paid for rest time during regular work hours and requests to use a portion as sick or vacation leave to complete the workday but fails to report on call-out when contacted afterwards, up to four (4) hours of the regular shift, the employee shall forfeit the sick leave or vacation and shall be charged unpaid leave unless planned sick leave or vacation is scheduled or the employee makes a doctor's visit and provides a written doctor's excuse to his/her supervisor when reporting to work the following workday.

The over-time list will be updated at the end of each calendar month. Employees on the call-out roster shall receive one (1) hour of pay at time and one-half (1 ½) their regular rate of pay for actually serving call-out duty for each day served.

The employee is responsible for covering their scheduled days of duty or may trade duty. The duty must be traded equally; one (1) day for one (1) day. Traded duty between employees is the responsibility of those employees and the duty must be covered by each employee as traded.

Prior notice to and written approval from management is required for an on-call employee to trade on-call duty days. The employee requesting the trade, must work the on-call duty days(s) for which they have traded.

A substitute bargaining unit employee will be assigned by the Cooperative for on-call duty when the regularly scheduled employee is on sick leave or when the regularly scheduled employee is taking a full work week of vacation with the following considerations:

a) When the employee takes a full work week of vacation (Monday-Friday), the weekend following the work week of vacation will be covered by the substitute employee assigned.

b) If a holiday falls within the week of vacation, it will be considered a full work week.

The substitute will be selected with low over-time as the first consideration and availability as the second.

When an employee has completed his regularly scheduled workday, left the Cooperative's headquarters and in route to his home, but is called in to report to work more than two (2) hours prior to the beginning of his next regularly scheduled shift, he will be guaranteed two (2) hours work at his regular over-time hourly rate of pay. During this two (2) hour period the employee must respond to any re-callouts by the Cooperative. There will be no overlap of

the two (2) hour minimum or overtime pay by any employee. If an employee has not left the Cooperative's headquarters, the time worked will be paid as regular overtime and not be classified as "call-out" duty. An employee shall not be required to remain longer than the time required to perform the emergency work existing during the period of such call-outs.

Any work assigned before the end of a regularly scheduled workday will be considered regular overtime and will not be subject to the minimum two (2) hour callout provision. If however, the Cooperative determines the rotations system is not efficiently or effectively covering call-out sufficiently or maintaining a balance in the overtime hours, then the Cooperative shall have the right to change from the rotation system.

SECTION 2.

Employees on vacation will only be called out after the Cooperative has made an effort to call out all other employees. Such employees will not have vacation time charged for the hours worked during scheduled vacation.

ARTICLE 11

WORK ASSIGNMENTS

Notwithstanding any of the provisions of this Agreement, there shall be no limitation or restriction upon the nature, extent and kind of work which employees who are not covered by this Agreement (including Supervisory and Management personnel) may perform, nor shall there be any limitation or restriction as to the times or occasions on which employees who are not covered by this Agreement (including Supervisory and Management personnel) may perform such work. Neither shall there be any limitation or restriction upon the nature, extent and kind of work which employees in the bargaining unit may be required to perform, nor shall there be any limitation or restriction as to the time or occasions on which bargaining unit employees shall be

required to perform any work in a safe manner. Supervisory and management personnel will not regularly perform bargaining unit work.

ARTICLE 12

GRIEVANCE PROCEDURE

SECTION 1.

A grievance as referred to in this Agreement is a dispute arising out of the interpretation or application of any one or more specific provisions of this Agreement. A written grievance must designate the specific provision(s) alleged to have been violated. No grievance alleging general violation of the Agreement or Articles of the Agreement will be accepted or processed by the Cooperative. Such grievance will be void and not subject to further processing or appeal. Grievances shall be processed in accordance with the procedures set forth below.

STEP 1. The aggrieved employee shall present his grievance in writing to his immediate supervisor within four (4) days after the cause of such grievance becomes known or could reasonably be expected to have been known. If he so desires, the aggrieved employee may be accompanied by his Union Steward.

STEP 2. If the grievance is not settled in Step 1, it may be appealed by the employee within three (3) working days to the President and CEO (or designated representative in event of absence), who shall meet with the Union's Business Representative and the aggrieved employee. The President and CEO (or designated representative in event of absence) will give a written answer to the grievance within thirty (30) days of the initiation of Step 2 by the Union.

STEP 3. If the grievance is not satisfactorily settled in Step 2 and if the grievance is otherwise arbitrable under this Agreement, it may be referred to arbitration in strict accordance with the provisions of this Agreement pertaining to arbitration, provided that if the Union fails to notify the Cooperative in writing by Registered Mail within ten (10) days after the Cooperative

gives its answer in writing to a grievance at Step 2 of the grievance procedure of the Union's desire to arbitrate the grievance, then the Union shall be conclusively presumed to have accepted the Cooperative's answer and said grievance shall not thereafter be arbitrable.

SECTION 2.

The grievance procedure is subject to the following rules and conditions:

(a) A settlement satisfactory to the Union at any step in the grievance procedure shall be binding on it and the employee or employees making the complaint.

(b) Saturdays, Sundays and holidays are excluded in computing the time limits specified in this Article.

(c) All meetings conducted pursuant to the provisions of Step 1 and Step 2 of this Article shall be conducted at times when the aggrieved employee and others, including the Steward, are not regularly scheduled to work or at a time mutually agreed to between the Cooperative and the Union. Neither party shall have more than a total of three (3) persons present, including the aggrieved employee, except, by mutual consent, the parties may agree to a greater number.

(d) Employees will not leave their work to investigate, present or discuss grievances.

(e) This grievance procedure constitutes the sole and exclusive means of resolving controversies. Pending the raising, processing and/or settlement of a grievance, all employees will continue to work in a normal manner, and there shall be no slowdown, stoppage or other interference with work or operations as discussed and set forth in the Article of this Agreement entitled "No Strike - No Lockout."

(f) Infrequently, due to the nature of the subject matter, the Cooperative or the Union may request that Step 1 of the grievance procedure be waived. In such cases Step 1 of the

grievance procedure may be waived provided there is mutual agreement by the Cooperative and the Union to do so.

(g) Any time the Cooperative offers a settlement with regard to any grievance, there will be a Union Official present. "Union Official" shall mean the employee's Steward or the Union's Business Manager.

(h) Any grievance of any kind which has been presented under the grievance procedure set forth herein which is not appealed to the next step within the applicable time specified above and any grievance which has not been presented under the grievance procedure set forth herein within the time period for presentation of grievances shall be considered settled and shall not be subject to further discussion or appeal.

SECTION 3.

The Cooperative shall not be required or obligated under the terms of this Agreement or otherwise to submit to the grievance procedure any claim or cause of action which it may have or assert on account of any alleged violation of this Agreement by the Union or any employee or employees covered by this Agreement.

SECTION 4.

No grievance may be filed or considered which is based in whole or in part on an occurrence happening prior to the execution of or after the term of this Agreement. A grievance which is timely filed over an issue which occurred before the Agreement expired will be processed as though the Agreement were still in effect.

SECTION 5.

The provisions of this Agreement covering grievance procedure and arbitration are completely unrelated to and independent of the provisions of the Article of this Agreement entitled "No Strike – No Lockout" clause. In the event the Cooperative claims that a grievance

filed hereunder is not arbitrable, whether or not such claim be ultimately sustained, such claim shall not in any way affect or excuse the Union or any employee or employees covered by this Agreement from the provisions of the Article entitled "No Strike – No Lockout" and their respective obligations and duties thereunder.

SECTION 6.

In the event any grievance which is otherwise arbitrable under the terms of this Agreement shall be arbitrated, selection of an arbitrator shall first be attempted by the Union and the Cooperative attempting to agree on an arbitrator, and, if they cannot agree upon a selection, the Federal Mediation and Conciliation Service shall be asked to furnish a panel consisting of at least seven (7) names of arbitrators. One person selected by the Union and one person selected by the Cooperative shall select a single arbitrator from the panel by alternately striking a name until such time as only one (1) name remains. The Cooperative and the Union will alternate in striking the first name from the list. The Cooperative will strike the first name in the first arbitration case and the Union will strike the first name in the second arbitration case, etc. The Cooperative and the Union shall each have the right to reject one (1) panel.

SECTION 7.

No more than one grievance shall be submitted to any one arbitrator unless the Cooperative and the Union agree otherwise in writing. The Arbitrators selected shall have power to receive relevant testimony from the parties to the dispute and hear such witnesses as they may desire to present. The parties may, if they so desire, be represented by counsel in all proceedings held before the Arbitrator. The Cooperative shall bear the costs of preparing and presenting its case to the Arbitrator and the Union shall bear the costs of preparing and presenting its case to the Arbitrator. All other expenses of arbitration, such as, but not limited to the Arbitrator's fee,

and the hiring of a space in which the arbitration proceedings are held, shall be divided equally between the Cooperative and the Union.

SECTION 8.

The function of the Arbitrator shall be of a judicial, rather than a legislative, nature. The Arbitrator shall not have authority to add to, ignore or modify any of the terms or provisions of this Agreement. The Arbitrator shall not substitute his judgment for the Cooperative's judgment and where matters of judgment are involved he shall be limited to deciding whether or not the Cooperative acted arbitrarily, capriciously or in bad faith. The Arbitrator shall not decide issues which are not directly involved in the case submitted to him. In any discharge or disciplinary suspension case where the Arbitrator decides that the aggrieved employee should be awarded any back pay, the Cooperative shall be entitled to full credit on such awards for the employee's gross interim earnings, unemployment compensation benefits, worker's compensation benefits received or receivable and any other compensation he receives from any form of employment during the period he was not working for the Cooperative. Subject to the foregoing qualifications and limitations, the Arbitrator's award shall be final and binding upon the Cooperative, the Union and the aggrieved employee or employees.

SECTION 9.

Only the Union shall have the right to prosecute grievances under this Agreement and only the Union shall have the right to take to arbitration any grievance which is otherwise arbitrable under this Agreement. If the Union fails, refuses or declines to prosecute a grievance on behalf of an employee, or on behalf of a group of employees hereunder, such employee or employees who filed such grievance or on whose behalf it has been filed shall be conclusively bound thereby and both the Union and the aggrieved employee or employees shall thereafter be prohibited from reviving or further prosecuting said grievance.

ARTICLE 13

PAY PERIOD

Members of the Union shall be paid on the first and sixteenth of the month, the Cooperative's regular pay day. When the pay day falls on Sundays or Holidays, employees will be paid the next regular working day, but no later than 2nd and 17th of the month.

ARTICLE 14

ASSIGNMENT OF OVERTIME

Overtime work shall be assigned to the employee(s) where the overtime exists. The duty crew and those employees currently working overtime will be utilized to assist the duty crew. All other overtime assignments shall be determined by an established on-duty roster and/or overtime list with the understanding that during major outage or emergency situations, all Cooperative personnel, contractor employees or mutual-aid assistance from other cooperatives may be utilized to serve the members of the Cooperative. The Cooperative will endeavor to divide overtime work within a classification equally. In order to assist management in equalizing overtime, the on-duty roster and current overtime list will be used for Scheduled Overtime and an Out of Town Overtime roster will be utilized for out of town work.

ARTICLE 15

RATES FOR NEW JOB CLASSIFICATIONS

Recognizing that during the term of this Agreement the Cooperative may install new equipment or change work methods resulting in the creation of new job classifications, the Cooperative shall establish rates for such new classifications in line with the Cooperative's wage scale for like work and notify the Union's representative in writing. If after ten (10) days the Union does not question the rate established for the new classification, it shall become the established rate for the job.

ARTICLE 16

INSPECTION PRIVILEGES

The Local Union Business Manager or designated representative of the Union, the name of whom shall be furnished to the Cooperative in writing, shall have access to the Cooperative's establishment during working hours for any legitimate purpose in connection with the administration of this Agreement, provided he notifies the President and CEO (or designated representative in event of absence) of the Cooperative beforehand and obtains permission. The Cooperative will not unreasonably withhold such permission. The Union hereby agrees that its agents and representatives will not cause any interruption of the Cooperative's working schedule or interfere with the work of employees or otherwise abuse these visitation privileges when on its premises. Union representatives will follow the procedures of other visitors to the Cooperative and sign in at the reception area and be accompanied by a management employee or other designated representative while on Cooperative property. In the event of a change of agents, the Cooperative will be immediately notified in writing.

ARTICLE 17

SENIORITY

SECTION 1.

Seniority of employees covered by this Agreement shall be determined by the Cooperative on the basis of length of continuous service with the Cooperative from the last date of hire.

SECTION 2.

An employee's seniority, qualifications, ability, skill, work record, and adaptability to perform the work involved, as determined by the Cooperative, shall apply in the case of layoff, recall from layoff, and promotions. It is agreed that in the case of layoff no employee, regardless

of his seniority, may displace any other employee unless he is at that time able to perform the work of the employee being displaced to the satisfaction of the Cooperative. An employee who displaces another employee pursuant to the provisions of this Section shall be paid at the hourly rate of pay for that job classification as set forth in Appendix A. When the working force is being increased after a layoff the Cooperative will apply the same standards as it originally applied for layoff when the employees are being recalled. The Union shall possess the right to grieve and/or take to arbitration the issue of whether the Cooperative has acted arbitrarily, capriciously, or in bad faith in its application of the above factors.

SECTION 3.

When there is to be a reduction/layoff in the workforce, the Cooperative will notify the Union as to the classification(s) and number of employees to be affected. All probationary, seasonal, part-time, and casual employees shall be laid off before any employees who have established seniority are affected.

SECTION 4.

The Cooperative will, when it determines it to be practicable, give employees one (1) week notice prior to layoff.

SECTION 5.

Seniority, qualifications, ability, skill, work record, and adaptability to perform the work involved, as determined by the Cooperative, shall be the controlling factors in promotion of employees, and where in the Cooperative's exclusive judgment, these factors are equal between two (2) or more employees, seniority will control.

SECTION 6.

All job vacancies in jobs which the Cooperative decides to fill will be posted for bid for at least ten (10) full working days. Until the Cooperative has selected an employee to regularly

fill such job vacancy, the vacant job may be filled in any manner the Cooperative sees fit. The Cooperative will take final action with respect to all job openings within two (2) weeks after the posting is taken down. Employees shall be permitted to bid on jobs even if in a lower classification and shall accept the applicable pay scale and a successful job bidder shall not thereafter bid for any other posted job for six (6) months. If no employee in the unit who bids on the job is selected, using the criteria set out in this Sections 5 and 6, then the Cooperative may hire a new employee(s) from outside the work force.

If the Cooperative creates more than one (1) reporting location, there will be no bidding within the Apprentice, Crew Leader, Lead Line Technician Line or Material/Warehouse classifications, unless the employee lives or commits to relocate within fifteen (15) miles of such location. Such relocation must occur within six (6) months of being awarded the job and, if not, the employee will be removed from that job.

The progression within the Line classifications will be as follows:

Apprentice-Level 1

Apprentice-Level 2

Apprentice-Level 3

Apprentice-Level 4

Line Technician

Lead Line Technician

Crew Leader

Promotion from level-to-level within the Apprentice classification and to Line Technician, Lead Line Technician and/or Crew Leader will be at the sole discretion of the Cooperative.

SECTION 7.

An employee shall lose his seniority and his status as an employee shall cease for any of the following reasons:

- (a) If an employee quits or is discharged.
- (b) If an employee is in layoff status for more than six (6) months.
- (c) If an employee, after having been laid off, when notified of recall by the

Cooperative by certified mail sent to the employee's last address appearing on the Cooperative's records, fails by the end of the seventh (7th) day following the day of receipt of such notification to notify the Cooperative of his/her acceptance and intent to return to work, or such employee fails to report for work on or before the beginning of the fourteenth (14th) calendar day following the day the employee received the Company's notification of recall. It shall be the employee's responsibility to keep the Cooperative informed of his/her current address.

(d) If an employee is absent from work for one (1) day without reporting to the supervisor before the regular workday begins, unless prevented from doing so because of being hospitalized or physically unable to do so. The burden of proving such circumstances existed is on the employee making the claim. Progressive discipline will be administered beginning with a (1) written warning; (2) a three (3) day suspension without pay, and (3) discharge. Discipline will be administered on a rolling twelve (12) month basis.

- (e) If an employee has retired.

SECTION 8.

Seasonal, temporary, part-time and casual employees are excluded from the bargaining unit covered by this Agreement and are not entitled to any of the benefits and privileges provided for in this Agreement.

SECTION 9.

If, and when, employees in the bargaining unit covered by this Agreement are promoted or transferred to jobs outside the bargaining unit they will retain and accumulate seniority for a period of twelve (12) months, during which period such employees will have the right to return to a job in the bargaining unit, provided they have the seniority to do so and a bargaining unit job is open and available. At the end of said twelve (12) month period, if the employee remains in the job outside of the bargaining unit, he will lose all seniority rights under this Agreement.

SECTION 10.

A seniority list shall be made up by the Cooperative within thirty (30) days after the date this Agreement becomes effective. A copy shall be furnished to the Business Manager or his designee and a copy posted on the Bulletin Board and the Union Bulletin Board. This list shall be open for correction for a period of thirty (30) days thereafter and if an employee does not make a protest in writing to the Cooperative, with a copy to the Union, within such thirty (30) day period after the posting of such list, his seniority shall be brought up-to-date on January 31 of each year thereafter.

SECTION 11.

In the event a job vacancy is posted, in accordance with Section 6 of this Article, and no employees bid on the job and the Cooperative decides not to fill the vacancy by hiring a new employee from outside the work force, then the Cooperative may assign employees to the position on a permanent basis. Such assignment will be by seniority within the classification involved, with the least senior employee(s) being required to perform that job.

Section 12.

If it is necessary for an employee to perform work in a higher rated classification for a period of five (5) consecutive days or more, excluding holidays then the Cooperative will offer

such work to qualified employees, by seniority. The employee selected will be paid at the rate of that position. If it is necessary for an employee to perform work in a higher classification for less than a five (5) day period, the position will be filled by management of the Cooperative and the employee selected will be paid at the rate of that position.

ARTICLE 18

MEDICAL AND BEREAVEMENT LEAVE

SECTION 1.

“Leave,” as that term is used in this Agreement, shall mean time off taken by an employee who has accumulated leave time for purposes of bereavement, illness or other medical condition, including maternity, and shall be used only as provided in this Article.

SECTION 2.

Sick Leave shall be earned and taken in accordance with Board Policy No. 905, except employees are not eligible for sick leave until they have completed one hundred twenty (120) actual working days of employment, actually worked.

SECTION 3.

To receive compensation under this Article, before his/her shift begins, an employee must notify his immediate supervisor of the necessity for absence, except in the rare instances when the employee is completely physically unable to give the required notice (i.e., unconscious or totally incapacitated). To receive compensation for planned, non-emergency, sick leave under this Article and to accommodate the planning of work and service to customers, an employee must notify his/her immediate supervisor as soon as possible after the employee has scheduled such sick leave.

An employee who has been absent from work for three (3) consecutive workdays because of illness or accident must notify and advise his supervisor in writing regarding the anticipated

duration of his/her continued absence. Such written notice must be from the employee's attending physician.

SECTION 4.

Any employee found to have falsified the reason for leave or who has abused the leave provision by falsification or misrepresentation shall, in the Cooperative's sole discretion, thereupon be subject to disciplinary action, including discharge. In addition, such employee will restore to the Cooperative amounts paid to him to which he was not entitled.

ARTICLE 19

JURY DUTY

An employee who is required to serve and perform jury duty shall be compensated at his regular straight-time hourly rate by the Cooperative for a maximum of thirty (30) regularly scheduled workdays (up to a maximum of eight (8) hours per workday) per year on a rolling twelve (12) month basis. Any amount received as juror's fees by an employee performing jury duty and being compensated under this Article shall be tendered and released to the Cooperative. To receive compensation under this Article, an employee must provide to the Cooperative valid proof of such jury duty and the amount received as juror's fees. Whenever the employee is temporarily excused from such jury duty by the Court on a scheduled workday he shall advise his immediate supervisor as promptly as possible and report to the Cooperative and stand ready to work immediately if requested by the Cooperative. The receipt of notice to report for jury duty must be reported immediately to the employee's immediate supervisor.

ARTICLE 20

MILITARY SERVICE

Employees inducted into the Armed Forces of the United States shall be re-employed according to the provisions of the Vietnam Era Veterans Readjustment Assistance Act of 1974,

as amended (VEVRA), and the Uniformed Services Employment and Reemployment Rights Act of 1994, as amended (USERRA). Any and all benefits under this Agreement which require working as a condition of earning such benefits and such other benefits as health, medical and other insurance shall not be due such employees, unless specifically required by statute.

ARTICLE 21

HOLIDAYS

SECTION 1.

Employees shall be paid eight (8) hours pay at their regular straight time rate for the following holidays:

New Year's Day	Thanksgiving Day
Martin Luther King, Jr. Day	Friday after Thanksgiving
Memorial Day	Christmas Eve
Fourth of July	Christmas Day
Labor Day	Floating Holiday*

* The "Floating" Holiday is added as a vacation day the first pay period of January for the employee to use as regularly scheduled vacation.

SECTION 2.

To receive holiday pay, an employee must have worked their regularly scheduled hours on the workday immediately preceding the holiday and the workday immediately after the holiday, or have either of these days charged to pre-approved vacation, funeral leave, jury duty or authorized sick leave. To receive authorized sick leave pay and holiday pay, the employee must provide written documentation that the employee was seen and treated by a medical provider (hospital/clinic/physician's office).

SECTION 3.

In addition to the above allowance, an employee will be compensated for hours actually worked on the above listed holidays, except the Floating Holiday, at one and one-half (1 ½) times his regular straight time rate.

SECTION 4.

Holidays falling on Saturday shall be recognized on the previous scheduled workday and holidays falling on Sunday shall be recognized on the following scheduled workday.

SECTION 5.

In the event a holiday falls during an employee's vacation, the employee shall have not vacation time charged for the holiday.

ARTICLE 22

VACATIONS

The earning, accumulation and scheduling of vacation will be as follows:

- A. New employees, after successfully completing one hundred and twenty (120) workdays of training and continuous employment, will have forty (40) hours of vacation time placed on the books which may be taken thereafter, upon approval of the department manager.
- B. Regular full-time employees earn vacation days as follows, based on their employment date:
 - 1. Ten (10) working days earned per year through five (5) years of continuous service.
 - 2. Ten (10) working days earned per year plus one (1) additional working day per year added for six (6) through fourteen (14) years of continuous service.

3. The maximum earned vacation, twenty (20) working days, will be earned at fifteen (15) years of continuous service.
 4. Vacation is not to be taken during the annual meeting, employee development day, lineman's rodeo, safety day and first aid/CPR training.
 5. Cooperative management will retain the official version of the vacation calendar, and a copy of the calendar will be posted in the operations department for easy access by employees.
 - a.) When employees need to add, cancel or revise vacation days, a *Vacation Request/Change Form* must be completed, signed by the employee and approved with signature by the department manager.
 - b.) Upon signature approval by the manager, the employees will update the copy of the calendar located in the operations department, and the manager will update the official calendar.
- C. Maximum carryover at the end of the calendar year will be equal to annual vacation earned, plus five (5) working days. Example: An employee who earns twenty (20) working days of vacation may carry over twenty-five (25) working days at year end.
- D. Vacation will be scheduled as follows:
1. Selection of five (5) working days of vacation by each employee based upon seniority followed by repeated selections until all employees have their planned and/or eligible vacation selected.
 2. All vacation planned for the following calendar year will be selected by the 15th of December annually. The Cooperative shall provide a duty roster no less than one (1) week prior to vacation selection.

All eligible vacation for the following calendar year not selected by the 15th of December will be scheduled based on availability and management approval.

3. Employees entitled to ten (10) working days of vacation shall take at least five (5) working days of vacation.
 4. No more than two (2) employees will be permitted to schedule vacations on the same dates.
- E. In the event one of the Cooperative's regularly scheduled holidays falls within the employee's scheduled vacation, such holiday will not be charged against the employee's vacation time.
- F. Employees who have earned twenty (20) working days of vacation per year may take five (5) working days in bonus pay during a designated time in the month of December.
- G. Vacation leave will not be advanced nor may an employee show a negative leave balance on their record.
- H. In the case of a person on compulsory military leave, the numbers of years which determine the vacation earned will continue uninterrupted and the time while on military leave will count toward the number of years of continuous service to determine the amount of vacation earned.

ARTICLE 23
GROUP INSURANCE

SECTION 1.

The Cooperative shall have the right to change insurance carriers or programs at any time so long as the group insurance coverage is not substantially reduced.

SECTION 2.

The contracts between the Cooperative and insurance carriers will govern in all matters related to the insurance plans provided for herein. The exact coverage and the conditions for the coverage of such insurance will be determined by the terms and conditions of the policy or contract, and the Cooperative will not be liable under any circumstances as an insurer of any of the benefits to employees.

SECTION 3.

Any employee covered by this Agreement who is off work for more than six (6) months-- other than for vacation or a leave of absence approved in writing by the CEO of the Cooperative-- will lose entitlement to all benefits provided for in this Agreement and any insurance contributions made by the Cooperative will terminate. In order for any such benefits to continue, the employee, if eligible, will be required to make the contributions previously made by the Cooperative in accordance with the Consolidated Omnibus Budget Reconciliation Act of 1985, and, if not made by the employee, such benefits will terminate.

SECTION 4.

Employees shall contribute ten percent (10%) of the total premium for the health insurance provided by the Cooperative.

SECTION 5.

(1) If an employee's spouse is employed by another employer where health insurance is available, then such spouse must obtain health insurance from that employer and it shall be primary for such spouse. If the spouse is not eligible to obtain the health insurance, under the provisions of HIPPA, at the time the employee is eligible for health insurance under the Cooperative's plan, then upon a certification from the spouse's employer and its health insurance provider (whether insured or self-insured) that the spouse is not eligible under the provisions of

HIPPA until a later date, the spouse will be eligible to be covered under the Cooperative's health insurance program until the earliest date on which such employee's spouse is eligible for insurance provided by their employer.

(2) Dependents will be covered by the health insurance of the employee or the spouse with such dependents being covered by the spouse whose Birthday falls earliest in the calendar year.

(3) A spouse who loses insurance from their employer will be added to the Cooperative's health insurance program within (30) days of notice of termination of such coverage. An employee who has a spouse covered by the Cooperative's health insurance program shall certify in writing yearly, during the month of January that the spouse continues to be unemployed or is not eligible for health insurance from their employer.

SECTION 6.

The Cooperative may reopen for negotiations Article 23 of this Agreement with respect to health and medical insurance if Federal or State health care reform legislation is enacted, and if either of the below situations occur:

- (1) Legislation requires the Cooperative to make payments above that required to provide the specified coverage set forth in this Article; or
- (2) The legislation would allow the Cooperative to realize a cost reduction in replacing its current plan with that provided for in such legislation.

ARTICLE 24
PENSION PLAN

SECTION 1.

Employees hired on or before September 2, 2009 shall receive the NRECA Pension Plan. The instruments composing the Pension Plan will govern in all matters related to it. The exact terms and conditions for coverage, retirement, etc. will be determined by the terms and conditions of such instruments and the Cooperative will not under any circumstances be liable for any benefits to the employees. New employees hired on and after September 3, 2009 will not be eligible for or participate in such plan.

For the term of this Agreement, the Cooperative shall pay for such employees the full contribution rates (Cooperative and employee contributions) required under the NRECA Pension Plan. The current so-called multiplier will be 1.7. In no case will the Cooperative maintain or provide Pension Plan benefits to employees who have not completed their probationary period.

SECTION 2.

Employees hired on and before September, 2009, will be permitted to participate in the Cooperative's 401(k) Plan. That Plan currently provides that if an employee contributes one percent (1%) of his straight time wages, then the Cooperative will contribute two percent (2%) of such employee's straight time wages. In addition, only new employees hired on and after September 3, 2009, will also be permitted to contribute an additional eight percent (8%) of their straight time wages and each one percent (1%) of such wages an employee contributes, the Cooperative will contribute one percent (1%) up to a maximum of eight percent (8%).

The instruments composing the 401(k) Plan will govern in all matters related to it. The exact terms and conditions for coverage, contributions, withdrawal, retirement, etc. will be

determined by the terms and conditions of such instruments and the Cooperative will not under any circumstances be liable for any benefits to the employees.

ARTICLE 25

MISCELLANEOUS

SECTION 1. Clothing.

The Cooperative will provide employees with thirteen (13) sets of uniforms per year and pay for the laundry of such uniforms. In addition, the Cooperative will provide an additional six hundred and twenty-five (\$625.00) per year for employees to purchase boots, tools or other work-related apparel, etc. Each employee will receive advanced payment no later than October 2nd of each year and this amount will cover the annual contract period for that year. New employees will have the total amount prorated and receive an advanced payment based on the number of months remaining in the annual contract period at the time of employment.

Employees will be personally responsible for ordering the above items and orders will be delivered to their home or other personal location of their choice. Employees are responsible for the costs of the Cooperative logo being placed on apparel and will use only authorized vendors for which the Cooperative has established to meet national requirements for the logo.

Outer wear such as coats, jackets, hats caps, etc. worn by employees must have the Cooperative's logo and must be visible at all times while working. Employees will not wear apparel that have other logos. All uniforms, clothing and other apparel shall be clean and well maintained, as determined by the Cooperative.

Employees will be required to sign an *Allowance Form* that states payment will be reimbursed by the employee should they leave employment of the Cooperative prior to the end of the contract period of each year. The reimbursement to the Cooperative will be prorated

based on the number of months remaining in the annual contract period at the time of termination.

SECTION 2. Climbing Equipment and Accessories.

The Cooperative specifically retains the sole discretion to determine the equipment bargaining unit employees shall use to perform their work. The Cooperative will issue advanced payment of seven hundred and fifty dollars (\$750.00) to new employees for the purchase or ownership of belt, hooks, hand tools or appropriate outer wear and work-related accessories to wear with uniforms.

New employees will be required to sign an *Allowance Form* that states full amount of the advanced payment will be reimbursed by the employee should they leave employment of the Cooperative prior to actually working twelve (12) months.

This is in addition to Article 25, Section 1 for newly hired employees. Should the employee complete the Apprenticeship Program, the belt and hooks will belong to the employee for the duration of his employment. Any such replacement climbing equipment and/or hand tools shall conform to all applicable rules and regulations as determined by the Cooperative's safety representative.

Each employee will furnish the initial set of hand tools. The Cooperative will replace such climbing equipment and/or hand tools that are broken or worn to a point of being unsafe. Such equipment must be returned by the employee as a condition of having it replaced.

SECTION 3. Driver's License.

Crew Leaders, Lead Line Technicians, Line Technicians, Service Technicians, Apprentice Technicians and any other employees who drive or operate Cooperative vehicles or equipment shall maintain an active, Kentucky driver's license with a Commercial Driver's License ("CDL") certification. The Cooperative will pay for the required CDL portion of the

license. Loss or revocation of a driver's license or a CDL for a "Major Violation" under the CDL Regulations will result in the termination of the employee. If it is a "Serious Violation" under the CDL Regulations, then the disciplinary action can be, in the Cooperative's discretion, up to and including termination of employment.

SECTION 4. Union Bulletin Board.

The Cooperative will provide bulletin board for posting of official Union bulletins and job postings. Nothing, however, shall be posted on such bulletin board which is derogatory to any individual or which is libelous or obscene, or which deals with any matter that is subject to the grievance-arbitration procedure set forth in this Agreement. Only official matters which relate directly to members of the bargaining unit at the Cooperative may be posted on the bulletin board.

SECTION 5. Cellular Telephones.

The Cooperative will reimburse each bargaining unit employee sixty-five dollars (\$65.00) each month towards the cost of cellular telephone service as required for all bargaining unit job positions. The telephones shall be the property of the employees who are required to have the telephone available at all times, excluding vacation, and answer it when called. Guidelines for the cellular telephones are as follows:

a) At the personal expense of each bargaining unit employee, the employee shall purchase, maintain and replace the telephone as required to have a cellular telephone available as stated above.

b) Features of the cellular telephone shall include the following:

1. Coverage for Shelby Energy Cooperative service territory;
2. Coverage for the residence of the employee;
3. Voicemail capabilities, and

4. Texting capabilities.

c) The Cooperative shall not be responsible for any over time or other wage opportunities lost by a bargaining unit employee resulting from the lack of cellular telephone coverage.

d) The employee shall provide the cellular telephone number to appropriate management in writing via the *Cellular Information Form* as soon as the information is available.

e) Should a cellular telephone number change or an alternate number be necessary, the employee shall submit the information in writing via the Cellular Information Form to appropriate management as soon as the information is available to assist with timely revisions with the answering service provider

f) The employee shall obey all local, state, federal and Cooperative Regulations, policies and guidelines when using the cellular telephone.

g) Reimbursement to the bargaining unit employee shall be included with payroll on the last pay period of each month.

SECTION 6. Prescription Safety Eyewear

A reimbursement of up to two hundred dollars (\$200.00) for the cost differential on safety features that apply to prescription eyewear will be paid to bargaining unit employees based on the following:

- a) The reimbursement is applicable every two (2) years;
- b) The employee will provide an itemized receipt from the eyewear vendor;
- c) The request for reimbursement must be submitted to the Cooperative's human resource's representative for payment;

d) Should the proper information not be provided to the human resource's representative, the employee shall be required to wear the eyewear safety guards provided by the Cooperative.

ARTICLE 26

NON-DISCRIMINATION

The Cooperative and the Union agree that the provisions of this Agreement shall be applied to all employees without discrimination on the basis of age (over age 40), disability (as defined and provided for in the Americans with Disabilities Act of 1990), sex, race, color, religion or national origin or status as a Vietnam Veteran.

Whenever the words "he", "him" or "his" are used herein, those words shall be deemed to include the feminine gender as well.

ARTICLE 27

WAGE RATES AND CLASSIFICATIONS

SECTION 1. Moves Into Lower-Rated Positions.

All employees, whether employed as of the ratification date of this Agreement or not, who are demoted to a lower rated classification (determined by reference to Regular Classified Rates) after the ratification of this Agreement shall receive the rate of the job classification to which they are demoted to or to which they have bumped

SECTION 2. Rates.

Wage rates for all classifications within the bargaining unit are set forth in Appendix A.

ARTICLE 28

STEWARDS

The Union shall have the right to designate a Chief Steward and an Assistant Chief Steward from employees in the bargaining unit. Such designation of the person to be steward

shall be communicated to the President and CEO (or designated representative in event of absence) of the Cooperative within seven (7) days. Any change in the steward shall be communicated to the Cooperative in the same way and within the same period as set forth above. Employees shall not engage in any Union activities during working hours. All Union activities, including the discussion of grievances, whether or not with management, and other activities incidental to collective bargaining, shall take place at times mutually convenient to the Cooperative and the Union.

ARTICLE 29

EFFECT OF LAW

All provisions of this Agreement shall be subordinate and subject to any statute or law that may be applicable, whether now in effect or hereinafter enacted. If any provision of this Agreement or application of this Agreement to any employee is contrary to law, then such provision or application shall not be deemed valid except to the extent permitted by law, but all other provisions or applications of this Agreement shall continue in full force and effect.

ARTICLE 30

ENTIRE AGREEMENT

SECTION 1.

This Agreement sets out the entire understanding between the Cooperative and the Union with respect to the unit of employees described in this Agreement. Neither party intends to be bound or obligated except to the extent that it has expressly so agreed herein and this Agreement shall be strictly construed. The Union shall not use or attempt to use in any arbitration or legal proceeding of any kind under this Agreement or in which involves this Agreement any concession or change in the language or position which the Cooperative made or agreed to in the course of the negotiations for this Agreement, and evidence of any such concession or change in the language or position on the Cooperative's part shall be inadmissible. This Agreement applies

only to the collective bargaining unit defined in this Agreement. None of the benefits, rights or privileges accorded by this Agreement to the Union or to any employee covered by this Agreement shall survive the expiration or termination of this Agreement.

SECTION 2.

It is distinctly understood and agreed by the Union that the Cooperative shall not be obligated, contractually or otherwise, to continue in effect any custom, practice or benefit unless it has contractually obligated itself to do so by clear and explicit language in this Agreement.

SECTION 3.

The Cooperative and the Union agree that the agreements reached to settle grievances that were posted for arbitration under the Agreements effective from September 2, 2009 through September 1, 2015 shall remain in effect as though fully set forth in the new Agreement effective September 2, 2015 through September 1, 2018.

ARTICLE 31

COLLECTIVE BARGAINING

The Cooperative and the Union each acknowledge that this Agreement has been reached as a result of collective bargaining in good faith by both parties hereto, and that both parties hereto have had the unlimited opportunity during negotiations to submit and discuss proposals on all subjects which are bargainable matters. While it is the intent and purpose of the parties hereto that each of them shall fully perform all obligations by them to be performed in accordance with the terms of this Agreement, the Union agrees that the Cooperative shall not be obligated to bargain collectively with the Union during the term of this Agreement on any matter pertaining to rates of pay (except as provided in Article 15, "Rates of Pay for New Classifications"), wages, hours of employment, or other conditions of employment, and the Union hereby specifically waives any right which it might otherwise have to request or demand such bargaining, and

acknowledges that the Cooperative's obligations during the term of this Agreement shall be limited to the performance and discharge of its obligations under this Agreement.

ARTICLE 32

DURATION OF AGREEMENT

The effective date of this Agreement is September 2, 2015. This Agreement shall be in full force and effect for the entire period from September 2, 2015 through September 1, 2018, and from year-to-year thereafter, unless either party hereto shall at least sixty (60) days prior to September 1, 2018, or the 1st day of September in any year thereafter, notify the other party in writing of its intention and desire to terminate this Agreement. If proper notice is given and the parties, after negotiation, fail to reach agreement on the proposed changes, this Agreement may be terminated by either party upon ten (10) days' written notice delivered to the other at any time after the date upon which this Agreement would have otherwise terminated if no notice for termination had been given. Such ten (10) days' notice must be given before any lockout or strike may occur.

IN TESTIMONY WHEREOF, the Cooperative and the Union by their respective officers and representatives hereunto duly authorized, have signed this Agreement on the day, month and year first set forth above.

SHELBY ENERGY COOPERATIVE, INC

INTERNATIONAL BROTHERHOOD OF
ELECTRICAL WORKERS,
LOCAL UNION 2100

By: *Debra J. Martin*

By: *William E. Shetter*

Appendix "A"
11/01/15 through 11/01/17

Year	Crew Leader	Net +(-)	Net %	Variance vs Lead Line Tech	Lead Line Technician	Net Increase	Net Percent	Variance vs Svs/Line Technician	Service/ Line Technician	Net Increase	Annual Approved Increase
September, 2015	████			████	████			████	████		
11/01/15 - 10/31/16	2015	████	2.28%	████	████	████	2.42%	████	████	████	2.50%
11/01/16 - 10/31/17	2016	████	2.73%	████	████	████	2.89%	████	████	████	3.00%
11/01/17 - 10/31/18	2017	████	2.75%	████	████	████	2.91%	████	████	████	3.00%

	Apprentice	Hire	Enter Program	At completion of:					Annual Approved Increase
				Level 1	Level 2	Level 3	Level 4		
September, 2015		████	████	████	████	████	████		
11/01/15 - 10/31/16	2015	████	████	████	████	████	████		2.50%
11/01/16 - 10/31/17	2016	████	████	████	████	████	████		3.00%
11/01/17 - 10/31/18	2017	████	████	████	████	████	████		3.00%

Materials Technician											
September, 2015		████									
11/01/15 - 10/31/16	2015	████									2.50%
11/01/16 - 10/31/17	2016	████									3.00%
11/01/17 - 10/31/18	2017	████									3.00%

Shelby Energy Cooperative

Case No. 2016-00434

July 31, 2016

Attached is the Equity Management Plan. Capital credits were paid as follows:

	<u>General</u>	<u>Estates</u>	<u>Total</u>
2015	\$ 470,935	\$ 115,354	\$ 586,289
2014	427,709	100,406	528,115
2013	414,722	89,578	504,300
2012	361,993	80,046	442,039
2011	309,599	133,614	443,213
2010	297,777	89,115	386,892
Paid prior to 2010	<u>2,984,002</u>	<u>2,353,520</u>	<u>5,337,522</u>
Total	<u>\$ 5,266,737</u>	<u>\$ 2,961,633</u>	<u>\$ 8,228,370</u>

SHELBY ENERGY COOPERATIVE, INC
Shelbyville, Kentucky

POLICY NO. 303

EQUITY MANAGEMENT & CAPITAL CREDITS

I. OBJECTIVES:

- A. To assure the financial integrity of Shelby Energy, that results in providing high quality electric services to members, at a cost consistent with Cooperative philosophy.
- B. To develop an approach to long-range financial planning designed to ensure Shelby Energy can meet its financial responsibilities to both lending entities and member-owners through equity and margin planning.
- C. To comply with the various regulations and operational practices prescribed by RUS, Kentucky Public Service Commission and other agencies as required.

II. CONTENT:

- A. Financial planning for equity management is required to:
 - 1. Provide adequate funds to retire capital credits;
 - 2. Provide adequate working capital and cash reserves;
 - 3. Provide adequate funds for debt retirement;
 - 4. Provide adequate funds to maintain all facilities at the highest operational level consistent with sound economic practices;
 - 5. Provide adequate funds for additions to physical facilities;
 - 6. Provide for adequate levels of TIER (Times Interest Earned Ratio) and DSC (Debt Service Coverage), and equity.

Maintaining the following ratio levels is intended to assure that funds are available for debt retirement, provide access to timely loan fund balances and resources to meet needed plant additions, provide availability of funds for capital credit retirement and meet revenue requirements necessary to maintain margins.

- i. Shelby Energy will achieve and maintain a target Equity Ratio of 30% or more as a percent of total assets excluding Generation and Transmission Capital Credits (GTCC's).
 - ii. Shelby Energy will achieve an annual TIER and OTIER Ratio no less than the minimum required to meet loan eligibility requirements as a borrower of RUS and CFC.
 - iii. Shelby Energy will achieve an annual DSC and MDSC ratio no less than the minimum required to meet loan eligibility requirements as a borrower of RUS and CFC.
- B. Shelby Energy will make annual payments of capital credits to its members of the capital of Shelby Energy when the following conditions are met:
1. The Board of Directors determines that the financial condition of Shelby Energy will not be impaired, and that satisfactory progress is being made toward Shelby Energy's equity management goals as set forth in 6a. (i-iii) above.
- C. The issue of paying general and special capital credit refunds will be reviewed at least annually by the Board of Directors, and:
1. Will be in total amounts not exceeding those amounts permitted by the mortgage requirements of Shelby Energy's lenders; and
 2. Will be in such amounts as supported by satisfactory progress toward Shelby Energy's targeted Equity, TIER and DSC levels.
 3. Selection of member patronage for general retirement will be authorized through a method, basis, and priority approved by the Board of Directors.
 4. Capital credit refunds to the estates of deceased members will continue to be based on present-value using the refund cycle or may be paid through the normal course of general retirements. Both options will be offered to those handling deceased member estates.
- D. Shelby Energy will offset against the member's capital credits account balance any outstanding account balance due from a former member for non-payment for electric services.

III. RESPONSIBILITY

- A. The President and CEO is responsible for administering this policy and recommending changes to the Board of Directors, based on changing business and financial conditions.
- B. The Board of Directors is ultimately responsible for Equity Management.
- C. All discretionary authority for capital credit repayments shall remain with the Board of Directors as stated in the Bylaws and this policy shall not diminish that right.

Adopted: 09/22/66

Revised: 01/31/74 10/23/86 06/22/89 05/28/98 08/26/99 09/22/05
 08/19/10 07/19/12 07/17/14

Reviewed: 04/28/16

Shelby Energy Cooperative
Case No. 2016-00434
Capitalization Policies

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Benefits
Distribution

107.20	Construction work in progress	260,786
108.80	Retirement work in progress	82,586
143.00	Receivable from others	3,321
163.00	Stores	22,176
242.52	Employee sick leave/vacation	
580.00	Operations	16,719
583.00	Overhead line	21,609
586.00	Meter	41,739
587.00	Installations	2,783
588.00	Miscellaneous distribution	56,648
590.00	Maintenance	3,699
593.00	Overhead line	131,060
594.00	Underground	38,459
595.00	Transformers	307
597.00	Street lights	2,375
598.00	Miscellaneous maintenance	25,308
901.00	Supervision	27,220
902.00	Meter reading	26,602
903.00	Consumer records	30,611
907.00	Supervision, Customer service	7,005
908.00	Consumer accounting	31,758
909.00	Consumer information	10,173
910.00	Misc customer information	55,668
912.00	Customer demonstration	3,292
920.00	Administrative	70,272
926.00	Employee benefits	7,821
930.00	Miscellaneous	9,645
935.00	Maintenance general plant	<u>1,184</u>
	Total	<u>990,826</u>

Benefits include the following:

Medical insurance	584,856
Life and disability insurance	28,201
R & S retirement	265,969
Savings plan 401(k)	<u>111,800</u>

990,826

Shelby accumulates all benefits, then allocates these to accounts based on the labor distribution for the month. The above is the actual allocation for the test year for the above benefits

The total number of employees is 42, with an average benefit cost of \$23,591.



Shelby Energy Cooperative


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Exhibit 21
Page 1 of 179
Witness: Jim Adkins
Case No. 2016-00434

June 22, 2015

Mr. Jeff Derouen
Executive Director
Kentucky Public Service Commission
211 Sower Blvd
P O Box 615
Frankfort, KY 40602-0615

RE: Case No. 2009-00410

Dear Mr. Derouen:

As directed by Item 4 of the Order dated July 27, 2010 in the above referenced case, attached is the *Distribution Plant Depreciation Study* as of December 31, 2013 that was performed for Shelby Energy Cooperative, Inc.

Should you have any questions or need further information, please let us know.

Sincerely,



Debra J. Martin
President and CEO

Enclosure

Shelby Energy Cooperative

Service Life and Net Salvage Study

December 31, 2013

James R. Adkins, Consulting
Lexington, Kentucky

Shelby Energy Cooperative

INDEX

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Introduction	1
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Calculation of Rates and Net Salvage Analysis	3
Summary of Findings by Iowa Type Curve	4
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Shelby Energy Cooperative

Distribution Plant Depreciation Study

As of December 31, 2013

INTRODUCTION

This depreciation study was performed for Shelby Energy Cooperative ("Shelby Energy") in Shelbyville, Kentucky. The purpose of the study was as follows:

1. To recommend appropriate depreciation rates based on estimates of average life mortality characteristics and net salvage that will fully recover the cost of the property, adjusted for net salvage over its estimated life.
2. To determine the adequacy of the book reserve for depreciation at a point in time by comparing it with a theoretical reserve based on the same average lives, mortality characteristics, and net salvage as used to determine the recommended depreciation rates.
3. To determine if necessary some method to adjust the book reserve for past over or under accruals as indicated by comparison with the theoretical reserve requirement.
4. To review in detail the history, status, procedures and policies of Shelby Energy's depreciation functions, records, and operating techniques.

Shelby Energy has never had a depreciation study performed. Since there are many factors affecting estimates of depreciation rates and accrued depreciation, and these factors are constantly changing, a depreciation study only represents the best judgment at the time the study is performed. Actual results may vary from the forecasts and variations may be material.

Shelby Energy Cooperative

DEPRECIATION

Book depreciation is merely the recognition in financial statements that physical assets are being consumed in the process of providing a service or product. Generally accepted accounting principles require the recording of depreciation provisions to be systematic and rational. In order to be systematic and rational, depreciation should to the extent possible, match either the consumption of the facilities or the revenues generated by the facilities. Accounting theory requires the matching of expenses with either consumption or revenues to ensure that financial statements reflect the results of operations and changes in financial position as accurately as possible. The matching principle is often referred to as the cause and effect principle, thus, both the cause and the effect are required to be recognized for financial statement purposes.

Because price regulation and not the market place controls revenues, for utility accounting purposes consumption is important and is usually assumed to occur at a constant rate. The key to the validity of the utility book depreciation accounting lies in accurately measuring property consumption through determining its mortality characteristics. The term "mortality characteristics" encompasses average service life and dispersion (variation) of retirements around average service life, as well as salvage and cost of removal (net salvage).

DEPRECIATION DEFINITIONS

The Uniform System of Accounts prescribed for electric borrowers of the Rural Utilities Service ("RUS") states that depreciation "as applicable to depreciable electric plant, means the loss in service value not restored by current maintenance, incurred in connection with the consumption for prospective retirement of electric plant in the course of service from causes which are known to be in current operation and against which the utility is not protected by insurance. Among the causes to be given consideration are wear and tear, decay, action of the elements, inadequacy, obsolescence, changes in the art, changes in demand, and requirements of public authorities".

Shelby Energy Cooperative

Service value as defined “means the difference between original cost and net salvage of electric plant”.

Net Salvage value is the salvage value of property retired less cost of removal. Salvage value means the amount received for the property retired, and cost of removal means the cost of demolishing, dismantling, tearing down, or otherwise removing electric plant, including the cost of transportation and handling incidental thereto. Thus, salvage is what will actually be received and cost of removal is what will actually be incurred, both measured at the price level at the time of receipt, or incurrence that is required to be recognized by the company through capital recovery.

Shelby Energy Cooperative

SCOPE

The study included construction and retirement activity for distribution plant from 1939 through 2013. Shelby Energy has maintained its plant and depreciation records in accordance with the Uniform System of Accounts as issued by RUS. As such, Shelby Energy's plant records are maintained on a mass property, average historical cost basis in its continuing property records ("CPR's"). Shelby Energy maintains CPR's on the record unit basis for CPR's.

The study was performed utilizing the Computer Assisted Depreciation and Life Analysis ("CADLAS") program which incorporated the "Iowa Type Survivor Curves". These curves are frequently used by utilities for analyzing depreciation of property recorded on a mass basis. The curves analyze the life of mass property accounted for on the vintage basis. Vintage accounting is a system where plant is accounted for by year of installation and its life is tagged as such through retirement. Since vintage accounting is not required by the uniform system of accounts, this type of record was not maintained for the mass items. The study therefore used the technique of creating simulated plant records on a vintage basis. The CADLAS program is recognized by many governmental organizations, including RUS.

The CADLAS program incorporates the Simulated Plant Record ("SPR") method of analyzing data. Studies have shown that mass property kept on a vintage record basis generally fits one of 31 Iowa Type Survivor Curves. Through additional studies it has been shown that if plant is retired but it was not recorded on a vintage basis, it would still follow the pattern of one of these curves. The SPR method of analyzing the data tests the additions, retirements, and plant balances for each year to fit the data to the best curve for analysis.

The result of simulating the plant balances and the depreciation reserve, and allocating the net salvage is to be able to develop the average plant lives and calculate the plant balances, reserve balances, and annual depreciation accruals for distribution assets in service.

Shelby Energy Cooperative

The most likely retirement patterns and average service lives were developed based on the SPR analysis. This information was then analyzed for appropriateness and a curve and service life was selected for each account.

The study of depreciation also utilizes the estimates of net salvage for the primary plant accounts. Net salvage is the result of combining salvage received for plant removed from service and the cost of removal. These records were not maintained on a primary account basis since it was not required by the uniform system of accounts. As part of this study, both the cost of removal and salvage were allocated to the primary plant accounts on a percentage basis. The percentages were based on a review of salvage and cost of removal accounts at Shelby Energy for a five (5) year period.

When utilizing the whole life method of accounting for depreciation, it is necessary to determine the adequacy of the depreciation reserve for each account. Shelby Energy does not maintain separate accumulated depreciation reserve accounts for each of its distribution plant accounts. The calculation of the net salvage is performed on an average of the original cost of units of property retired on a monthly basis. This method does not give consideration for the net salvage ratio being different than the ratio of original cost each month. Therefore, it is necessary to develop a calculated depreciation reserve for each individual account. This was done by utilizing the average service life developed above, along with the net salvage ratio (as noted above) and applying the rate to the historical additions and the simulated retirements to date to obtain the calculated depreciation reserve.

The depreciation expense and the depreciation reserve were calculated on a composite basis for each account historically used by Shelby Energy. For comparative purposes the depreciation expense was calculated for each year based on the proposed rates in this study, and the composite rate was calculated and compared to the current composite rate.

Shelby Energy Cooperative

Starting in 2010 and through 2011, Shelby Energy changed out its existing meters with automated metering information (“AMI”) devices. There was not enough activity, nor any retirements of AMI’s, in Account 370, Meters to generate acceptable simulated plant study results. Therefore, it was estimated that Account 370, Meters would use a useful life of 15 years. This is consistent with other electric cooperatives in Kentucky that have recently installed AMI devices.

The following is a summary of the proposed composite depreciation rates and the RUS recommended maximum and minimum rates. Presently, Shelby Energy uses a rate of 3.0% for all distribution plant accounts.

<u>Distribution Plant Account</u>	<u>Proposed Rate</u>	<u>Present Rate</u>	<u>RUS</u>	
			<u>Low</u>	<u>High</u>
364 Poles Towers and Fixtures	3.9%	3.0%	3.0%	4.0%
365 O/H Conductor and Devices	2.9%	3.0%	2.3%	2.8%
366 Conduit	2.9%	3.0%	1.8%	2.3%
367 U/G Conductor	5.1%	3.0%	2.4%	2.9%
368 Transformers	2.3%	3.0%	2.6%	3.1%
369 Services	3.2%	3.0%	3.1%	3.6%
370 Meters	6.7%	3.0%	2.9%	3.4%
371 Installation on Consumer Premises	3.7%	3.0%	3.9%	4.4%
373 Street Lights	4.0%	3.0%	3.8%	4.3%

1. The “Proposed” rates are the rates determined from this depreciation study.
2. The “Current Rates” are those currently in effect. The rate is used for all distribution plant accounts
3. The “RUS Low and High” range are those included in RUS Bulletin 183-1, Depreciation Rates and Procedures. The ranges were developed by RUS in the 1960’s as a result of the study of rural electric borrowers. As per the bulletin, rates can be selected from within the range of rates without prior RUS approval. The bulletin further provides for rates higher or lower than those in the range when supported by a depreciation study. However, the Kentucky Public Service Commission does not allow for changing rates without the support of a depreciation study.

Shelby Energy Cooperative

The study findings are based upon many factors and assumptions which were discussed with Shelby Energy's personnel during my visit. Any changes in the assumptions could significantly impact the results of the study findings. In the future, as plant is added and retired, and methods and technology change, appropriate revisions to the study findings may be necessary. Shelby Energy should consider the effects of such changes on an ongoing basis.

Shelby Energy also considered the Whole Life Method of calculating the annual depreciation, with the Net Salvage Ratio as ordered by the Kentucky Public Service Commission in Case No. 2000-373, Adjustment of Rates of Jackson Energy Cooperative. This method of recognizing net salvage ratio is in essence the average of the last five (5) years salvage and removal costs that have been recognized in the accumulated depreciation account.

Based on the lives of the assets and the current reserve ratio to total distribution plant, Shelby Energy has decided to use these rates as a result of this study.

Shelby Energy Cooperative
Whole Life Depreciation Rates
as of December 31, 2013

Account Number	Description	Balance Dec 31, 2013	Average Service Life	No Net Salvage		Net Salvage Percent	With Net Salvage		Existing	
				Accrual	Rate		Rate	Accrual	Rate	Accrual
364	Poles, Towers & Fixtures	22,432,663	30.6	733,094	3.27%	0.60%	3.87%	868,579	2.98%	668,493
365	Overhead Conductors & Devices	21,238,623	42.5	499,732	2.35%	0.55%	2.91%	617,316	2.98%	632,911
366	Underground Conduit	307,519	38	8,093	2.63%	0.30%	2.93%	9,021	2.98%	9,164
367	Underground Conductors & Devices	4,558,116	21.5	212,005	4.65%	0.45%	5.10%	232,652	2.98%	135,832
368	Line Transformers	9,438,034	44.3	213,048	2.26%	0.00%	2.26%	213,048	2.98%	281,253
369	Service (Pole-to-House)	10,657,147	38.4	277,530	2.60%	0.60%	3.21%	341,895	2.98%	317,583
370	Meters	3,728,440	15	248,563	6.67%	0.00%	6.67%	248,563	2.98%	111,108
371	Installations on Customers' Premises	2,236,943	32	69,904	3.13%	0.60%	3.73%	83,415	2.98%	66,661
373	Street Lighting & Signal Systems	<u>66,861</u>	25	<u>2,674</u>	4.00%	0.00%	4.00%	<u>2,674</u>	2.98%	<u>1,992</u>
Total		<u>74,664,346</u>		<u>2,264,643</u>				<u>2,617,164</u>		<u>2,224,998</u>
								Composite rate	3.51%	2.98%

**Shelby Energy Cooperative
Calculation of Net Salvage Percent
Distribution Plant**

<u>Account Number</u>	<u>Description</u>	<u>Balance Dec 31, 2013</u>	<u>Net Salvage Ratio</u>	<u>Net Salvage Amount</u>	<u>Ratio to Total</u>	<u>Net Salvage Allocation</u>	<u>Net Salvage Percent</u>
364	Poles, Towers & Fixtures	22,432,663	60%	13,459,598	38.43%	135,485	0.60%
365	Overhead Conductors & Devices	21,238,623	55%	11,681,243	33.36%	117,584	0.55%
366	Underground Conduit	307,519	30%	92,256	0.26%	929	0.30%
367	Underground Conductors & Devices	4,558,116	45%	2,051,152	5.86%	20,647	0.45%
368	Line Transformers	9,438,034	0%	0	0.00%	0	0.00%
369	Service (Pole-to-House)	10,657,147	60%	6,394,288	18.26%	64,365	0.60%
370	Meters	3,728,440	0%	0	0.00%	0	0.00%
371	Installations on Customers' Premises	2,236,943	60%	1,342,166	3.83%	13,510	0.60%
373	Street Lighting & Signal Systems	<u>66,861</u>	0%	<u>0</u>	0.00%	<u>0</u>	0.00%
Total		<u><u>74,664,346</u></u>		<u><u>35,020,702</u></u>		<u><u>352,520</u></u>	
Five year average net salvage amount						<u><u>352,520</u></u>	

Shelby Energy Cooperative

Curve Number	Curve Type	Estimated Life	Squared Error	Index of Variation	Conformati on Index	Retirement Experience
21	R1	30.6	1.41E+12	24	41	100
12	L0	35.8	1.47E+12	25	40	93.63
10	S6	23.8	1.53E+12	25	40	100
22	R1.5	28.8	1.63E+12	26	38	100
13	L0.5	33.3	1.63E+12	26	38	97.16
9	S5	24.1	1.65E+12	26	38	100
1	S0	30.3	1.71E+12	26	38	100
20	L5	24.4	1.75E+12	27	37	100
27	R5	24.2	1.77E+12	27	37	100
2	S0.5	28.8	1.85E+12	28	35	100
14	L1	30.8	1.86E+12	28	35	99.42
8	S4	24.5	1.88E+12	28	35	100
23	R2	27.6	1.92E+12	28	35	100
15	L1.5	29.5	1.94E+12	28	35	99.85
19	L4	25	1.96E+12	28	35	100
18	L3	26.2	2.02E+12	29	34	100
17	L2.5	26.9	2.05E+12	29	34	100
16	L2	27.9	2.06E+12	29	34	100
3	S1	27.7	2.07E+12	29	34	100
24	R2.5	26.6	2.07E+12	29	34	100
26	R4	24.8	2.12E+12	30	33	100
7	S3	25.1	2.14E+12	30	33	100
4	S1.5	26.8	2.15E+12	30	33	100
6	S2.5	25.6	2.20E+12	30	33	100
25	R3	25.7	2.20E+12	30	33	100
5	S2	26	2.23E+12	30	33	100
11	SQ	25.9	9.09E+12	62	16	100
31	O4	71.9	1.04E+12	21	47	68.92
30	O3	54.8	1.08E+12	21	47	74.79
29	O2	40.2	1.15E+12	22	45	87.8
28	O1	36.3	1.21E+12	22	45	100

Shelby Energy Cooperative

Curve Number	Curve Type	Estimated Life	Squared Error	Index of Variation	Conformati on Index	Retirement Experience
12	L0	42.5	5.92E+11	17	58	85.28
13	L0.5	38.9	6.03E+11	17	58	91.36
15	L1.5	34.1	6.24E+11	17	58	98.22
16	L2	32.2	6.20E+11	17	58	99.58
17	L2.5	31.1	6.15E+11	17	58	99.89
18	L3	30	6.13E+11	17	58	100
21	R1	36.2	5.84E+11	17	58	100
22	R1.5	34.1	6.18E+11	17	58	100
1	S0	35.2	6.44E+11	18	55	100
2	S0.5	33.3	6.62E+11	18	55	100
3	S1	31.9	6.83E+11	18	55	100
7	S3	28.9	6.87E+11	18	55	100
8	S4	28.2	6.83E+11	18	55	100
14	L1	36	6.29E+11	18	55	96.01
19	L4	28.6	6.57E+11	18	55	100
20	L5	28.2	6.89E+11	18	55	100
23	R2	32.1	6.74E+11	18	55	100
4	S1.5	31	7.02E+11	19	52	100
5	S2	30	7.05E+11	19	52	100
6	S2.5	29.4	7.01E+11	19	52	100
9	S5	28	7.53E+11	19	52	100
24	R2.5	30.8	7.34E+11	19	52	100
26	R4	28.6	7.67E+11	19	52	100
27	R5	28.1	7.53E+11	19	52	100
25	R3	29.6	7.88E+11	20	50	100
10	S6	27.9	8.62E+11	21	47	100
11	SQ	30.4	4.32E+12	47	21	100
30	O3	68	4.89E+11	15	66	66.55
31	O4	90	4.89E+11	15	66	62.1
28	O1	43.7	5.11E+11	16	62	82.87
29	O2	49.3	5.03E+11	16	62	78.14

Shelby Energy Cooperative

Curve Number	Curve Type	Estimated Life	Squared Error	Index of Variation	Conformati on Index	Retirement Experience
21	R1	112.5	1.06E+09	27	37	12.23
22	R1.5	86.7	1.12E+09	27	37	13.69
12	L0	134	1.27E+09	29	34	14.06
23	R2	66.1	1.28E+09	29	34	17.65
13	L0.5	104.1	1.31E+09	30	33	15.9
1	S0	86.5	1.46E+09	31	32	16.96
24	R2.5	54.9	1.45E+09	31	32	22.91
14	L1	80.2	1.51E+09	32	31	20.4
2	S0.5	70.9	1.57E+09	33	30	20.16
15	L1.5	67.2	1.65E+09	33	30	24.01
3	S1	58.7	1.86E+09	35	28	26.06
25	R3	46	1.80E+09	35	28	35.03
4	S1.5	51.9	1.96E+09	36	27	31.57
16	L2	55.9	1.93E+09	36	27	32.55
17	L2.5	50.2	2.04E+09	37	27	38.38
5	S2	46.4	2.22E+09	39	25	40.17
18	L3	44.6	2.28E+09	39	25	50.33
6	S2.5	43.1	2.30E+09	40	25	48.2
26	R4	38.5	2.33E+09	40	25	66.54
7	S3	39.9	2.48E+09	41	24	60.23
19	L4	38.3	2.58E+09	42	23	72.05
8	S4	35.7	2.70E+09	43	23	86.1
20	L5	35	2.76E+09	43	23	90.21
27	R5	34.5	2.77E+09	43	23	97.5
9	S5	33.7	2.83E+09	44	22	98.69
10	S6	32.9	2.94E+09	45	22	100
11	SQ	35.5	3.27E+09	47	21	100
28	O1	192.7	1.00E+09	26	38	11.03
29	O2	217.3	1.00E+09	26	38	10.99
30	O3	316.5	1.00E+09	26	38	11.02
31	O4	432	9.99E+08	26	38	10.94

Shelby Energy Cooperative

Curve Number	Curve Type	Estimated Life	Squared Error	Index of Variation	Conformati on Index	Retirement Experience
8	S4	21.5	7.01E+10	31	32	100
9	S5	21	7.02E+10	31	32	100
20	L5	21.2	7.23E+10	31	32	100
26	R4	22.2	6.97E+10	31	32	100
27	R5	21.2	6.86E+10	31	32	100
10	S6	20.9	7.65E+10	32	31	100
19	L4	22.2	8.05E+10	33	30	100
7	S3	22.5	8.31E+10	34	29	100
28	O1	57.3	8.34E+10	34	29	39.73
29	O2	64.6	8.34E+10	34	29	39.62
30	O3	94.1	8.29E+10	34	29	37.37
31	O4	127.1	8.27E+10	34	29	36.42
6	S2.5	23.6	9.17E+10	35	28	100
21	R1	38.1	8.99E+10	35	28	62.04
25	R3	24.1	8.75E+10	35	28	100
18	L3	24.3	9.55E+10	36	27	98.86
22	R1.5	32.8	9.45E+10	36	27	81.14
24	R2.5	26.1	9.61E+10	36	27	99.83
5	S2	24.4	1.01E+11	37	27	99.98
12	L0	47.9	9.75E+10	37	27	52.36
13	L0.5	40.4	1.00E+11	37	27	62.23
17	L2.5	26	1.01E+11	37	27	95.59
23	R2	28.7	9.94E+10	37	27	96.32
1	S0	34.5	1.06E+11	38	26	71.49
4	S1.5	26.1	1.07E+11	38	26	98.79
11	SQ	22.5	1.05E+11	38	26	100
14	L1	34.4	1.07E+11	38	26	73.59
15	L1.5	30.7	1.07E+11	38	26	83.17
16	L2	27.7	1.07E+11	38	26	91.06
2	S0.5	30.9	1.08E+11	39	25	84.3
3	S1	27.8	1.12E+11	39	25	94.95

Shelby Energy Cooperative

Curve Number	Curve Type	Estimated Life	Squared Error	Index of Variation	Conformati on Index	Retirement Experience
12	L0	44.3	4.68E+11	28	35	84.63
21	R1	37	5.10E+11	29	34	100
13	L0.5	40.3	5.30E+11	30	33	91.03
22	R1.5	34.6	5.43E+11	30	33	100
23	R2	32.8	5.88E+11	31	32	100
1	S0	36.3	5.95E+11	32	31	100
14	L1	37.5	6.17E+11	32	31	95.6
2	S0.5	34.5	6.42E+11	33	30	100
24	R2.5	31.2	6.29E+11	33	30	100
3	S1	32.8	6.97E+11	34	29	100
15	L1.5	35.3	6.68E+11	34	29	98.08
4	S1.5	31.8	7.17E+11	35	28	100
16	L2	33.5	7.44E+11	35	28	99.48
25	R3	30.2	7.08E+11	35	28	100
5	S2	30.9	7.58E+11	36	27	100
6	S2.5	30.1	7.84E+11	36	27	100
17	L2.5	32.2	7.69E+11	36	27	99.87
7	S3	29.5	8.28E+11	37	27	100
18	L3	30.9	8.08E+11	37	27	100
19	L4	29.5	8.55E+11	38	26	100
26	R4	29.2	8.75E+11	39	25	100
8	S4	28.8	9.21E+11	40	25	100
20	L5	28.8	9.37E+11	40	25	100
9	S5	28.3	1.01E+12	41	24	100
27	R5	28.4	1.01E+12	41	24	100
10	S6	28.2	1.08E+12	43	23	100
11	SQ	30.4	2.43E+12	65	15	100
30	O3	69.7	3.50E+11	24	41	66.63
31	O4	92.3	3.41E+11	24	41	62.16
28	O1	45.1	3.87E+11	25	40	82.62
29	O2	50.3	3.80E+11	25	40	78.49

Shelby Energy Cooperative

Curve Number	Curve Type	Estimated Life	Squared Error	Index of Variation	Conformati on Index	Retirement Experience
1	S0	38.4	2.81E+11	28	35	99.53
21	R1	41.2	1.99E+11	23	43	97.91
22	R1.5	36.3	2.04E+11	24	41	100
23	R2	32.2	2.29E+11	25	40	100
12	L0	51.6	2.46E+11	26	38	76.31
13	L0.5	44.4	2.63E+11	27	37	86.4
24	R2.5	29.8	2.59E+11	27	37	100
10	S6	24	2.92E+11	28	35	100
2	S0.5	35	2.95E+11	29	34	100
14	L1	38.5	3.07E+11	29	34	94.64
25	R3	28	3.13E+11	29	34	100
3	S1	31.8	3.32E+11	30	33	100
9	S5	24.3	3.15E+11	30	33	100
15	L1.5	35	3.20E+11	30	33	98.22
27	R5	24.6	3.32E+11	30	33	100
4	S1.5	30.1	3.42E+11	31	32	100
8	S4	24.9	3.53E+11	31	32	100
16	L2	32	3.57E+11	31	32	99.78
20	L5	24.7	3.36E+11	31	32	100
5	S2	28.2	3.70E+11	32	31	100
6	S2.5	27.4	3.72E+11	32	31	100
7	S3	26.5	3.80E+11	32	31	100
17	L2.5	30.1	3.60E+11	32	31	99.98
18	L3	28.3	3.71E+11	32	31	100
19	L4	25.9	3.64E+11	32	31	100
26	R4	25.8	3.59E+11	32	31	100
11	SQ	26.1	8.97E+11	50	20	100
28	O1	59	1.83E+11	22	45	63.17
29	O2	65.8	1.83E+11	22	45	63.18
30	O3	94.9	1.81E+11	22	45	54.99
31	O4	128.3	1.81E+11	22	45	51.96

Shelby Energy Cooperative

Curve Number	Curve Type	Estimated Life	Squared Error	Index of Variation	Conformati on Index	Retirement Experience
21	R1	28.7	8.57E+11	189	5	100
22	R1.5	27.5	8.67E+11	190	5	100
23	R2	26.7	8.82E+11	191	5	100
24	R2.5	26.3	8.88E+11	192	5	100
25	R3	26	8.99E+11	193	5	100
26	R4	25.6	9.03E+11	194	5	100
8	S4	25.6	9.18E+11	195	5	100
9	S5	25.8	9.17E+11	195	5	100
10	S6	25.9	9.19E+11	195	5	100
12	L0	32.9	9.11E+11	195	5	96.11
27	R5	25.8	9.10E+11	195	5	100
6	S2.5	25.8	9.28E+11	196	5	100
7	S3	25.8	9.24E+11	196	5	100
13	L0.5	31.1	9.29E+11	196	5	98.37
20	L5	25.7	9.25E+11	196	5	100
5	S2	26.2	9.35E+11	197	5	100
19	L4	25.8	9.33E+11	197	5	100
1	S0	28.6	9.41E+11	198	5	100
2	S0.5	27.7	9.44E+11	198	5	100
4	S1.5	26.5	9.42E+11	198	5	100
3	S1	26.8	9.51E+11	199	5	100
14	L1	29.5	9.54E+11	199	5	99.72
18	L3	26.5	9.56E+11	199	5	100
15	L1.5	28.4	9.60E+11	200	5	99.93
17	L2.5	27.1	9.62E+11	200	5	100
11	SQ	28.2	9.72E+11	201	4	100
16	L2	27.7	9.70E+11	201	4	100
30	O3	48	8.19E+11	184	5	78.83
31	O4	62.3	8.16E+11	184	5	72.35
28	O1	32.8	8.22E+11	185	5	100
29	O2	36.2	8.24E+11	185	5	90.9

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Curve Number	Curve Type	Estimated Life	Squared Error	Index of Variation	Conformati on Index	Retirement Experience
12	L0	32	1.22E+11	72	13	86.17
13	L0.5	30.2	1.41E+11	77	12	90.75
14	L1	28.6	1.61E+11	83	12	94.78
1	S0	28	1.73E+11	86	11	99.95
21	R1	28.3	1.82E+11	88	11	99.9
15	L1.5	27.6	1.84E+11	89	11	97.05
2	S0.5	27.2	1.99E+11	92	10	100
16	L2	26.6	2.08E+11	94	10	98.72
22	R1.5	27.5	2.15E+11	96	10	100
3	S1	26.6	2.25E+11	98	10	100
17	L2.5	26.2	2.33E+11	100	10	99.45
4	S1.5	26	2.48E+11	103	9	100
23	R2	26.6	2.47E+11	103	9	100
18	L3	25.4	2.59E+11	105	9	99.97
5	S2	25.4	2.71E+11	107	9	100
24	R2.5	25.9	2.74E+11	108	9	100
6	S2.5	25.1	2.90E+11	111	9	100
25	R3	25.4	2.99E+11	113	8	100
7	S3	24.8	3.08E+11	115	8	100
19	L4	24.6	3.14E+11	116	8	100
26	R4	24.5	3.33E+11	119	8	100
8	S4	24.4	3.44E+11	121	8	100
20	L5	24.2	3.49E+11	122	8	100
27	R5	24.1	3.62E+11	124	8	100
9	S5	24	3.68E+11	125	8	100
10	S6	23.9	3.82E+11	128	7	100
11	SQ	26	4.63E+11	141	7	100
31	O4	60.1	7.86E+10	58	17	65.93
30	O3	46.8	8.68E+10	61	16	70.32
29	O2	35.3	1.09E+11	68	14	81.36
28	O1	31.6	1.12E+11	69	14	87.71

Shelby Energy Cooperative

Curve Number	Curve Type	Estimated Life	Squared Error	Index of Variation	Conformati on Index	Retirement Experience
12	L0	10.4	2.48E+09	325	3	100
13	L0.5	10.1	2.62E+09	334	2	100
21	R1	9.6	2.66E+09	336	2	100
1	S0	9.6	2.72E+09	340	2	100
14	L1	9.8	2.77E+09	343	2	100
22	R1.5	9.5	2.84E+09	347	2	100
2	S0.5	9.5	2.87E+09	349	2	100
15	L1.5	9.6	2.92E+09	352	2	100
3	S1	9.4	3.03E+09	359	2	100
23	R2	9.5	3.03E+09	359	2	100
16	L2	9.4	3.08E+09	362	2	100
4	S1.5	9.3	3.17E+09	367	2	100
17	L2.5	9.3	3.20E+09	369	2	100
24	R2.5	9.3	3.20E+09	369	2	100
5	S2	9.2	3.31E+09	375	2	100
18	L3	9.2	3.34E+09	377	2	100
25	R3	9.2	3.38E+09	379	2	100
6	S2.5	9.1	3.42E+09	381	2	100
7	S3	9.1	3.53E+09	387	2	100
19	L4	9	3.60E+09	391	2	100
26	R4	9.1	3.63E+09	393	2	100
8	S4	8.9	3.74E+09	399	2	100
20	L5	8.9	3.79E+09	401	2	100
27	R5	8.9	3.85E+09	405	2	100
9	S5	8.9	3.89E+09	407	2	100
10	S6	8.9	4.02E+09	413	2	100
11	SQ	9.6	4.50E+09	437	2	100
31	O4	16.8	2.09E+09	298	3	94.84
30	O3	13.7	2.16E+09	303	3	100
29	O2	11.2	2.32E+09	314	3	100
28	O1	10	2.36E+09	317	3	100

SIMULATED PLANT RECORD ANALYSIS
SIMULATED BALANCE METHOD

Shelby Energy Cooperative
August 2, 2014

CARRIERS - 030 Shelby Energy Cooperative
ACCOUNT - 364 Poles, Towers & Fixtures

- ACCOUNT CONTROL INFORMATION -

EARLIEST ADDITION	= 1939	LATEST ADDITION	= 2013	
EARLIEST BALANCE	= 1944	LATEST BALANCE	= 2013	
EARLIEST RETIREMENT	= 1944	LATEST RETIREMENT	= 2013	INPUT = ADD & RET

SIMULATED PLANT RECORD ANALYSIS
SIMULATED BALANCE METHOD

Shelby Energy Cooperative
August 2, 2014

CARRIERS - 030 Shelby Energy Cooperative
ACCOUNT - 364 Poles, Towers & Fixtures

ANALYSIS BAND = 1944 THRU 2013

INCREMENT = 1

DISP	MEAN	SSD	IV	REI
S0	30.3 YRS.	0.1708E+13	26	100.00

SIMULATED BALANCES

YEAR	BALANCES	YEAR	BALANCES	YEAR	BALANCES	YEAR	BALANCES
2013	21917048.	1995	8743236.	1977	2622917.	1959	776698.
2012	21547029.	1994	7796278.	1976	2420895.	1958	743959.
2011	20347255.	1993	7318135.	1975	2198819.	1957	709157.
2010	19099659.	1992	6849084.	1974	2054807.	1956	683746.
2009	18632171.	1991	6382873.	1973	1891422.	1955	659109.
2008	18158891.	1990	5806502.	1972	1736609.	1954	634663.
2007	17599770.	1989	5355818.	1971	1635039.	1953	603638.
2006	16893872.	1988	5130409.	1970	1485463.	1952	565996.
2005	16167183.	1987	4876508.	1969	1386735.	1951	533581.
2004	15351317.	1986	4623953.	1968	1193129.	1950	509596.
2003	14663544.	1985	4417596.	1967	1056710.	1949	484167.
2002	13816498.	1984	4110274.	1966	1031139.	1948	241991.
2001	12861838.	1983	3905189.	1965	991374.	1947	177650.
2000	12237200.	1982	3744266.	1964	969061.	1946	176424.
1999	11641870.	1981	3541069.	1963	931101.	1945	157996.
1998	11138993.	1980	3332762.	1962	894407.	1944	154511.
1997	10417016.	1979	2968535.	1961	849188.	0	0.
1996	9460055.	1978	2796693.	1960	810552.	0	0.

DISP	MEAN	SSD	IV	REI
S1	27.7 YRS.	0.2071E+13	29	100.00

SIMULATED BALANCES

YEAR	BALANCES	YEAR	BALANCES	YEAR	BALANCES	YEAR	BALANCES
2013	21832691.	1995	8746511.	1977	2619056.	1959	799224.
2012	21489753.	1994	7798691.	1976	2418055.	1958	765591.
2011	20314274.	1993	7319985.	1975	2197370.	1957	729588.
2010	19087886.	1992	6850576.	1974	2055008.	1956	702704.
2009	18637209.	1991	6384320.	1973	1893520.	1955	676361.
2008	18176077.	1990	5808245.	1972	1740815.	1954	650046.
2007	17625036.	1989	5357828.	1971	1641495.	1953	617072.
2006	16924012.	1988	5132270.	1970	1494333.	1952	577482.
2005	16199645.	1987	4877859.	1969	1398133.	1951	543189.
2004	15384051.	1986	4624528.	1968	1207164.	1950	517485.
2003	14694873.	1985	4417208.	1967	1073262.	1949	490656.
2002	13845388.	1984	4108908.	1966	1049833.	1948	247578.
2001	12887584.	1983	3902767.	1965	1011788.	1947	182511.
2000	12258950.	1982	3740761.	1964	990771.	1946	180542.
1999	11658967.	1981	3536678.	1963	953707.	1945	161358.
1998	11151237.	1980	3327869.	1962	917534.	1944	157114.
1997	10425086.	1979	2963686.	1961	872474.	0	0.
1996	9465188.	1978	2792193.	1960	833633.	0	0.

DISP	MEAN	SSD	IV	REI			
S2	26.0 YRS.	0.2231E+13	30	100.00			
SIMULATED BALANCES							
YEAR	BALANCES	YEAR	BALANCES	YEAR	BALANCES	YEAR	BALANCES
2013	21762751.	1995	8756139.	1977	2596929.	1959	817448.
2012	21436509.	1994	7810265.	1976	2398118.	1958	782504.
2011	20273866.	1993	7332559.	1975	2180300.	1957	744980.
2010	19056769.	1992	6863146.	1974	2041349.	1956	716453.
2009	18612445.	1991	6395855.	1973	1883687.	1955	688435.
2008	18155453.	1990	5817726.	1972	1735072.	1954	660482.
2007	17607053.	1989	5364328.	1971	1639945.	1953	625974.
2006	16907756.	1988	5135069.	1970	1496925.	1952	584994.
2005	16184657.	1987	4876489.	1969	1404649.	1951	549477.
2004	15370271.	1986	4618787.	1968	1217237.	1950	522718.
2003	14682498.	1985	4407146.	1967	1086400.	1949	494979.
2002	13834745.	1984	4094799.	1966	1065484.	1948	251083.
2001	12879058.	1983	3885100.	1965	1029388.	1947	185246.
2000	12252938.	1982	3720214.	1964	1009748.	1946	182572.
1999	11655911.	1981	3514058.	1963	973511.	1945	162772.
1998	11151480.	1980	3304058.	1962	937630.	1944	158019.
1997	10428759.	1979	2939573.	1961	892367.	0	0.
1996	9472100.	1978	2768649.	1960	852879.	0	0.

DISP	MEAN	SSD	IV	REI			
S3	25.1 YRS.	0.2137E+13	30	100.00			
SIMULATED BALANCES							
YEAR	BALANCES	YEAR	BALANCES	YEAR	BALANCES	YEAR	BALANCES
2013	21781599.	1995	8780869.	1977	2572369.	1959	830801.
2012	21457474.	1994	7839111.	1976	2376040.	1958	794588.
2011	20292975.	1993	7363658.	1975	2162158.	1957	755752.
2010	19070293.	1992	6894996.	1974	2026762.	1956	725916.
2009	18618574.	1991	6426562.	1973	1873360.	1955	696622.
2008	18153632.	1990	5845691.	1972	1729366.	1954	667447.
2007	17597454.	1989	5388045.	1971	1638697.	1953	631783.
2006	16891937.	1988	5153399.	1970	1499886.	1952	589721.
2005	16163538.	1987	4888575.	1969	1411414.	1951	553210.
2004	15346645.	1986	4624181.	1968	1227219.	1950	525559.
2003	14658910.	1985	4405788.	1967	1098953.	1949	497043.
2002	13813595.	1984	4086991.	1966	1080101.	1948	252501.
2001	12862214.	1983	3871438.	1965	1045330.	1947	186158.
2000	12242324.	1982	3701628.	1964	1026185.	1946	183113.
1999	11652540.	1981	3491677.	1963	990069.	1945	163063.
1998	11155704.	1980	3279172.	1962	953843.	1944	158157.
1997	10440705.	1979	2913518.	1961	907867.	0	0.
1996	9490821.	1978	2742724.	1960	867397.	0	0.

DISP	MEAN	SSD	IV	REI			
S4	24.5 YRS.	0.1875E+13	28	100.00			
SIMULATED BALANCES							
YEAR	BALANCES	YEAR	BALANCES	YEAR	BALANCES		
2013	21860148.	1995	8808651.	1977	2540774.	1959	843021.
2012	21526830.	1994	7872951.	1976	2347729.	1958	805906.
2011	20346431.	1993	7401926.	1975	2138343.	1957	765823.
2010	19104732.	1992	6935368.	1974	2009737.	1956	734482.
2009	18632851.	1991	6466997.	1973	1863408.	1955	703558.
2008	18148877.	1990	5883994.	1972	1726143.	1954	672777.
2007	17576921.	1989	5422308.	1971	1641515.	1953	635657.
2006	16859524.	1988	5181940.	1970	1507491.	1952	592376.
2005	16124919.	1987	4910157.	1969	1422351.	1951	554918.
2004	15305944.	1986	4637948.	1968	1240153.	1950	526585.
2003	14620123.	1985	4411304.	1967	1112798.	1949	497615.
2002	13779983.	1984	4084220.	1966	1093970.	1948	252794.
2001	12836357.	1983	3860755.	1965	1058941.	1947	186294.
2000	12225415.	1982	3683712.	1964	1039677.	1946	183169.
1999	11645345.	1981	3467585.	1963	1003348.	1945	163083.
1998	11158418.	1980	3250308.	1962	967003.	1944	158163.
1997	10452655.	1979	2881646.	1961	920904.	0	0.
1996	9511458.	1978	2709906.	1960	880166.	0	0.

DISP	MEAN	SSD	IV	REI			
S5	24.1 YRS.	0.1645E+13	26	100.00			
SIMULATED BALANCES							
YEAR	BALANCES	YEAR	BALANCES	YEAR	BALANCES		
2013	21922504.	1995	8813633.	1977	2508458.	1959	853414.
2012	21575615.	1994	7885080.	1976	2314424.	1958	814686.
2011	20376022.	1993	7421584.	1975	2108481.	1957	772410.
2010	19112496.	1992	6961290.	1974	1987851.	1956	738909.
2009	18619147.	1991	6496254.	1973	1852684.	1955	706237.
2008	18116665.	1990	5912716.	1972	1727223.	1954	674239.
2007	17531042.	1989	5446855.	1971	1652133.	1953	636375.
2006	16805906.	1988	5199920.	1970	1523213.	1952	592692.
2005	16069580.	1987	4920926.	1969	1438138.	1951	555041.
2004	15254109.	1986	4642356.	1968	1252070.	1950	526627.
2003	14575520.	1985	4410924.	1967	1119223.	1949	497627.
2002	13744413.	1984	4080528.	1966	1095722.	1948	252797.
2001	12809753.	1983	3854530.	1965	1058490.	1947	186294.
2000	12206416.	1982	3674841.	1964	1039891.	1946	183169.
1999	11632107.	1981	3455216.	1963	1006347.	1945	163083.
1998	11149483.	1980	3233273.	1962	973519.	1944	158163.
1997	10447506.	1979	2859033.	1961	930290.	0	0.
1996	9510679.	1978	2681712.	1960	890901.	0	0.

DISP	MEAN	SSD	IV	REI			
S6	23.8 YRS.	0.1525E+13	25	100.00			
SIMULATED BALANCES							
YEAR	BALANCES	YEAR	BALANCES	YEAR	BALANCES	YEAR	BALANCES
2013	21889296.	1995	8776641.	1977	2483467.	1959	860724.
2012	21543382.	1994	7852557.	1976	2281054.	1958	818964.
2011	20332268.	1993	7400754.	1975	2067584.	1957	774418.
2010	19053955.	1992	6956712.	1974	1946321.	1956	739686.
2009	18550084.	1991	6505059.	1973	1822488.	1955	706487.
2008	18041151.	1990	5925634.	1972	1717822.	1954	674305.
2007	17448705.	1989	5454495.	1971	1662509.	1953	636389.
2006	16715572.	1988	5198153.	1970	1542791.	1952	592694.
2005	15975426.	1987	4911278.	1969	1454966.	1951	555041.
2004	15165392.	1986	4628928.	1968	1259342.	1950	526627.
2003	14499620.	1985	4397310.	1967	1115884.	1949	497627.
2002	13681670.	1984	4068480.	1966	1084287.	1948	252797.
2001	12756194.	1983	3844215.	1965	1043472.	1947	186294.
2000	12159040.	1982	3665555.	1964	1026983.	1946	183169.
1999	11590020.	1981	3445833.	1963	1000536.	1945	163083.
1998	11111540.	1980	3222404.	1962	976290.	1944	158163.
1997	10411278.	1979	2845189.	1961	938794.	0	0.
1996	9473880.	1978	2663281.	1960	900454.	0	0.

DISP	MEAN	SSD	IV	REI			
SQ	25.9 YRS.	0.9090E+13	62	100.00			
SIMULATED BALANCES							
YEAR	BALANCES	YEAR	BALANCES	YEAR	BALANCES	YEAR	BALANCES
2013	22851486.	1995	9107581.	1977	2569997.	1959	863481.
2012	22392331.	1994	8237774.	1976	2356354.	1958	819593.
2011	21073657.	1993	7787186.	1975	2126249.	1957	774521.
2010	19823644.	1992	7242026.	1974	2192735.	1956	739698.
2009	19265503.	1991	6720692.	1973	2064041.	1955	706488.
2008	18670826.	1990	6078069.	1972	1882868.	1954	674305.
2007	18046030.	1989	5582276.	1971	1774018.	1953	636389.
2006	17293208.	1988	5315279.	1970	1604015.	1952	592694.
2005	16689056.	1987	5032876.	1969	1484479.	1951	555041.
2004	15816989.	1986	4749636.	1968	1283663.	1950	526627.
2003	15088214.	1985	4512030.	1967	1141464.	1949	497627.
2002	14241402.	1984	4176456.	1966	1102841.	1948	252797.
2001	13319489.	1983	3948971.	1965	1097763.	1947	186294.
2000	12661124.	1982	3759844.	1964	1125823.	1946	183169.
1999	12062480.	1981	3531210.	1963	1071855.	1945	163083.
1998	11558445.	1980	3300715.	1962	1020190.	1944	158163.
1997	10792894.	1979	2924160.	1961	961013.	0	0.
1996	9850833.	1978	2749382.	1960	909389.	0	0.

DISP	MEAN	SSD	IV	REI			
L0	35.8 YRS.	0.1468E+13	25	93.63			
SIMULATED BALANCES							
YEAR	BALANCES	YEAR	BALANCES	YEAR	BALANCES		
2013	21939049.	1995	8723065.	1977	2601585.	1959	756998.
2012	21552842.	1994	7776377.	1976	2400070.	1958	725211.
2011	20339348.	1993	7297831.	1975	2178297.	1957	691491.
2010	19079196.	1992	6828301.	1974	2034482.	1956	667308.
2009	18601805.	1991	6361426.	1973	1871221.	1955	644036.
2008	18121803.	1990	5783922.	1972	1716427.	1954	621072.
2007	17558544.	1989	5331737.	1971	1614853.	1953	591609.
2006	16850483.	1988	5105095.	1970	1465191.	1952	555574.
2005	16123170.	1987	4850436.	1969	1366287.	1951	524780.
2004	15307795.	1986	4597482.	1968	1172282.	1950	502403.
2003	14621521.	1985	4391108.	1967	1035245.	1949	478508.
2002	13776606.	1984	4083951.	1966	1009169.	1948	237334.
2001	12824106.	1983	3879240.	1965	969141.	1947	173546.
2000	12202066.	1982	3719053.	1964	946805.	1946	172830.
1999	11610021.	1981	3516831.	1963	909039.	1945	154920.
1998	11110970.	1980	3309562.	1962	872718.	1944	151965.
1997	10392708.	1979	2946065.	1961	828020.	0	0.
1996	9438363.	1978	2774774.	1960	790044.	0	0.

DISP	MEAN	SSD	IV	REI			
L1	30.8 YRS.	0.1858E+13	28	99.42			
SIMULATED BALANCES							
YEAR	BALANCES	YEAR	BALANCES	YEAR	BALANCES		
2013	21814852.	1995	8723169.	1977	2609201.	1959	779075.
2012	21458963.	1994	7777581.	1976	2406659.	1958	746892.
2011	20273425.	1993	7300800.	1975	2184245.	1957	712427.
2010	19038814.	1992	6833333.	1974	2040069.	1956	687156.
2009	18582337.	1991	6368919.	1973	1876774.	1955	662476.
2008	18118126.	1990	5794381.	1972	1722305.	1954	637835.
2007	17566205.	1989	5345177.	1971	1621357.	1953	606513.
2006	16865870.	1988	5120811.	1970	1472733.	1952	568515.
2005	16143268.	1987	4867648.	1969	1375264.	1951	535731.
2004	15330177.	1986	4615507.	1968	1183196.	1950	511442.
2003	14644067.	1985	4409264.	1967	1048388.	1949	485896.
2002	13797946.	1984	4101775.	1966	1024437.	1948	243750.
2001	12843414.	1983	3896153.	1965	986305.	1947	179288.
2000	12218095.	1982	3734455.	1964	965575.	1946	177849.
1999	11621724.	1981	3530410.	1963	929122.	1945	159160.
1998	11117885.	1980	3321306.	1962	893801.	1944	155371.
1997	10395612.	1979	2956341.	1961	849785.	0	0.
1996	9439055.	1978	2783685.	1960	812147.	0	0.

DISP	MEAN	SSD	IV	REI			
L2	27.9 YRS.	0.2062E+13	29	100.00			
SIMULATED BALANCES							
YEAR	BALANCES	YEAR	BALANCES	YEAR	BALANCES		
2013	21745393.	1995	8727706.	1977	2598983.	1959	801700.
2012	21415163.	1994	7785135.	1976	2396900.	1958	768210.
2011	20250222.	1993	7311217.	1975	2175757.	1957	732303.
2010	19032004.	1992	6845948.	1974	2033518.	1956	705520.
2009	18587115.	1991	6383004.	1973	1872695.	1955	679248.
2008	18129410.	1990	5809323.	1972	1721150.	1954	652938.
2007	17579845.	1989	5360367.	1971	1623428.	1953	619876.
2006	16878895.	1988	5135389.	1970	1478238.	1952	580085.
2005	16153909.	1987	4880737.	1969	1384293.	1951	545496.
2004	15337682.	1986	4626399.	1968	1195760.	1950	519430.
2003	14648313.	1985	4417414.	1967	1064345.	1949	492219.
2002	13799385.	1984	4106898.	1966	1043346.	1948	248784.
2001	12842992.	1983	3898135.	1965	1007563.	1947	183404.
2000	12216712.	1982	3733241.	1964	988536.	1946	181180.
1999	11620112.	1981	3526165.	1963	953144.	1945	161792.
1998	11116666.	1980	3314440.	1962	918252.	1944	157390.
1997	10395495.	1979	2947582.	1961	874099.	0	0.
1996	9440956.	1978	2773827.	1960	835818.	0	0.

DISP	MEAN	SSD	IV	REI			
L3	26.2 YRS.	0.2021E+13	29	100.00			
SIMULATED BALANCES							
YEAR	BALANCES	YEAR	BALANCES	YEAR	BALANCES		
2013	21804257.	1995	8759515.	1977	2585137.	1959	820559.
2012	21482602.	1994	7818701.	1976	2384633.	1958	785929.
2011	20320063.	1993	7345693.	1975	2165977.	1957	748605.
2010	19099004.	1992	6880421.	1974	2027061.	1956	720093.
2009	18647554.	1991	6416521.	1973	1870262.	1955	691873.
2008	18181380.	1990	5840856.	1972	1723229.	1954	663528.
2007	17622877.	1989	5388846.	1971	1630225.	1953	628502.
2006	16913628.	1988	5159817.	1970	1489626.	1952	586957.
2005	16181609.	1987	4900297.	1969	1399800.	1951	550908.
2004	15360005.	1986	4640544.	1968	1214616.	1950	523708.
2003	14667113.	1985	4425883.	1967	1085608.	1949	495632.
2002	13816463.	1984	4109753.	1966	1066037.	1948	251497.
2001	12859990.	1983	3895775.	1965	1030809.	1947	185501.
2000	12234949.	1982	3726403.	1964	1011638.	1946	182727.
1999	11640549.	1981	3515811.	1963	975636.	1945	162866.
1998	11139938.	1980	3301644.	1962	939915.	1944	158075.
1997	10421850.	1979	2933421.	1961	894851.	0	0.
1996	9470275.	1978	2759331.	1960	855650.	0	0.

DISP		MEAN		SSD		IV		REI	
L4		25.0 YRS.		0.1956E+13		28		100.00	
SIMULATED BALANCES									
YEAR	BALANCES	YEAR	BALANCES	YEAR	BALANCES	YEAR	BALANCES	YEAR	BALANCES
2013	21852633.	1995	8791962.	1977	2559414.	1959	837205.		
2012	21523876.	1994	7853577.	1976	2361938.	1958	800302.		
2011	20350321.	1993	7381899.	1975	2148109.	1957	760431.		
2010	19116415.	1992	6916449.	1974	2015708.	1956	729514.		
2009	18652285.	1991	6450416.	1973	1866610.	1955	699285.		
2008	18175237.	1990	5870292.	1972	1727613.	1954	669386.		
2007	17608721.	1989	5411561.	1971	1641872.	1953	633190.		
2006	16894703.	1988	5174245.	1970	1506536.	1952	590739.		
2005	16161216.	1987	4905954.	1969	1419340.	1951	553938.		
2004	15341329.	1986	4637999.	1968	1234448.	1950	526067.		
2003	14652963.	1985	4416384.	1967	1104349.	1949	497380.		
2002	13808881.	1984	4094761.	1966	1083427.	1948	252708.		
2001	12859870.	1983	3876603.	1965	1047408.	1947	186271.		
2000	12242230.	1982	3704078.	1964	1028317.	1946	183166.		
1999	11654611.	1981	3491129.	1963	993047.	1945	163083.		
1998	11159924.	1980	3275305.	1962	958205.	1944	158163.		
1997	10446840.	1979	2906197.	1961	913558.	0	0.		
1996	9499402.	1978	2732208.	1960	873836.	0	0.		

DISP		MEAN		SSD		IV		REI	
L5		24.4 YRS.		0.1745E+13		27		100.00	
SIMULATED BALANCES									
YEAR	BALANCES	YEAR	BALANCES	YEAR	BALANCES	YEAR	BALANCES	YEAR	BALANCES
2013	21893367.	1995	8805603.	1977	2529333.	1959	847449.		
2012	21558062.	1994	7872724.	1976	2332840.	1958	809301.		
2011	20371028.	1993	7406319.	1975	2121996.	1957	768197.		
2010	19119936.	1992	6944992.	1974	1995253.	1956	736091.		
2009	18638383.	1991	6480531.	1973	1854404.	1955	704645.		
2008	18145835.	1990	5898559.	1972	1724797.	1954	673495.		
2007	17566675.	1989	5434889.	1971	1647212.	1953	636101.		
2006	16843745.	1988	5190813.	1970	1516989.	1952	592620.		
2005	16106102.	1987	4915386.	1969	1431514.	1951	555030.		
2004	15287214.	1986	4640766.	1968	1245964.	1950	526626.		
2003	14604171.	1985	4413090.	1967	1114371.	1949	497627.		
2002	13767976.	1984	4085864.	1966	1092232.	1948	252797.		
2001	12827861.	1983	3862492.	1965	1055785.	1947	186294.		
2000	12219279.	1982	3685248.	1964	1037161.	1946	183169.		
1999	11640509.	1981	3468257.	1963	1002989.	1945	163083.		
1998	11154154.	1980	3249227.	1962	969259.	1944	158163.		
1997	10448477.	1979	2877826.	1961	925119.	0	0.		
1996	9507379.	1978	2702479.	1960	885065.	0	0.		

DISP		MEAN		SSD		IV		REI	
R1		30.6 YRS.		0.1411E+13		24		100.00	
SIMULATED BALANCES									
YEAR	BALANCES	YEAR	BALANCES	YEAR	BALANCES	YEAR	BALANCES	YEAR	BALANCES
2013	21958656.	1995	8724233.	1977	2620489.	1959	770149.		
2012	21577457.	1994	7779451.	1976	2420320.	1958	736584.		
2011	20367976.	1993	7302046.	1975	2199755.	1957	701110.		
2010	19108099.	1992	6833901.	1974	2056952.	1956	675222.		
2009	18627758.	1991	6368626.	1973	1894624.	1955	650352.		
2008	18144116.	1990	5792543.	1972	1740563.	1954	625941.		
2007	17577144.	1989	5341020.	1971	1639576.	1953	595225.		
2006	16865455.	1988	5114615.	1970	1490407.	1952	558130.		
2005	16134601.	1987	4860290.	1969	1391833.	1951	526498.		
2004	15315872.	1986	4607707.	1968	1197908.	1950	503608.		
2003	14626609.	1985	4401837.	1967	1060326.	1949	479685.		
2002	13779395.	1984	4095279.	1966	1033240.	1948	238605.		
2001	12824540.	1983	3891037.	1965	991994.	1947	174443.		
2000	12199957.	1982	3731540.	1964	968261.	1946	173294.		
1999	11606164.	1981	3530392.	1963	928997.	1945	155019.		
1998	11106718.	1980	3324562.	1962	891080.	1944	151742.		
1997	10389757.	1979	2962532.	1961	844707.	0	0.		
1996	9437430.	1978	2792396.	1960	804979.	0	0.		

DISP		MEAN		SSD		IV		REI	
R2		27.6 YRS.		0.1920E+13		28		100.00	
SIMULATED BALANCES									
YEAR	BALANCES	YEAR	BALANCES	YEAR	BALANCES	YEAR	BALANCES	YEAR	BALANCES
2013	21893509.	1995	8752386.	1977	2620393.	1959	796403.		
2012	21537209.	1994	7802575.	1976	2422375.	1958	761594.		
2011	20349522.	1993	7320954.	1975	2204285.	1957	724659.		
2010	19110797.	1992	6848507.	1974	2064115.	1956	697114.		
2009	18649267.	1991	6379073.	1973	1904419.	1955	670408.		
2008	18180205.	1990	5799515.	1972	1753011.	1954	644019.		
2007	17623978.	1989	5345440.	1971	1654526.	1953	611236.		
2006	16919995.	1988	5116785.	1970	1507702.	1952	572049.		
2005	16194377.	1987	4860267.	1969	1411313.	1951	538335.		
2004	15378820.	1986	4605781.	1968	1219535.	1950	513363.		
2003	14690740.	1985	4398312.	1967	1084180.	1949	487367.		
2002	13842962.	1984	4090695.	1966	1058995.	1948	244787.		
2001	12886680.	1983	3885970.	1965	1019115.	1947	179819.		
2000	12259478.	1982	3726235.	1964	996237.	1946	177967.		
1999	11661185.	1981	3525094.	1963	957342.	1945	158989.		
1998	11155398.	1980	3319630.	1962	919388.	1944	155025.		
1997	10431010.	1979	2958724.	1961	872627.	0	0.		
1996	9471717.	1978	2790365.	1960	832210.	0	0.		

DISP MEAN SSD IV REI
R3 25.7 YRS. 0.2201E+13 30 100.00

SIMULATED BALANCES

YEAR	BALANCES	YEAR	BALANCES	YEAR	BALANCES	YEAR	BALANCES
2013	21789314.	1995	8780331.	1977	2591298.	1959	818675.
2012	21447168.	1994	7832251.	1976	2397064.	1958	782681.
2011	20270363.	1993	7350837.	1975	2183330.	1957	744312.
2010	19041482.	1992	6876582.	1974	2047784.	1956	715150.
2009	18588571.	1991	6403592.	1973	1892765.	1955	686697.
2008	18126576.	1990	5819261.	1972	1746022.	1954	658490.
2007	17576557.	1989	5359615.	1971	1652078.	1953	623874.
2006	16878582.	1988	5124549.	1970	1509636.	1952	582897.
2005	16159185.	1987	4860935.	1969	1417434.	1951	547463.
2004	15350289.	1986	4599155.	1968	1229664.	1950	520851.
2003	14669245.	1985	4384543.	1967	1098109.	1949	493300.
2002	13828885.	1984	4070413.	1966	1076220.	1948	249567.
2001	12880623.	1983	3860202.	1965	1038947.	1947	183873.
2000	12261522.	1982	3696119.	1964	1017973.	1946	181383.
1999	11670691.	1981	3492012.	1963	980298.	1945	161797.
1998	11171232.	1980	3285166.	1962	942932.	1944	157265.
1997	10451886.	1979	2924666.	1961	896203.	0	0.
1996	9496707.	1978	2758272.	1960	855340.	0	0.

DISP MEAN SSD IV REI
R4 24.8 YRS. 0.2117E+13 30 100.00

SIMULATED BALANCES

YEAR	BALANCES	YEAR	BALANCES	YEAR	BALANCES	YEAR	BALANCES
2013	21818106.	1995	8809155.	1977	2559628.	1959	834867.
2012	21474981.	1994	7868260.	1976	2369450.	1958	797510.
2011	20292819.	1993	7391881.	1975	2161412.	1957	757698.
2010	19056386.	1992	6919979.	1974	2032208.	1956	727053.
2009	18594860.	1991	6446773.	1973	1883126.	1955	697115.
2008	18124129.	1990	5860168.	1972	1741109.	1954	667457.
2007	17566323.	1989	5396778.	1971	1650402.	1953	631461.
2006	16862305.	1988	5156841.	1970	1510148.	1952	589204.
2005	16138968.	1987	4887289.	1969	1419918.	1951	552611.
2004	15328188.	1986	4618454.	1968	1234524.	1950	524965.
2003	14647062.	1985	4395659.	1967	1105843.	1949	496513.
2002	13808349.	1984	4072535.	1966	1087089.	1948	252063.
2001	12863592.	1983	3853129.	1965	1052849.	1947	185819.
2000	12249791.	1982	3680355.	1964	1034382.	1946	182869.
1999	11665735.	1981	3468746.	1963	998340.	1945	162899.
1998	11174100.	1980	3256153.	1962	961587.	1944	158054.
1997	10463309.	1979	2892171.	1961	914550.	0	0.
1996	9517041.	1978	2724877.	1960	872760.	0	0.

DISP	MEAN	SSD	IV	REI			
R5	24.2 YRS.	0.1767E+13	27	100.00			
SIMULATED BALANCES							
YEAR	BALANCES	YEAR	BALANCES	YEAR	BALANCES	YEAR	BALANCES
2013	21887049.	1995	8814170.	1977	2513404.	1959	848992.
2012	21540315.	1994	7885430.	1976	2323018.	1958	810307.
2011	20344924.	1993	7419824.	1975	2120799.	1957	768767.
2010	19088336.	1992	6955708.	1974	2001983.	1956	736288.
2009	18602960.	1991	6486406.	1973	1865312.	1955	704586.
2008	18108836.	1990	5899772.	1972	1735041.	1954	673326.
2007	17531668.	1989	5433087.	1971	1653335.	1953	635933.
2006	16813947.	1988	5187699.	1970	1518292.	1952	592507.
2005	16082714.	1987	4911794.	1969	1429425.	1951	554976.
2004	15269521.	1986	4636706.	1968	1242654.	1950	526609.
2003	14590541.	1985	4408211.	1967	1111938.	1949	497624.
2002	13756985.	1984	4079734.	1966	1092198.	1948	252797.
2001	12818821.	1983	3854653.	1965	1058604.	1947	186294.
2000	12211805.	1982	3675187.	1964	1042094.	1946	183169.
1999	11634441.	1981	3455472.	1963	1008576.	1945	163083.
1998	11149724.	1980	3233663.	1962	974158.	1944	158163.
1997	10446841.	1979	2860246.	1961	928702.	0	0.
1996	9510402.	1978	2684307.	1960	887431.	0	0.

DISP	MEAN	SSD	IV	REI			
O1	36.3 YRS.	0.1209E+13	22	100.00			
SIMULATED BALANCES							
YEAR	BALANCES	YEAR	BALANCES	YEAR	BALANCES	YEAR	BALANCES
2013	22042318.	1995	8727711.	1977	2598492.	1959	746443.
2012	21638103.	1994	7782910.	1976	2397755.	1958	714130.
2011	20410004.	1993	7304305.	1975	2176524.	1957	680022.
2010	19133135.	1992	6834880.	1974	2033045.	1956	655613.
2009	18638123.	1991	6368123.	1973	1870145.	1955	632349.
2008	18143839.	1990	5789905.	1972	1715533.	1954	609663.
2007	17569813.	1989	5335453.	1971	1614129.	1953	580761.
2006	16853845.	1988	5106128.	1970	1464648.	1952	545519.
2005	16120765.	1987	4849345.	1969	1365819.	1951	515760.
2004	15301261.	1986	4594624.	1968	1171532.	1950	494785.
2003	14612479.	1985	4387001.	1967	1033301.	1949	472830.
2002	13766648.	1984	4078871.	1966	1005672.	1948	233161.
2001	12813056.	1983	3873161.	1965	964219.	1947	169678.
2000	12189896.	1982	3712643.	1964	940599.	1946	169094.
1999	11598390.	1981	3510890.	1963	901746.	1945	151389.
1998	11102198.	1980	3304696.	1962	864469.	1944	148678.
1997	10388966.	1979	2942051.	1961	818918.	0	0.
1996	9439403.	1978	2771051.	1960	780158.	0	0.

DISP		MEAN		SSD		IV		REI	
02		40.2 YRS.		0.1149E+13		22		87.80	
SIMULATED BALANCES									
YEAR	BALANCES	YEAR	BALANCES	YEAR	BALANCES	YEAR	BALANCES	YEAR	BALANCES
2013	21998978.	1995	8699949.	1977	2589448.	1959	744425.		
2012	21595693.	1994	7756394.	1976	2389401.	1958	712315.		
2011	20368023.	1993	7278997.	1975	2168808.	1957	678398.		
2010	19090981.	1992	6810780.	1974	2025920.	1956	654171.		
2009	18595998.	1991	6345221.	1973	1863569.	1955	631081.		
2008	18101998.	1990	5768165.	1972	1709465.	1954	608560.		
2007	17528483.	1989	5314834.	1971	1608533.	1953	579814.		
2006	16813201.	1988	5086616.	1970	1459489.	1952	544718.		
2005	16080949.	1987	4830936.	1969	1361063.	1951	515095.		
2004	15262384.	1986	4577304.	1968	1167140.	1950	494247.		
2003	14574640.	1985	4370751.	1967	1029231.	1949	472409.		
2002	13729925.	1984	4063659.	1966	1001901.	1948	232826.		
2001	12777487.	1983	3858950.	1965	960736.	1947	169395.		
2000	12155526.	1982	3699406.	1964	937391.	1946	168856.		
1999	11565288.	1981	3498595.	1963	898801.	1945	151192.		
1998	11070430.	1980	3293300.	1962	861776.	1944	148520.		
1997	10358566.	1979	2931493.	1961	816463.	0	0.		
1996	9410342.	1978	2761271.	1960	777927.	0	0.		

DISP		MEAN		SSD		IV		REI	
03		54.8 YRS.		0.1075E+13		21		74.79	
SIMULATED BALANCES									
YEAR	BALANCES	YEAR	BALANCES	YEAR	BALANCES	YEAR	BALANCES	YEAR	BALANCES
2013	22061518.	1995	8700129.	1977	2579185.	1959	737930.		
2012	21648754.	1994	7755506.	1976	2379258.	1958	706258.		
2011	20412794.	1993	7276898.	1975	2158774.	1957	672793.		
2010	19128027.	1992	6807565.	1974	2015999.	1956	649033.		
2009	18626182.	1991	6340952.	1973	1853786.	1955	626426.		
2008	18126543.	1990	5762811.	1972	1699824.	1954	604402.		
2007	17548473.	1989	5308334.	1971	1599059.	1953	576159.		
2006	16829497.	1988	5079078.	1970	1450201.	1952	541559.		
2005	16094221.	1987	4822559.	1969	1351966.	1951	512422.		
2004	15273150.	1986	4568249.	1968	1158202.	1950	492057.		
2003	14583356.	1985	4361181.	1967	1020387.	1949	470699.		
2002	13736949.	1984	4053686.	1966	993169.	1948	231464.		
2001	12782945.	1983	3848663.	1965	952183.	1947	168216.		
2000	12159592.	1982	3688958.	1964	929081.	1946	167832.		
1999	11568276.	1981	3488122.	1963	890789.	1945	150322.		
1998	11072668.	1980	3282892.	1962	854103.	1944	147798.		
1997	10360255.	1979	2921128.	1961	809159.	0	0.		
1996	9411365.	1978	2750923.	1960	771016.	0	0.		

DISP	MEAN	SSD	IV	REI			
O4	71.9 YRS.	0.1043E+13	21	68.92			
SIMULATED BALANCES							
YEAR	BALANCES	YEAR	BALANCES	YEAR	BALANCES		
2013	22085532.	1995	8698254.	1977	2575112.	1959	734880.
2012	21668440.	1994	7753380.	1976	2375255.	1958	703385.
2011	20428692.	1993	7274437.	1975	2154817.	1957	670113.
2010	19140389.	1992	6804812.	1974	2012082.	1956	646558.
2009	18635403.	1991	6337929.	1973	1849906.	1955	624167.
2008	18133227.	1990	5759488.	1972	1695976.	1954	602372.
2007	17553152.	1989	5304666.	1971	1595247.	1953	574364.
2006	16832584.	1988	5075102.	1970	1446423.	1952	540002.
2005	16096064.	1987	4818366.	1969	1348224.	1951	511100.
2004	15274002.	1986	4563901.	1968	1154473.	1950	490970.
2003	14583450.	1985	4356746.	1967	1016636.	1949	469849.
2002	13736475.	1984	4049202.	1966	989406.	1948	230784.
2001	12781956.	1983	3844153.	1965	948440.	1947	167625.
2000	12158190.	1982	3684485.	1964	925393.	1946	167316.
1999	11566624.	1981	3483735.	1963	887188.	1945	149881.
1998	11070934.	1980	3278617.	1962	850613.	1944	147431.
1997	10358550.	1979	2916936.	1961	805800.	0	0.
1996	9409620.	1978	2746780.	1960	767801.	0	0.

DISP	MEAN	SSD	IV	REI			
SO.5	28.8 YRS.	0.1851E+13	28	100.00			
SIMULATED BALANCES							
YEAR	BALANCES	YEAR	BALANCES	YEAR	BALANCES		
2013	21844743.	1995	8732684.	1977	2619317.	1959	787107.
2012	21489795.	1994	7785996.	1976	2418066.	1958	753951.
2011	20303572.	1993	7308290.	1975	2196901.	1957	718584.
2010	19067872.	1992	6839778.	1974	2053887.	1956	692489.
2009	18610076.	1991	6374259.	1973	1891586.	1955	667058.
2008	18143952.	1990	5798718.	1972	1737925.	1954	641746.
2007	17589678.	1989	5348836.	1971	1637547.	1953	609820.
2006	16886803.	1988	5124017.	1970	1489211.	1952	571281.
2005	16161885.	1987	4870523.	1969	1391755.	1951	538000.
2004	15346950.	1986	4618222.	1968	1199447.	1950	513223.
2003	14659409.	1985	4412012.	1967	1064250.	1949	487151.
2002	13812198.	1984	4104795.	1966	1039715.	1948	244558.
2001	12857065.	1983	3899754.	1965	1000778.	1947	179879.
2000	12231564.	1982	3738831.	1964	979083.	1946	178310.
1999	11635002.	1981	3535691.	1963	941551.	1945	159533.
1998	11130684.	1980	3327589.	1962	905105.	1944	155699.
1997	10407446.	1979	2963780.	1961	859958.	0	0.
1996	9449729.	1978	2792465.	1960	821226.	0	0.

DISP		MEAN		SSD		IV		REI	
S1.5		26.8 YRS.		0.2152E+13		30		100.00	
SIMULATED BALANCES									
YEAR	BALANCES	YEAR	BALANCES	YEAR	BALANCES	YEAR	BALANCES	YEAR	BALANCES
2013	21799026.	1995	8751077.	1977	2609114.	1959	808100.		
2012	21463987.	1994	7803829.	1976	2409361.	1958	773782.		
2011	20294643.	1993	7325265.	1975	2190209.	1957	737007.		
2010	19072774.	1992	6855557.	1974	2049601.	1956	709304.		
2009	18625307.	1991	6388554.	1973	1890022.	1955	682134.		
2008	18166385.	1990	5811294.	1972	1739312.	1954	655018.		
2007	17616884.	1989	5359312.	1971	1641999.	1953	621300.		
2006	16916995.	1988	5131930.	1970	1496785.	1952	581037.		
2005	16193529.	1987	4875547.	1969	1402396.	1951	546153.		
2004	15378789.	1986	4620207.	1968	1213043.	1950	519943.		
2003	14690517.	1985	4410968.	1967	1080510.	1949	492677.		
2002	13842008.	1984	4100936.	1966	1058173.	1948	249209.		
2001	12885230.	1983	3893337.	1965	1020945.	1947	183778.		
2000	12257680.	1982	3730222.	1964	1000472.	1946	181479.		
1999	11658894.	1981	3525432.	1963	963695.	1945	162008.		
1998	11152441.	1980	3316346.	1962	927553.	1944	157529.		
1997	10427565.	1979	2952297.	1961	882299.	0	0.		
1996	9468834.	1978	2781337.	1960	843069.	0	0.		

DISP		MEAN		SSD		IV		REI	
S2.5		25.6 YRS.		0.2197E+13		30		100.00	
SIMULATED BALANCES									
YEAR	BALANCES	YEAR	BALANCES	YEAR	BALANCES	YEAR	BALANCES	YEAR	BALANCES
2013	21798228.	1995	8777059.	1977	2587919.	1959	824386.		
2012	21470767.	1994	7832314.	1976	2390388.	1958	788716.		
2011	20305077.	1993	7354903.	1975	2174236.	1957	750462.		
2010	19083681.	1992	6884923.	1974	2037224.	1956	721222.		
2009	18634407.	1991	6416239.	1973	1881649.	1955	692521.		
2008	18172368.	1990	5835973.	1972	1735149.	1954	663926.		
2007	17619287.	1989	5379822.	1971	1642062.	1953	628822.		
2006	16916055.	1988	5147356.	1970	1500912.	1952	587292.		
2005	16190037.	1987	4885292.	1969	1410268.	1951	551278.		
2004	15373910.	1986	4624008.	1968	1224199.	1950	524081.		
2003	14685627.	1985	4408867.	1967	1094393.	1949	495963.		
2002	13838536.	1984	4093268.	1966	1074193.	1948	251756.		
2001	12884499.	1983	3880713.	1965	1038501.	1947	185676.		
2000	12260775.	1982	3713484.	1964	1018977.	1946	182826.		
1999	11666593.	1981	3505585.	1963	982604.	1945	162908.		
1998	11165165.	1980	3294491.	1962	946377.	1944	158084.		
1997	10445316.	1979	2929571.	1961	900608.	0	0.		
1996	9491139.	1978	2758852.	1960	860504.	0	0.		

DISP		MEAN		SSD		IV		REI	
L0.5		33.3 YRS.		0.1630E+13		26		97.16	
SIMULATED BALANCES									
YEAR	BALANCES	YEAR	BALANCES	YEAR	BALANCES	YEAR	BALANCES	YEAR	BALANCES
2013	21921208.	1995	8735494.	1977	2608948.	1959	768242.		
2012	21546806.	1994	7788697.	1976	2406802.	1958	736105.		
2011	20343948.	1993	7310345.	1975	2184595.	1957	701889.		
2010	19093267.	1992	6841153.	1974	2040492.	1956	677062.		
2009	18623249.	1991	6374799.	1973	1877109.	1955	653014.		
2008	18148335.	1990	5798039.	1972	1722366.	1954	629169.		
2007	17588212.	1989	5346612.	1971	1620986.	1953	598764.		
2006	16881757.	1988	5120425.	1970	1471705.	1952	561755.		
2005	16154805.	1987	4865886.	1969	1373360.	1951	529987.		
2004	15338839.	1986	4612760.	1968	1180131.	1950	506688.		
2003	14651172.	1985	4405928.	1967	1043985.	1949	482003.		
2002	13804394.	1984	4098133.	1966	1018723.	1948	240344.		
2001	12849799.	1983	3892559.	1965	979375.	1947	176210.		
2000	12225251.	1982	3731286.	1964	957568.	1946	175134.		
1999	11630376.	1981	3527891.	1963	920188.	1945	156848.		
1998	11128403.	1980	3319489.	1962	884109.	1944	153501.		
1997	10407645.	1979	2955058.	1961	839512.	0	0.		
1996	9451663.	1978	2782917.	1960	801489.	0	0.		

DISP		MEAN		SSD		IV		REI	
L1.5		29.5 YRS.		0.1941E+13		28		99.85	
SIMULATED BALANCES									
YEAR	BALANCES	YEAR	BALANCES	YEAR	BALANCES	YEAR	BALANCES	YEAR	BALANCES
2013	21856611.	1995	8748204.	1977	2611438.	1959	791156.		
2012	21507487.	1994	7802387.	1976	2409019.	1958	758131.		
2011	20326563.	1993	7325340.	1975	2187095.	1957	722792.		
2010	19094844.	1992	6857337.	1974	2043698.	1956	696618.		
2009	18639311.	1991	6392120.	1973	1881402.	1955	671012.		
2008	18174058.	1990	5816574.	1972	1728110.	1954	645419.		
2007	17619580.	1989	5366189.	1971	1628437.	1953	613133.		
2006	16915798.	1988	5140344.	1970	1481140.	1952	574174.		
2005	16189321.	1987	4885394.	1969	1384991.	1951	540448.		
2004	15372365.	1986	4631251.	1968	1194197.	1950	515263.		
2003	14682606.	1985	4422881.	1967	1060553.	1949	488898.		
2002	13833226.	1984	4113267.	1966	1037524.	1948	246131.		
2001	12876046.	1983	3905585.	1965	1000028.	1947	181233.		
2000	12248593.	1982	3741925.	1964	979635.	1946	179422.		
1999	11650485.	1981	3536101.	1963	943235.	1945	160403.		
1998	11145197.	1980	3325508.	1962	907708.	1944	156324.		
1997	10421777.	1979	2959475.	1961	863256.	0	0.		
1996	9464513.	1978	2786178.	1960	824997.	0	0.		

DISP		MEAN		SSD		IV		REI	
L2.5		26.9 YRS.		0.2051E+13		29		100.00	
SIMULATED BALANCES									
YEAR	BALANCES	YEAR	BALANCES	YEAR	BALANCES	YEAR	BALANCES	YEAR	BALANCES
2013	21740235.	1995	8733318.	1977	2589874.	1959	810332.		
2012	21415237.	1994	7792038.	1976	2388953.	1958	776300.		
2011	20252671.	1993	7318960.	1975	2169377.	1957	739700.		
2010	19034540.	1992	6854053.	1974	2029058.	1956	712077.		
2009	18588170.	1991	6390990.	1973	1870435.	1955	684882.		
2008	18128257.	1990	5816665.	1972	1721248.	1954	657633.		
2007	17576345.	1989	5366527.	1971	1625898.	1953	623686.		
2006	16873366.	1988	5139894.	1970	1482945.	1952	583121.		
2005	16146896.	1987	4883220.	1969	1390953.	1951	547895.		
2004	15329848.	1986	4626636.	1968	1203969.	1950	521343.		
2003	14640417.	1985	4415313.	1967	1073656.	1949	493758.		
2002	13792127.	1984	4102536.	1966	1053314.	1948	250013.		
2001	12836980.	1983	3891746.	1965	1017798.	1947	184354.		
2000	12212386.	1982	3725193.	1964	998761.	1946	181880.		
1999	11617751.	1981	3516922.	1963	963173.	1945	162277.		
1998	11116443.	1980	3304508.	1962	927995.	1944	157698.		
1997	10397408.	1979	2937465.	1961	883506.	0	0.		
1996	9444860.	1978	2763990.	1960	844868.	0	0.		

DISP		MEAN		SSD		IV		REI	
R1.5		28.8 YRS.		0.1629E+13		26		100.00	
SIMULATED BALANCES									
YEAR	BALANCES	YEAR	BALANCES	YEAR	BALANCES	YEAR	BALANCES	YEAR	BALANCES
2013	21883710.	1995	8720961.	1977	2618548.	1959	782217.		
2012	21517770.	1994	7774537.	1976	2419753.	1958	748082.		
2011	20321870.	1993	7295900.	1975	2200654.	1957	711937.		
2010	19075030.	1992	6826511.	1974	2059332.	1956	685291.		
2009	18606340.	1991	6360125.	1973	1898438.	1955	659578.		
2008	18131982.	1990	5783321.	1972	1745772.	1954	634261.		
2007	17572108.	1989	5331588.	1971	1646077.	1953	602597.		
2006	16865722.	1988	5105166.	1970	1498090.	1952	564542.		
2005	16138747.	1987	4850867.	1969	1400599.	1951	531952.		
2004	15322717.	1986	4598428.	1968	1207718.	1950	508103.		
2003	14634996.	1985	4392811.	1967	1071203.	1949	483223.		
2002	13788315.	1984	4086694.	1966	1045022.	1948	241451.		
2001	12833419.	1983	3883098.	1965	1004425.	1947	176917.		
2000	12208195.	1982	3724287.	1964	981099.	1946	175445.		
1999	11612886.	1981	3523865.	1963	942015.	1945	156847.		
1998	11111093.	1980	3318854.	1962	904086.	1944	153255.		
1997	10391278.	1979	2957922.	1961	857538.	0	0.		
1996	9436344.	1978	2789118.	1960	817496.	0	0.		

DISP MEAN SSD IV REI
R2.5 26.6 YRS. 0.2072E+13 29 100.00

SIMULATED BALANCES

YEAR	BALANCES	YEAR	BALANCES	YEAR	BALANCES	YEAR	BALANCES
2013	21823133.	1995	8762236.	1977	2606041.	1959	807077.
2012	21474759.	1994	7812593.	1976	2410119.	1958	771668.
2011	20293718.	1993	7330420.	1975	2194319.	1957	734028.
2010	19061361.	1992	6856510.	1974	2056524.	1956	705699.
2009	18605746.	1991	6384923.	1973	1899200.	1955	678154.
2008	18141880.	1990	5802821.	1972	1750142.	1954	650896.
2007	17590382.	1989	5345996.	1971	1653939.	1953	617240.
2006	16890915.	1988	5114319.	1970	1509298.	1952	577202.
2005	16169792.	1987	4854541.	1969	1414960.	1951	542670.
2004	15358801.	1986	4596814.	1968	1225103.	1950	516917.
2003	14675302.	1985	4386320.	1967	1091527.	1949	490181.
2002	13832104.	1984	4076106.	1966	1067851.	1948	247053.
2001	12880484.	1983	3869387.	1965	1029128.	1947	181741.
2000	12257754.	1982	3708285.	1964	1007054.	1946	179588.
1999	11663393.	1981	3506492.	1963	968637.	1945	160322.
1998	11160722.	1980	3301112.	1962	930867.	1944	156090.
1997	10438535.	1979	2941059.	1961	884042.	0	0.
1996	9480759.	1978	2774176.	1960	843345.	0	0.

S5	24.1 YRS.	0.1645E+13	26	38	100.00
S6	23.8 YRS.	0.1525E+13	25	40	100.00
SQ	25.9 YRS.	0.9090E+13	62	16	100.00
L0	35.8 YRS.	0.1468E+13	25	40	93.63
L0.5	33.3 YRS.	0.1630E+13	26	38	97.16
R1	30.6 YRS.	0.1411E+13	24	41	100.00
R1.5	28.8 YRS.	0.1629E+13	26	38	100.00

SIMULATED PLANT RECORD ANALYSIS
SIMULATED BALANCE METHOD

Shelby Energy Cooperative
August 2, 2014

CARRIERS - 030 Shelby Energy Cooperative
ACCOUNT - 364 Poles, Towers & Fixtures

- ACCOUNT CONTROL INFORMATION -

EARLIEST ADDITION = 1939 LATEST ADDITION = 2013
EARLIEST BALANCE = 1944 LATEST BALANCE = 2013
EARLIEST RETIREMENT = 1944 LATEST RETIREMENT = 2013 INPUT = ADD & RET

SIMULATED PLANT RECORD ANALYSIS
SIMULATED BALANCE METHOD

Shelby Energy Cooperative
August 2, 2014

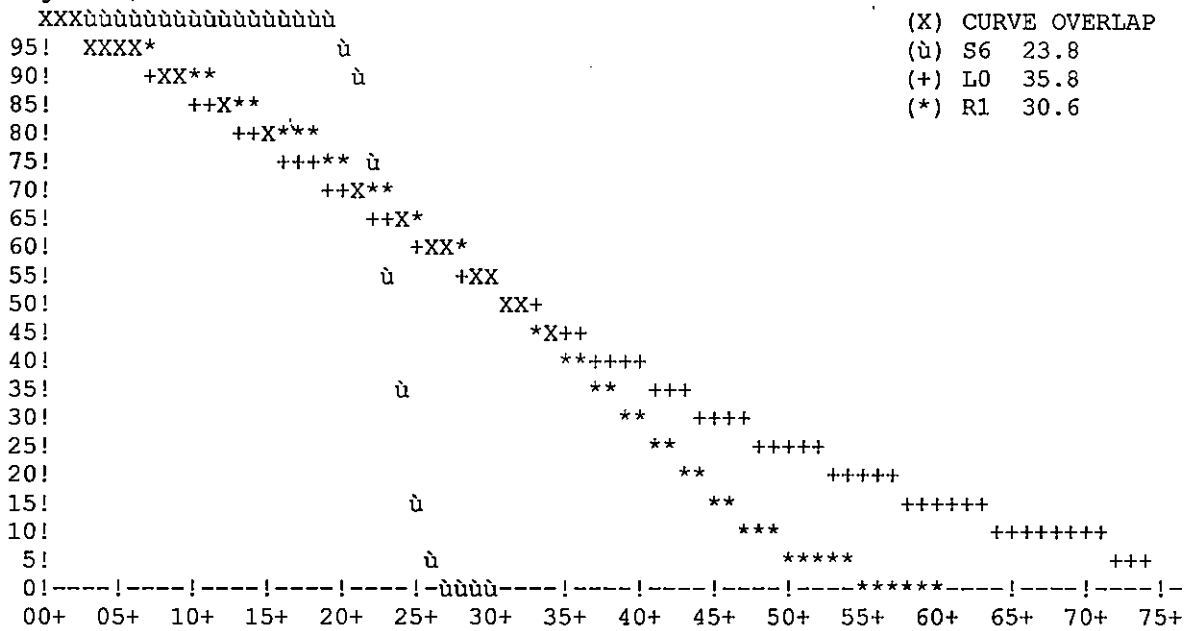
CARRIERS - 030 Shelby Energy Cooperative
ACCOUNT - 364 Poles, Towers & Fixtures

ANALYSIS BAND = 1944 THRU 2013

INCREMENT = 1

CURVE	IV	CI	REI
S0 - 30.3	26	38	100.00
S0.5 - 28.8	28	35	100.00
S1 - 27.7	29	34	100.00
S1.5 - 26.8	30	33	100.00
S2 - 26.0	30	33	100.00
S2.5 - 25.6	30	33	100.00
S3 - 25.1	30	33	100.00
S4 - 24.5	28	35	100.00
S5 - 24.1	26	38	100.00
S6 - 23.8	25	40	100.00
SQ - 25.9	62	16	100.00
L0 - 35.8	25	40	93.63
L0.5 - 33.3	26	38	97.16
L1 - 30.8	28	35	99.42
L1.5 - 29.5	28	35	99.85
L2 - 27.9	29	34	100.00
L2.5 - 26.9	29	34	100.00
L3 - 26.2	29	34	100.00
L4 - 25.0	28	35	100.00
L5 - 24.4	27	37	100.00
R1 - 30.6	24	41	100.00
R1.5 - 28.8	26	38	100.00
R2 - 27.6	28	35	100.00
R2.5 - 26.6	29	34	100.00
R3 - 25.7	30	33	100.00
R4 - 24.8	30	33	100.00
R5 - 24.2	27	37	100.00
O1 - 36.3	22	45	100.00
O2 - 40.2	22	45	87.80
O3 - 54.8	21	47	74.79
O4 - 71.9	21	47	68.92

August 2, 2014



SIMULATED PLANT RECORD ANALYSIS
SIMULATED BALANCE METHOD

Shelby Energy Cooperative
August 2, 2014

CARRIERS - 030 Shelby Energy Cooperative
ACCOUNT - 365 Overhead Conductors & Devices

- ACCOUNT CONTROL INFORMATION -

EARLIEST ADDITION = 1941 LATEST ADDITION = 2013
EARLIEST BALANCE = 1946 LATEST BALANCE = 2013
EARLIEST RETIREMENT = 1946 LATEST RETIREMENT = 2013 INPUT = ADD & RET

SIMULATED PLANT RECORD ANALYSIS
SIMULATED BALANCE METHOD

Shelby Energy Cooperative
August 2, 2014

CARRIERS - 030 Shelby Energy Cooperative
ACCOUNT - 365 Overhead Conductors & Devices

ANALYSIS BAND = 1946 THRU 2013 INCREMENT = 1

DISP MEAN SSD IV REI
SO 35.2 YRS. 0.6442E+12 18 100.00

SIMULATED BALANCES

YEAR	BALANCES	YEAR	BALANCES	YEAR	BALANCES	YEAR	BALANCES
2013	21049720.	1996	7271663.	1979	2889974.	1962	982603.
2012	20596822.	1995	6672868.	1978	2725446.	1961	961493.
2011	19133065.	1994	5969931.	1977	2529833.	1960	876895.
2010	17548118.	1993	5704189.	1976	2355259.	1959	804913.
2009	17131625.	1992	5438128.	1975	2182995.	1958	765215.
2008	16911431.	1991	5155457.	1974	2097087.	1957	721708.
2007	16303422.	1990	4762849.	1973	1969358.	1956	678700.
2006	15527266.	1989	4407865.	1972	1801175.	1955	645078.
2005	14611599.	1988	4270302.	1971	1717622.	1954	604978.
2004	13668171.	1987	4142657.	1970	1536026.	1953	570669.
2003	12977354.	1986	3992704.	1969	1424749.	1952	541083.
2002	12024801.	1985	3884847.	1968	1327670.	1951	514221.
2001	10910941.	1984	3736345.	1967	1147865.	1950	496113.
2000	10317427.	1983	3606075.	1966	1111110.	1949	479125.
1999	9611713.	1982	3517977.	1965	1044654.	1948	195671.
1998	9159911.	1981	3388417.	1964	1032666.	1947	142427.
1997	8150105.	1980	3218975.	1963	1001273.	1946	141502.

DISP	MEAN	SSD	IV	REI			
S1	31.9 YRS.	0.6827E+12	18	100.00			
SIMULATED BALANCES							
YEAR	BALANCES	YEAR	BALANCES	YEAR	BALANCES		
2013	21082146.	1996	7231913.	1979	2904983.	1962	1008700.
2012	20629257.	1995	6637541.	1978	2741713.	1961	986323.
2011	19164210.	1994	5939707.	1977	2547377.	1960	900331.
2010	17576441.	1993	5679117.	1976	2374076.	1959	826826.
2009	17154310.	1992	5418128.	1975	2203039.	1958	785448.
2008	16925964.	1991	5140496.	1974	2118254.	1957	740135.
2007	16308580.	1990	4752903.	1973	1991607.	1956	695225.
2006	15522830.	1989	4402668.	1972	1824511.	1955	659634.
2005	14598017.	1988	4269248.	1971	1741998.	1954	617537.
2004	13646232.	1987	4145081.	1970	1561445.	1953	581246.
2003	12948009.	1986	3997999.	1969	1451132.	1952	549734.
2002	11989519.	1985	3892433.	1968	1354888.	1951	521069.
2001	10871348.	1984	3745742.	1967	1175776.	1950	501359.
2000	10274706.	1983	3616869.	1966	1139385.	1949	483096.
1999	9567197.	1982	3529840.	1965	1072927.	1948	198860.
1998	9115084.	1981	3401216.	1964	1060546.	1947	145016.
1997	8106976.	1980	3232773.	1963	1028412.	1946	143517.

DISP	MEAN	SSD	IV	REI			
S2	30.0 YRS.	0.7052E+12	19	100.00			
SIMULATED BALANCES							
YEAR	BALANCES	YEAR	BALANCES	YEAR	BALANCES		
2013	21136950.	1996	7216441.	1979	2905858.	1962	1031270.
2012	20674932.	1995	6624378.	1978	2745284.	1961	1007126.
2011	19199839.	1994	5928453.	1977	2553807.	1960	919213.
2010	17601483.	1993	5669348.	1976	2383449.	1959	843686.
2009	17168776.	1992	5409418.	1975	2215357.	1958	800238.
2008	16930511.	1991	5132454.	1974	2133448.	1957	752876.
2007	16304348.	1990	4745187.	1973	2009531.	1956	705988.
2006	15511236.	1989	4394974.	1972	1844930.	1955	668538.
2005	14580616.	1988	4261393.	1971	1764608.	1954	624754.
2004	13624599.	1987	4137039.	1970	1585858.	1953	586973.
2003	12923681.	1986	3989856.	1969	1476902.	1952	554192.
2002	11963909.	1985	3884415.	1968	1381542.	1951	524488.
2001	10845653.	1984	3738178.	1967	1202804.	1950	503953.
2000	10249944.	1983	3610144.	1966	1166300.	1949	485049.
1999	9544197.	1982	3524398.	1965	1099289.	1948	200298.
1998	9094422.	1981	3397506.	1964	1085951.	1947	146020.
1997	8088926.	1980	3231193.	1963	1052531.	1946	144167.

DISP MEAN SSD IV REI
S3 28.9 YRS. 0.6873E+12 18 100.00

SIMULATED BALANCES

YEAR	BALANCES	YEAR	BALANCES	YEAR	BALANCES	YEAR	BALANCES
2013	21187514.	1996	7230024.	1979	2898164.	1962	1047876.
2012	20706248.	1995	6638794.	1978	2740718.	1961	1021657.
2011	19213528.	1994	5942492.	1977	2553176.	1960	931671.
2010	17600280.	1993	5681638.	1976	2387071.	1959	854164.
2009	17154861.	1992	5418961.	1975	2223126.	1958	808879.
2008	16907682.	1991	5138625.	1974	2145163.	1957	759866.
2007	16275854.	1990	4747308.	1973	2024886.	1956	711529.
2006	15480334.	1989	4392844.	1972	1863261.	1955	672849.
2005	14549984.	1988	4255255.	1971	1785630.	1954	628036.
2004	13596981.	1987	4127274.	1970	1608417.	1953	589416.
2003	12900928.	1986	3977105.	1969	1500576.	1952	555964.
2002	11946913.	1985	3869513.	1968	1405648.	1951	525731.
2001	10835484.	1984	3722027.	1967	1226746.	1950	504791.
2000	10246178.	1983	3593727.	1966	1189511.	1949	485584.
1999	9546435.	1982	3508708.	1965	1121308.	1948	200614.
1998	9101990.	1981	3383447.	1964	1106404.	1947	146191.
1997	8099982.	1980	3219624.	1963	1071152.	1946	144249.

DISP MEAN SSD IV REI
S4 28.2 YRS. 0.6827E+12 18 100.00

SIMULATED BALANCES

YEAR	BALANCES	YEAR	BALANCES	YEAR	BALANCES	YEAR	BALANCES
2013	21223631.	1996	7261655.	1979	2880246.	1962	1061029.
2012	20712283.	1995	6671309.	1978	2728742.	1961	1032534.
2011	19194308.	1994	5973597.	1977	2547379.	1960	940451.
2010	17561349.	1993	5709566.	1976	2387556.	1959	861049.
2009	17103285.	1992	5442123.	1975	2229855.	1958	814128.
2008	16849115.	1991	5155667.	1974	2157569.	1957	763728.
2007	16216058.	1990	4757656.	1973	2042102.	1956	714275.
2006	15424059.	1989	4396182.	1972	1884381.	1955	674720.
2005	14501181.	1988	4251548.	1971	1809192.	1954	629256.
2004	13557997.	1987	4116996.	1970	1633761.	1953	590172.
2003	12873281.	1986	3961055.	1969	1526375.	1952	556407.
2002	11931517.	1985	3848798.	1968	1430993.	1951	525974.
2001	10831534.	1984	3697986.	1967	1250879.	1950	504915.
2000	10253127.	1983	3567923.	1966	1211898.	1949	485641.
1999	9562614.	1982	3482722.	1965	1141570.	1948	200638.
1998	9125230.	1981	3358937.	1964	1124341.	1947	146200.
1997	8128776.	1980	3198086.	1963	1086681.	1946	144252.

DISP		MEAN	SSD	IV	REI		
S5		28.0 YRS.	0.7527E+12	19	100.00		
SIMULATED BALANCES							
YEAR	BALANCES	YEAR	BALANCES	YEAR	BALANCES	YEAR	BALANCES
2013	21279429.	1996	7315776.	1979	2869533.	1962	1068635.
2012	20737901.	1995	6725649.	1978	2723628.	1961	1037983.
2011	19196575.	1994	6025018.	1977	2550070.	1960	944085.
2010	17548492.	1993	5754987.	1976	2398773.	1959	863311.
2009	17083995.	1992	5479256.	1975	2248536.	1958	815432.
2008	16831212.	1991	5183669.	1974	2181496.	1957	764428.
2007	16205368.	1990	4777009.	1973	2068303.	1956	714619.
2006	15423740.	1989	4408511.	1972	1910393.	1955	674876.
2005	14511793.	1988	4258855.	1971	1833363.	1954	629319.
2004	13578071.	1987	4121000.	1970	1655531.	1953	590195.
2003	12900506.	1986	3962754.	1969	1545995.	1952	556414.
2002	11963649.	1985	3848218.	1968	1448980.	1951	525976.
2001	10867319.	1984	3694611.	1967	1267626.	1950	504915.
2000	10292251.	1983	3561056.	1966	1227460.	1949	485641.
1999	9605584.	1982	3472366.	1965	1155633.	1948	200638.
1998	9172514.	1981	3346014.	1964	1136507.	1947	146200.
1997	8180128.	1980	3184800.	1963	1096615.	1946	144252.

DISP		MEAN	SSD	IV	REI		
S6		27.9 YRS.	0.8618E+12	21	100.00		
SIMULATED BALANCES							
YEAR	BALANCES	YEAR	BALANCES	YEAR	BALANCES	YEAR	BALANCES
2013	21287603.	1996	7343891.	1979	2841753.	1962	1070917.
2012	20721824.	1995	6760919.	1978	2699125.	1961	1039014.
2011	19159516.	1994	6061303.	1977	2538544.	1960	944497.
2010	17497039.	1993	5785022.	1976	2405560.	1959	863453.
2009	17028485.	1992	5497731.	1975	2270829.	1958	815475.
2008	16783737.	1991	5188980.	1974	2209512.	1957	764439.
2007	16175062.	1990	4772030.	1973	2092088.	1956	714621.
2006	15413269.	1989	4398754.	1972	1924371.	1955	674876.
2005	14516834.	1988	4249948.	1971	1838379.	1954	629319.
2004	13590768.	1987	4116308.	1970	1656526.	1953	590195.
2003	12912990.	1986	3962527.	1969	1548360.	1952	556414.
2002	11971125.	1985	3850633.	1968	1455640.	1951	525976.
2001	10869147.	1984	3696999.	1967	1278166.	1950	504915.
2000	10291433.	1983	3560667.	1966	1239143.	1949	485641.
1999	9606781.	1982	3466322.	1965	1165824.	1948	200638.
1998	9180467.	1981	3331920.	1964	1143774.	1947	146200.
1997	8198031.	1980	3162001.	1963	1100996.	1946	144252.

DISP	MEAN	SSD	IV	REI			
SQ	30.4 YRS.	0.4319E+13	47	100.00			
SIMULATED BALANCES							
YEAR	BALANCES	YEAR	BALANCES	YEAR	BALANCES		
2013	21696157.	1996	7611230.	1979	2865901.	1962	1071008.
2012	21076943.	1995	6993143.	1978	2949622.	1961	1039028.
2011	19502463.	1994	6221545.	1977	2774225.	1960	944498.
2010	17859551.	1993	5910729.	1976	2569736.	1959	863453.
2009	17555475.	1992	5590713.	1975	2382538.	1958	815475.
2008	17294000.	1991	5260189.	1974	2271547.	1957	764439.
2007	16687255.	1990	4886657.	1973	2119637.	1956	714621.
2006	15903040.	1989	4541231.	1972	1957614.	1955	674876.
2005	14988596.	1988	4383657.	1971	1852054.	1954	629319.
2004	13971188.	1987	4242403.	1970	1745229.	1953	590195.
2003	13258636.	1986	4080922.	1969	1614959.	1952	556414.
2002	12334901.	1985	3954680.	1968	1500234.	1951	525976.
2001	11174756.	1984	3796799.	1967	1304042.	1950	504915.
2000	10641358.	1983	3653840.	1966	1251919.	1949	485641.
1999	9933427.	1982	3550778.	1965	1171039.	1948	200638.
1998	9472802.	1981	3406011.	1964	1145506.	1947	146200.
1997	8544444.	1980	3215098.	1963	1101453.	1946	144252.

DISP	MEAN	SSD	IV	REI			
L0	42.5 YRS.	0.5923E+12	17	85.28			
SIMULATED BALANCES							
YEAR	BALANCES	YEAR	BALANCES	YEAR	BALANCES		
2013	21047949.	1996	7273670.	1979	2860535.	1962	961974.
2012	20591681.	1995	6671914.	1978	2696455.	1961	942036.
2011	19125180.	1994	5965286.	1977	2501298.	1960	858646.
2010	17536674.	1993	5695736.	1976	2327153.	1959	787841.
2009	17117665.	1992	5426202.	1975	2155308.	1958	749356.
2008	16897517.	1991	5140286.	1974	2069926.	1957	707116.
2007	16291408.	1990	4744417.	1973	1942815.	1956	665410.
2006	15518018.	1989	4386104.	1972	1775204.	1955	633140.
2005	14605300.	1988	4245563.	1971	1692231.	1954	594409.
2004	13664652.	1987	4115537.	1970	1511140.	1953	561493.
2003	12976569.	1986	3963748.	1969	1400276.	1952	533319.
2002	12026357.	1985	3854598.	1968	1303603.	1951	507879.
2001	10913777.	1984	3705306.	1967	1124075.	1950	491181.
2000	10321048.	1983	3574686.	1966	1087614.	1949	475541.
1999	9615922.	1982	3486730.	1965	1021586.	1948	192920.
1998	9164541.	1981	3357698.	1964	1010211.	1947	140106.
1997	8154169.	1980	3188978.	1963	979639.	1946	139571.

DISP		MEAN		SSD		IV		REI	
L1		36.0 YRS.		0.6285E+12		18		96.01	
SIMULATED BALANCES									
YEAR	BALANCES	YEAR	BALANCES	YEAR	BALANCES	YEAR	BALANCES	YEAR	BALANCES
2013	21067331.	1996	7248069.	1979	2880383.	1962	987375.		
2012	20618134.	1995	6650501.	1978	2715984.	1961	966692.		
2011	19157111.	1994	5949105.	1977	2520620.	1960	882405.		
2010	17572641.	1993	5684919.	1976	2346392.	1959	810547.		
2009	17153881.	1992	5420598.	1975	2174563.	1958	770786.		
2008	16929759.	1991	5139829.	1974	2089199.	1957	727060.		
2007	16316962.	1990	4749148.	1973	1962214.	1956	683687.		
2006	15535509.	1989	4395827.	1972	1794949.	1955	649575.		
2005	14614329.	1988	4259526.	1971	1712476.	1954	608889.		
2004	13665341.	1987	4132815.	1970	1532153.	1953	573937.		
2003	12969213.	1986	3983465.	1969	1422243.	1952	543695.		
2002	12012050.	1985	3875889.	1968	1326605.	1951	516224.		
2001	10894143.	1984	3727418.	1967	1148211.	1950	497620.		
2000	10297102.	1983	3596956.	1966	1112689.	1949	480360.		
1999	9588821.	1982	3508567.	1965	1047305.	1948	196799.		
1998	9135626.	1981	3378780.	1964	1036191.	1947	143338.		
1997	8125791.	1980	3209285.	1963	1005502.	1946	142168.		

DISP		MEAN		SSD		IV		REI	
L2		32.2 YRS.		0.6201E+12		17		99.58	
SIMULATED BALANCES									
YEAR	BALANCES	YEAR	BALANCES	YEAR	BALANCES	YEAR	BALANCES	YEAR	BALANCES
2013	21110105.	1996	7222109.	1979	2886489.	1962	1014968.		
2012	20654409.	1995	6630086.	1978	2723581.	1961	992434.		
2011	19184867.	1994	5934098.	1977	2530095.	1960	906081.		
2010	17591241.	1993	5674741.	1976	2358068.	1959	832108.		
2009	17162389.	1992	5414350.	1975	2188650.	1958	790232.		
2008	16927095.	1991	5136710.	1974	2105743.	1957	744415.		
2007	16303188.	1990	4748585.	1973	1981162.	1956	698980.		
2006	15511804.	1989	4397390.	1972	1816250.	1955	662846.		
2005	14582506.	1988	4262654.	1971	1735975.	1954	620198.		
2004	13627503.	1987	4136914.	1970	1557658.	1953	583369.		
2003	12927317.	1986	3988086.	1969	1449506.	1952	551362.		
2002	11968057.	1985	3880694.	1968	1355276.	1951	522278.		
2001	10850209.	1984	3732198.	1967	1177952.	1950	502240.		
2000	10254858.	1983	3601645.	1966	1143062.	1949	483736.		
1999	9549407.	1982	3513187.	1965	1077784.	1948	199319.		
1998	9099845.	1981	3383490.	1964	1066224.	1947	145333.		
1997	8094495.	1980	3214419.	1963	1034554.	1946	143723.		

DISP		MEAN	SSD	IV	REI
L3		30.0 YRS.	0.6133E+12	17	100.00
SIMULATED BALANCES					
YEAR	BALANCES	YEAR	BALANCES	YEAR	BALANCES
2013	21158115.	1996	7214432.	1979	2884212.
2012	20684936.	1995	6626190.	1978	2724195.
2011	19197926.	1994	5933050.	1977	2533953.
2010	17587891.	1993	5675659.	1976	2365446.
2009	17144629.	1992	5416378.	1975	2199719.
2008	16897608.	1991	5139030.	1974	2120566.
2007	16264963.	1990	4750415.	1973	1999644.
2006	15467863.	1989	4398001.	1972	1838104.
2005	14535755.	1988	4261545.	1971	1760739.
2004	13580614.	1987	4133846.	1970	1584668.
2003	12882604.	1986	3983080.	1969	1477993.
2002	11927316.	1985	3874067.	1968	1384444.
2001	10814643.	1984	3724491.	1967	1207002.
2000	10225130.	1983	3593546.	1966	1171317.
1999	9525734.	1982	3505476.	1965	1104720.
1998	9082075.	1981	3376940.	1964	1091464.
1997	8082146.	1980	3209713.	1963	1057897.

DISP		MEAN	SSD	IV	REI
L4		28.6 YRS.	0.6569E+12	18	100.00
SIMULATED BALANCES					
YEAR	BALANCES	YEAR	BALANCES	YEAR	BALANCES
2013	21195214.	1996	7233349.	1979	2879142.
2012	20698395.	1995	6646180.	1978	2723671.
2011	19191318.	1994	5952366.	1977	2539137.
2010	17565921.	1993	5692340.	1976	2377047.
2009	17112498.	1992	5428652.	1975	2217872.
2008	16860629.	1991	5145702.	1974	2144539.
2007	16227912.	1990	4751055.	1973	2027840.
2006	15434637.	1989	4393124.	1972	1868588.
2005	14508901.	1988	4252259.	1971	1791715.
2004	13561188.	1987	4121639.	1970	1614973.
2003	12870543.	1986	3969387.	1969	1507093.
2002	11921825.	1985	3859987.	1968	1412262.
2001	10814794.	1984	3710680.	1967	1233640.
2000	10230076.	1983	3580420.	1966	1196761.
1999	9534963.	1982	3493327.	1965	1128652.
1998	9095180.	1981	3366275.	1964	1113489.
1997	8098594.	1980	3201292.	1963	1077559.

DISP	MEAN	SSD	IV	REI	
L5	28.2 YRS.	0.6892E+12	18	100.00	
SIMULATED BALANCES					
YEAR	BALANCES	YEAR	BALANCES	YEAR	BALANCES
2013	21268260.	1996	7284344.	1979	2871486.
2012	20740708.	1995	6696821.	1978	2720843.
2011	19208361.	1994	5999819.	1977	2543143.
2010	17564458.	1993	5733975.	1976	2388958.
2009	17100064.	1992	5462562.	1975	2236963.
2008	16844459.	1991	5171029.	1974	2168495.
2007	16214183.	1990	4768232.	1973	2053952.
2006	15427393.	1989	4403371.	1972	1894677.
2005	14509926.	1988	4257187.	1971	1816917.
2004	13570540.	1987	4122578.	1970	1639506.
2003	12887263.	1986	3967190.	1969	1531472.
2002	11945013.	1985	3855131.	1968	1436622.
2001	10843811.	1984	3703491.	1967	1257413.
2000	10264776.	1983	3571288.	1966	1218914.
1999	9575121.	1982	3482852.	1965	1148263.
1998	9140285.	1981	3355291.	1964	1129997.
1997	8147590.	1980	3191099.	1963	1090995.

DISP	MEAN	SSD	IV	REI	
R1	36.2 YRS.	0.5837E+12	17	100.00	
SIMULATED BALANCES					
YEAR	BALANCES	YEAR	BALANCES	YEAR	BALANCES
2013	21097383.	1996	7308683.	1979	2897461.
2012	20634740.	1995	6710344.	1978	2732563.
2011	19163330.	1994	6006251.	1977	2536559.
2010	17568122.	1993	5738228.	1976	2361446.
2009	17140893.	1992	5470103.	1975	2188476.
2008	16914204.	1991	5185484.	1974	2101899.
2007	16303973.	1990	4790534.	1973	1973705.
2006	15528262.	1989	4432289.	1972	1804960.
2005	14614645.	1988	4291111.	1971	1720809.
2004	13674007.	1987	4160225.	1970	1538534.
2003	12987068.	1986	4007386.	1969	1426290.
2002	12039335.	1985	3897057.	1968	1328182.
2001	10929344.	1984	3746548.	1967	1147011.
2000	10339147.	1983	3614656.	1966	1108588.
1999	9637339.	1982	3525548.	1965	1040528.
1998	9190242.	1981	3395683.	1964	1027060.
1997	8184950.	1980	3226438.	1963	994466.

DISP	MEAN	SSD	IV	REI			
R2	32.1 YRS.	0.6739E+12	18	100.00			
SIMULATED BALANCES							
YEAR	BALANCES	YEAR	BALANCES	YEAR	BALANCES		
2013	21109121.	1996	7260751.	1979	2920912.	1962	1004265.
2012	20647562.	1995	6664887.	1978	2758192.	1961	980854.
2011	19175777.	1994	5964721.	1977	2564125.	1960	894036.
2010	17581360.	1993	5701486.	1976	2390755.	1959	819840.
2009	17154160.	1992	5438169.	1975	2219321.	1958	777978.
2008	16924110.	1991	5158464.	1974	2133923.	1957	732418.
2007	16307769.	1990	4768833.	1973	2006497.	1956	687483.
2006	15524684.	1989	4416488.	1972	1838317.	1955	652085.
2005	14603404.	1988	4281264.	1971	1754485.	1954	610386.
2004	13655487.	1987	4155915.	1970	1572353.	1953	574669.
2003	12961482.	1986	4008205.	1969	1460179.	1952	543894.
2002	12007183.	1985	3902544.	1968	1361941.	1951	516107.
2001	10892255.	1984	3756221.	1967	1180626.	1950	497386.
2000	10298238.	1983	3628068.	1966	1141968.	1949	480182.
1999	9593104.	1982	3542117.	1965	1073382.	1948	196627.
1998	9143123.	1981	3414822.	1964	1059083.	1947	143043.
1997	8136235.	1980	3247728.	1963	1025317.	1946	141795.

DISP	MEAN	SSD	IV	REI			
R3	29.6 YRS.	0.7880E+12	20	100.00			
SIMULATED BALANCES							
YEAR	BALANCES	YEAR	BALANCES	YEAR	BALANCES		
2013	21077334.	1996	7227494.	1979	2912334.	1962	1030124.
2012	20611003.	1995	6631099.	1978	2755101.	1961	1004955.
2011	19135397.	1994	5930385.	1977	2566390.	1960	916275.
2010	17539670.	1993	5666445.	1976	2398129.	1959	840215.
2009	17112409.	1992	5401993.	1975	2231430.	1958	796479.
2008	16882000.	1991	5121046.	1974	2150231.	1957	749031.
2007	16265299.	1990	4730438.	1973	2026367.	1956	702232.
2006	15482371.	1989	4377710.	1972	1861201.	1955	665014.
2005	14561965.	1988	4242664.	1971	1779795.	1954	621551.
2004	13615573.	1987	4117976.	1970	1599520.	1953	584154.
2003	12923239.	1986	3971652.	1969	1488723.	1952	551786.
2002	11970593.	1985	3868158.	1968	1391327.	1951	522493.
2001	10857614.	1984	3724774.	1967	1210451.	1950	502356.
2000	10265277.	1983	3600335.	1966	1171835.	1949	483820.
1999	9561015.	1982	3518636.	1965	1102823.	1948	199338.
1998	9110925.	1981	3395976.	1964	1087680.	1947	145249.
1997	8103418.	1980	3233838.	1963	1052700.	1946	143570.

DISP	MEAN	SSD	IV	REI			
R4	28.6 YRS.	0.7671E+12	19	100.00			
SIMULATED BALANCES							
YEAR	BALANCES	YEAR	BALANCES	YEAR	BALANCES		
2013	21139047.	1996	7252277.	1979	2898367.	1962	1049420.
2012	20650544.	1995	6656573.	1978	2747131.	1961	1022302.
2011	19156007.	1994	5954643.	1977	2564527.	1960	931672.
2010	17545318.	1993	5687942.	1976	2401816.	1959	853722.
2009	17106908.	1992	5419622.	1975	2239731.	1958	808172.
2008	16868615.	1991	5134074.	1974	2162208.	1957	759021.
2007	16246879.	1990	4738442.	1973	2041442.	1956	710649.
2006	15461412.	1989	4380458.	1972	1879209.	1955	672001.
2005	14540658.	1988	4240004.	1971	1800621.	1954	627265.
2004	13596040.	1987	4109923.	1970	1622840.	1953	588748.
2003	12907464.	1986	3958418.	1969	1513904.	1952	555410.
2002	11960297.	1985	3850298.	1968	1417520.	1951	525291.
2001	10854145.	1984	3703305.	1967	1236792.	1950	504457.
2000	10269239.	1983	3576668.	1966	1197537.	1949	485342.
1999	9572182.	1982	3494555.	1965	1127313.	1948	200445.
1998	9128284.	1981	3373455.	1964	1110614.	1947	146077.
1997	8125428.	1980	3214796.	1963	1073872.	1946	144175.

DISP	MEAN	SSD	IV	REI			
R5	28.1 YRS.	0.7533E+12	19	100.00			
SIMULATED BALANCES							
YEAR	BALANCES	YEAR	BALANCES	YEAR	BALANCES		
2013	21250717.	1996	7309405.	1979	2879646.	1962	1064942.
2012	20721554.	1995	6715334.	1978	2735461.	1961	1035147.
2011	19193125.	1994	6011312.	1977	2560938.	1960	942099.
2010	17557064.	1993	5739648.	1976	2406098.	1959	862042.
2009	17101936.	1992	5464645.	1975	2250812.	1958	814697.
2008	16854570.	1991	5171825.	1974	2178634.	1957	764042.
2007	16229551.	1990	4769201.	1973	2061972.	1956	714439.
2006	15444882.	1989	4404786.	1972	1902561.	1955	674802.
2005	14527435.	1988	4258385.	1971	1825880.	1954	629294.
2004	13587671.	1987	4122394.	1970	1649252.	1953	590188.
2003	12905131.	1986	3964560.	1969	1540939.	1952	556413.
2002	11965109.	1985	3849607.	1968	1444630.	1951	525976.
2001	10867388.	1984	3695432.	1967	1263387.	1950	504915.
2000	10292266.	1983	3561555.	1966	1222937.	1949	485641.
1999	9605641.	1982	3473338.	1965	1150861.	1948	200638.
1998	9171820.	1981	3349236.	1964	1131724.	1947	146200.
1997	8177226.	1980	3191461.	1963	1092226.	1946	144252.

DISP MEAN SSD IV REI
O1 43.7 YRS. 0.5107E+12 16 82.87

SIMULATED BALANCES

YEAR	BALANCES	YEAR	BALANCES	YEAR	BALANCES	YEAR	BALANCES
2013	21077441.	1996	7301718.	1979	2852097.	1962	948612.
2012	20613573.	1995	6700066.	1978	2687975.	1961	928691.
2011	19141756.	1994	5991700.	1977	2492835.	1960	845498.
2010	17544136.	1993	5719012.	1976	2318600.	1959	774785.
2009	17114411.	1992	5446701.	1975	2146526.	1958	736403.
2008	16887988.	1991	5158273.	1974	2061005.	1957	694397.
2007	16280315.	1990	4759539.	1973	1934092.	1956	653032.
2006	15508127.	1989	4397284.	1972	1766628.	1955	621228.
2005	14598162.	1988	4252335.	1971	1683807.	1954	583125.
2004	13660747.	1987	4118375.	1970	1502843.	1953	550971.
2003	12976907.	1986	3963099.	1969	1391778.	1952	523743.
2002	12031982.	1985	3850979.	1968	1294857.	1951	499491.
2001	10923379.	1984	3699297.	1967	1114692.	1950	484322.
2000	10333703.	1983	3566766.	1966	1077177.	1949	470709.
1999	9632296.	1982	3477652.	1965	1010145.	1948	189628.
1998	9185662.	1981	3348393.	1964	997852.	1947	137173.
1997	8180113.	1980	3180152.	1963	966641.	1946	136885.

DISP MEAN SSD IV REI
O2 49.3 YRS. 0.5032E+12 16 78.14

SIMULATED BALANCES

YEAR	BALANCES	YEAR	BALANCES	YEAR	BALANCES	YEAR	BALANCES
2013	21107596.	1996	7307093.	1979	2853575.	1962	948989.
2012	20640865.	1995	6704982.	1978	2689342.	1961	929033.
2011	19166432.	1994	5996217.	1977	2494100.	1960	845806.
2010	17566461.	1993	5723177.	1976	2319771.	1959	775064.
2009	17134609.	1992	5450548.	1975	2147609.	1958	736654.
2008	16906233.	1991	5161829.	1974	2062006.	1957	694621.
2007	16296768.	1990	4762836.	1973	1935015.	1956	653232.
2006	15522950.	1989	4400352.	1972	1767478.	1955	621405.
2005	14611510.	1988	4255197.	1971	1684589.	1954	583280.
2004	13672768.	1987	4121045.	1970	1503563.	1953	551104.
2003	12987734.	1986	3965590.	1969	1392441.	1952	523856.
2002	12041734.	1985	3853302.	1968	1295467.	1951	499585.
2001	10932180.	1984	3701460.	1967	1115256.	1950	484395.
2000	10341658.	1983	3568780.	1966	1077701.	1949	470762.
1999	9639493.	1982	3479523.	1965	1010630.	1948	189666.
1998	9192174.	1981	3350125.	1964	998300.	1947	137204.
1997	8186015.	1980	3181752.	1963	967053.	1946	136911.

DISP	MEAN	SSD	IV	REI			
O3	68.0 YRS.	0.4894E+12	15	66.55			
SIMULATED BALANCES							
YEAR	BALANCES	YEAR	BALANCES	YEAR	BALANCES		
2013	21112504.	1996	7297939.	1979	2840146.	1962	942905.
2012	20643472.	1995	6695005.	1978	2676378.	1961	923408.
2011	19167082.	1994	5985301.	1977	2481606.	1960	840636.
2010	17564973.	1993	5711320.	1976	2307740.	1959	770321.
2009	17131152.	1992	5437898.	1975	2136029.	1958	732323.
2008	16901499.	1991	5148521.	1974	2050898.	1957	690700.
2007	16291329.	1990	4748923.	1973	1924401.	1956	649709.
2006	15517113.	1989	4385844.	1972	1757348.	1955	618275.
2005	14605408.	1988	4240184.	1971	1674935.	1954	580533.
2004	13666424.	1987	4105700.	1970	1494369.	1953	548732.
2003	12981214.	1986	3950064.	1969	1383668.	1952	521848.
2002	12035066.	1985	3837742.	1968	1287107.	1951	497936.
2001	10925173.	1984	3686001.	1967	1107263.	1950	483102.
2000	10334227.	1983	3553534.	1966	1070048.	1949	469825.
1999	9631685.	1982	3464615.	1965	1003332.	1948	188975.
1998	9184066.	1981	3335672.	1964	991378.	1947	136628.
1997	8177529.	1980	3167823.	1963	960537.	1946	136432.

DISP	MEAN	SSD	IV	REI			
O4	90.0 YRS.	0.4887E+12	15	62.10			
SIMULATED BALANCES							
YEAR	BALANCES	YEAR	BALANCES	YEAR	BALANCES		
2013	21130367.	1996	7300862.	1979	2836836.	1962	940640.
2012	20659440.	1995	6697266.	1978	2673078.	1961	921286.
2011	19181374.	1994	5986858.	1977	2478328.	1960	838662.
2010	17577572.	1993	5712173.	1976	2304486.	1959	768487.
2009	17142203.	1992	5438124.	1975	2132805.	1958	730630.
2008	16911350.	1991	5148174.	1974	2047716.	1957	689149.
2007	16300285.	1990	4748037.	1973	1921286.	1956	648303.
2006	15525350.	1989	4384427.	1972	1754298.	1955	617013.
2005	14613027.	1988	4238285.	1971	1671959.	1954	579416.
2004	13673465.	1987	4103396.	1970	1491469.	1953	547759.
2003	12987742.	1986	3947427.	1969	1380837.	1952	521022.
2002	12041117.	1985	3834841.	1968	1284347.	1951	497254.
2001	10930693.	1984	3682901.	1967	1104562.	1950	482567.
2000	10339200.	1983	3550290.	1966	1067402.	1949	469437.
1999	9636149.	1982	3461292.	1965	1000754.	1948	188688.
1998	9188071.	1981	3332325.	1964	988884.	1947	136386.
1997	8181051.	1980	3164494.	1963	958148.	1946	136229.

DISP MEAN SSD IV REI
S0.5 33.3 YRS. 0.6619E+12 18 100.00

SIMULATED BALANCES

YEAR	BALANCES	YEAR	BALANCES	YEAR	BALANCES	YEAR	BALANCES
2013	21039759.	1996	7245496.	1979	2896414.	1962	994656.
2012	20587839.	1995	6649517.	1978	2732615.	1961	972942.
2011	19124518.	1994	5949649.	1977	2537717.	1960	887682.
2010	17539282.	1993	5686949.	1976	2363834.	1959	814980.
2009	17121167.	1992	5423847.	1975	2192221.	1958	774494.
2008	16898184.	1991	5144070.	1974	2106898.	1957	730146.
2007	16286810.	1990	4754295.	1973	1979719.	1956	686256.
2006	15507231.	1989	4401978.	1972	1812073.	1955	651725.
2005	14588400.	1988	4266765.	1971	1729021.	1954	610705.
2004	13642207.	1987	4141127.	1970	1547915.	1953	575486.
2003	12949080.	1986	3992869.	1969	1437080.	1952	545016.
2002	11994883.	1985	3886408.	1968	1340376.	1951	517332.
2001	10880099.	1984	3739052.	1967	1160871.	1950	498496.
2000	10286183.	1983	3609708.	1966	1124261.	1949	480930.
1999	9580648.	1982	3522360.	1965	1057780.	1948	197118.
1998	9129664.	1981	3393462.	1964	1045585.	1947	143600.
1997	8121542.	1980	3224684.	1963	1013827.	1946	142413.

DISP MEAN SSD IV REI
S1.5 31.0 YRS. 0.7017E+12 19 100.00

SIMULATED BALANCES

YEAR	BALANCES	YEAR	BALANCES	YEAR	BALANCES	YEAR	BALANCES
2013	21144833.	1996	7237927.	1979	2912007.	1962	1020306.
2012	20685298.	1995	6643879.	1978	2749705.	1961	996909.
2011	19213405.	1994	5946248.	1977	2556397.	1960	909849.
2010	17618717.	1993	5685726.	1976	2384143.	1959	835248.
2009	17189818.	1992	5424672.	1975	2214141.	1958	792781.
2008	16955139.	1991	5146854.	1974	2130341.	1957	746411.
2007	16332076.	1990	4758969.	1973	2004604.	1956	700497.
2006	15541424.	1989	4408360.	1972	1838300.	1955	663973.
2005	14612530.	1988	4274524.	1971	1756431.	1954	621036.
2004	13657495.	1987	4149959.	1970	1576348.	1953	584010.
2003	12956810.	1986	4002558.	1969	1466305.	1952	551877.
2002	11996573.	1985	3896797.	1968	1370115.	1951	522706.
2001	10877264.	1984	3750076.	1967	1190835.	1950	502596.
2000	10280011.	1983	3621358.	1966	1154070.	1949	484023.
1999	9572331.	1982	3534691.	1965	1087055.	1948	199539.
1998	9120373.	1981	3406630.	1964	1073955.	1947	145488.
1997	8112609.	1980	3238925.	1963	1040969.	1946	143821.

DISP MEAN SSD IV REI
S2.5 29.4 YRS. 0.7010E+12 19 100.00

SIMULATED BALANCES

YEAR	BALANCES	YEAR	BALANCES	YEAR	BALANCES	YEAR	BALANCES
2013	21142105.	1996	7216615.	1979	2900065.	1962	1038985.
2012	20671934.	1995	6625140.	1978	2741544.	1961	1013868.
2011	19189530.	1994	5929126.	1977	2552259.	1960	924988.
2010	17585041.	1993	5669326.	1976	2384123.	1959	848538.
2009	17147620.	1992	5408220.	1975	2218207.	1958	804235.
2008	16906204.	1991	5129745.	1974	2138329.	1957	756106.
2007	16278437.	1990	4740751.	1973	2016227.	1956	708545.
2006	15485196.	1989	4388786.	1972	1853182.	1955	670524.
2005	14555740.	1988	4253560.	1971	1774086.	1954	626265.
2004	13601937.	1987	4127773.	1970	1596241.	1953	588095.
2003	12904015.	1986	3979509.	1969	1487855.	1952	555005.
2002	11947695.	1985	3873385.	1968	1392724.	1951	525057.
2001	10833076.	1984	3726918.	1967	1213934.	1950	504336.
2000	10240909.	1983	3599137.	1966	1177098.	1949	485294.
1999	9538355.	1982	3514104.	1965	1109528.	1948	200441.
1998	9091261.	1981	3388355.	1964	1095466.	1947	146098.
1997	8087790.	1980	3223568.	1963	1061184.	1946	144204.

DISP MEAN SSD IV REI
L0.5 38.9 YRS. 0.6029E+12 17 91.36

SIMULATED BALANCES

YEAR	BALANCES	YEAR	BALANCES	YEAR	BALANCES	YEAR	BALANCES
2013	21045989.	1996	7260302.	1979	2869637.	1962	973706.
2012	20593138.	1995	6660799.	1978	2705511.	1961	953355.
2011	19129269.	1994	5956818.	1977	2510349.	1960	869480.
2010	17542744.	1993	5689918.	1976	2336255.	1959	798132.
2009	17124057.	1992	5422923.	1975	2164495.	1958	759006.
2008	16902485.	1991	5139469.	1974	2079202.	1957	716044.
2007	16293839.	1990	4746032.	1973	1952218.	1956	673545.
2006	15517380.	1989	4390016.	1972	1784825.	1955	640414.
2005	14601492.	1988	4251416.	1971	1702133.	1954	600793.
2004	13657760.	1987	4122899.	1970	1521413.	1953	566957.
2003	12966820.	1986	3972231.	1969	1410975.	1952	537859.
2002	12014234.	1985	3863827.	1968	1314727.	1951	511518.
2001	10900016.	1984	3714951.	1967	1135644.	1950	493988.
2000	10306075.	1983	3584478.	1966	1099528.	1949	477639.
1999	9600225.	1982	3496413.	1965	1033704.	1948	194604.
1998	9148675.	1981	3367154.	1964	1022363.	1947	141500.
1997	8139091.	1980	3198186.	1963	991656.	1946	140688.

DISP MEAN SSD IV REI
L1.5 34.1 YRS. 0.6235E+12 17 98.22

SIMULATED BALANCES

YEAR	BALANCES	YEAR	BALANCES	YEAR	BALANCES	YEAR	BALANCES
2013	21108486.	1996	7246984.	1979	2888400.	1962	1000889.
2012	20654273.	1995	6651263.	1978	2724650.	1961	979148.
2011	19187667.	1994	5951648.	1977	2530077.	1960	893754.
2010	17597707.	1993	5688999.	1976	2356746.	1959	820811.
2009	17173393.	1992	5425847.	1975	2185868.	1958	779992.
2008	16943542.	1991	5145939.	1974	2101433.	1957	735227.
2007	16325286.	1990	4755929.	1973	1975316.	1956	690839.
2006	15539058.	1989	4403148.	1972	1808860.	1955	655742.
2005	14614010.	1988	4267198.	1971	1727096.	1954	614117.
2004	13662128.	1987	4140629.	1970	1547360.	1953	578279.
2003	12963984.	1986	3991278.	1969	1437896.	1952	547216.
2002	12005655.	1985	3883608.	1968	1342536.	1951	519003.
2001	10887502.	1984	3734999.	1967	1164267.	1950	499744.
2000	10290873.	1983	3604419.	1966	1128682.	1949	481913.
1999	9583427.	1982	3515956.	1965	1063004.	1948	197959.
1998	9131341.	1981	3386189.	1964	1051364.	1947	144257.
1997	8122934.	1980	3216874.	1963	1019936.	1946	142886.

DISP MEAN SSD IV REI
L2.5 31.1 YRS. 0.6147E+12 17 99.89

SIMULATED BALANCES

YEAR	BALANCES	YEAR	BALANCES	YEAR	BALANCES	YEAR	BALANCES
2013	21145110.	1996	7226207.	1979	2889635.	1962	1025324.
2012	20680149.	1995	6635268.	1978	2728127.	1961	1001739.
2011	19201813.	1994	5939961.	1977	2536163.	1960	914335.
2010	17600275.	1993	5680910.	1976	2365728.	1959	839300.
2009	17164729.	1992	5420477.	1975	2197925.	1958	796367.
2008	16924143.	1991	5142467.	1974	2116594.	1957	749531.
2007	16296388.	1990	4753668.	1973	1993472.	1956	703155.
2006	15502557.	1989	4401558.	1972	1829818.	1955	666183.
2005	14572112.	1988	4265772.	1971	1750526.	1954	622820.
2004	13617110.	1987	4138974.	1970	1572862.	1953	585399.
2003	12917871.	1986	3989203.	1969	1464995.	1952	552919.
2002	11960246.	1985	3881094.	1968	1370683.	1951	523461.
2001	10844438.	1984	3732190.	1967	1192953.	1950	503134.
2000	10251300.	1983	3601591.	1966	1157395.	1949	484406.
1999	9548070.	1982	3513463.	1965	1091248.	1948	199810.
1998	9100607.	1981	3384445.	1964	1078692.	1947	145674.
1997	8097106.	1980	3216350.	1963	1045969.	1946	143941.

DISP MEAN SSD IV REI
R1.5 34.1 YRS. 0.6176E+12 17 100.00

SIMULATED BALANCES

YEAR	BALANCES	YEAR	BALANCES	YEAR	BALANCES	YEAR	BALANCES
2013	21109606.	1996	7289033.	1979	2912722.	1962	988987.
2012	20646730.	1995	6692326.	1978	2748517.	1961	966426.
2011	19174313.	1994	5990539.	1977	2553086.	1960	880525.
2010	17578605.	1993	5725203.	1976	2378456.	1959	807241.
2009	17150558.	1992	5459738.	1975	2205880.	1958	766316.
2008	16921578.	1991	5177779.	1974	2119542.	1957	721735.
2007	16307932.	1990	4785616.	1973	1991410.	1956	677797.
2006	15528355.	1989	4430363.	1972	1822649.	1955	643414.
2005	14610845.	1988	4292129.	1971	1738385.	1954	602735.
2004	13666575.	1987	4163919.	1970	1555937.	1953	568032.
2003	12976188.	1986	4013493.	1969	1443507.	1952	538265.
2002	12025333.	1985	3905294.	1968	1345140.	1951	511475.
2001	10913085.	1984	3756626.	1967	1163723.	1950	493747.
2000	10321264.	1983	3626310.	1966	1125031.	1949	477532.
1999	9618171.	1982	3538457.	1965	1056585.	1948	194659.
1998	9170086.	1981	3409534.	1964	1042604.	1947	141399.
1997	8164474.	1980	3241003.	1963	1009354.	1946	140430.

DISP MEAN SSD IV REI
R2.5 30.8 YRS. 0.7342E+12 19 100.00

SIMULATED BALANCES

YEAR	BALANCES	YEAR	BALANCES	YEAR	BALANCES	YEAR	BALANCES
2013	21086836.	1996	7240715.	1979	2919482.	1962	1016649.
2012	20624412.	1995	6644393.	1978	2759379.	1961	992362.
2011	19152136.	1994	5943907.	1977	2567785.	1960	904630.
2010	17558305.	1993	5680405.	1976	2396712.	1959	829532.
2009	17132168.	1992	5416746.	1975	2227357.	1958	786766.
2008	16902894.	1991	5136769.	1974	2143742.	1957	740301.
2007	16287136.	1990	4747151.	1973	2017772.	1956	694476.
2006	15504639.	1989	4395254.	1972	1850783.	1955	658213.
2005	14583979.	1988	4260846.	1971	1767863.	1954	615677.
2004	13636690.	1987	4136615.	1970	1586387.	1953	579162.
2003	12943134.	1986	3990378.	1969	1474654.	1952	547633.
2002	11989090.	1985	3886519.	1968	1376625.	1951	519134.
2001	10874447.	1984	3742285.	1967	1195362.	1950	499742.
2000	10280527.	1983	3616464.	1966	1156584.	1949	481905.
1999	9575103.	1982	3532984.	1965	1087680.	1948	197910.
1998	9124440.	1981	3408215.	1964	1072890.	1947	144088.
1997	8116760.	1980	3243675.	1963	1038477.	1946	142636.

S0 35.2 YRS. 0.6442E+12 18 55 100.00
S0.5 33.3 YRS. 0.6619E+12 18 55 100.00

L0 42.5 YRS. 0.5923E+12 17 58 85.28
L0.5 38.9 YRS. 0.6029E+12 17 58 91.36

R1 36.2 YRS. 0.5837E+12 17 58 100.00
R1.5 34.1 YRS. 0.6176E+12 17 58 100.00

SIMULATED PLANT RECORD ANALYSIS
SIMULATED BALANCE METHOD

Shelby Energy Cooperative
August 2, 2014

CARRIERS - 030 Shelby Energy Cooperative
ACCOUNT - 365 Overhead Conductors & Devices

- ACCOUNT CONTROL INFORMATION -

EARLIEST ADDITION = 1941 LATEST ADDITION = 2013
EARLIEST BALANCE = 1946 LATEST BALANCE = 2013
EARLIEST RETIREMENT = 1946 LATEST RETIREMENT = 2013 INPUT = ADD & RET

SIMULATED PLANT RECORD ANALYSIS
SIMULATED BALANCE METHOD

Shelby Energy Cooperative
August 2, 2014

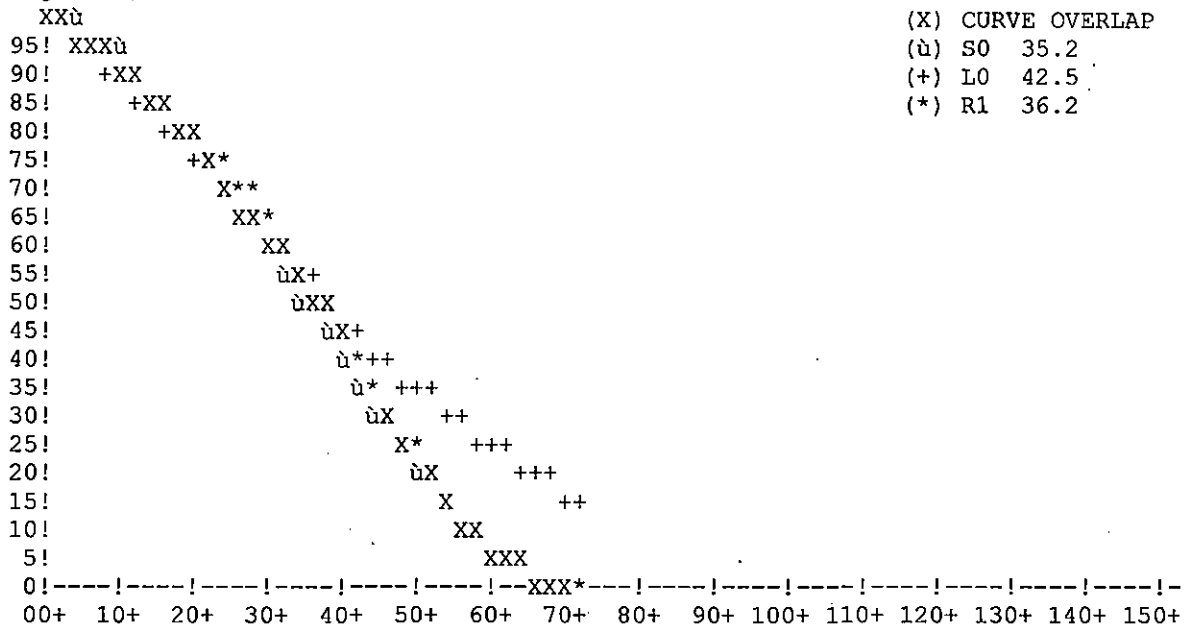
CARRIERS - 030 Shelby Energy Cooperative
ACCOUNT - 365 Overhead Conductors & Devices

ANALYSIS BAND = 1946 THRU 2013

INCREMENT = 1

CURVE	IV	CI	REI
S0 - 35.2	18	55	100.00
S0.5 - 33.3	18	55	100.00
S1 - 31.9	18	55	100.00
S1.5 - 31.0	19	52	100.00
S2 - 30.0	19	52	100.00
S2.5 - 29.4	19	52	100.00
S3 - 28.9	18	55	100.00
S4 - 28.2	18	55	100.00
S5 - 28.0	19	52	100.00
S6 - 27.9	21	47	100.00
SQ - 30.4	47	21	100.00
L0 - 42.5	17	58	85.28
L0.5 - 38.9	17	58	91.36
L1 - 36.0	18	55	96.01
L1.5 - 34.1	17	58	98.22
L2 - 32.2	17	58	99.58
L2.5 - 31.1	17	58	99.89
L3 - 30.0	17	58	100.00
L4 - 28.6	18	55	100.00
L5 - 28.2	18	55	100.00
R1 - 36.2	17	58	100.00
R1.5 - 34.1	17	58	100.00
R2 - 32.1	18	55	100.00
R2.5 - 30.8	19	52	100.00
R3 - 29.6	20	50	100.00
R4 - 28.6	19	52	100.00
R5 - 28.1	19	52	100.00
O1 - 43.7	16	62	82.87
O2 - 49.3	16	62	78.14
O3 - 68.0	15	66	66.55
O4 - 90.0	15	66	62.10

August 2, 2014



SIMULATED PLANT RECORD ANALYSIS
SIMULATED BALANCE METHOD

Shelby Energy Cooperative
August 2, 2014

CARRIERS - 030 Shelby Energy Cooperative
ACCOUNT - 366 Underground Conduit

- ACCOUNT CONTROL INFORMATION -

EARLIEST ADDITION = 1971 LATEST ADDITION = 2002
EARLIEST BALANCE = 1978 LATEST BALANCE = 2013
EARLIEST RETIREMENT = 1978 LATEST RETIREMENT = 2001 INPUT = ADD & RET

SIMULATED PLANT RECORD ANALYSIS
SIMULATED BALANCE METHOD

Shelby Energy Cooperative
August 2, 2014

CARRIERS - 030 Shelby Energy Cooperative
ACCOUNT - 366 Underground Conduit

ANALYSIS BAND = 1978 THRU 2013 INCREMENT = 1

DISP MEAN SSD IV REI
S0 86.5 YRS. 0.1457E+10 31 16.96

SIMULATED BALANCES

YEAR	BALANCES	YEAR	BALANCES	YEAR	BALANCES	YEAR	BALANCES
2013	299899.	2004	310990.	1995	264867.	1986	56147.
2012	301308.	2003	311980.	1994	255095.	1985	46330.
2011	302676.	2002	312916.	1993	246877.	1984	45263.
2010	304001.	2001	313108.	1992	211089.	1983	32616.
2009	305283.	2000	305436.	1991	191676.	1982	32018.
2008	306519.	1999	292642.	1990	171794.	1981	30860.
2007	307710.	1998	285022.	1989	116762.	1980	20793.
2006	308853.	1997	273457.	1988	73654.	1979	15728.
2005	309947.	1996	267467.	1987	72791.	1978	14216.

DISP MEAN SSD IV REI
S1 58.7 YRS. 0.1857E+10 35 26.06

SIMULATED BALANCES

YEAR	BALANCES	YEAR	BALANCES	YEAR	BALANCES	YEAR	BALANCES
2013	298758.	2004	313090.	1995	266043.	1986	56367.
2012	300830.	2003	314111.	1994	256091.	1985	46512.
2011	302779.	2002	315029.	1993	247704.	1984	45411.
2010	304608.	2001	315160.	1992	211766.	1983	32735.
2009	306315.	2000	307396.	1991	192226.	1982	32111.
2008	307901.	1999	294480.	1990	172240.	1981	30930.
2007	309370.	1998	286716.	1989	117131.	1980	20845.
2006	310723.	1997	274990.	1988	73965.	1979	15766.
2005	311961.	1996	268825.	1987	73053.	1978	14243.

DISP MEAN SSD IV REI
S2 46.4 YRS. 0.2216E+10 39 40.17

SIMULATED BALANCES

YEAR	BALANCES	YEAR	BALANCES	YEAR	BALANCES	YEAR	BALANCES
2013	298348.	2004	315196.	1995	266754.	1986	56484.
2012	301151.	2003	316112.	1994	256681.	1985	46603.
2011	303693.	2002	316893.	1993	248190.	1984	45480.
2010	305984.	2001	316865.	1992	212167.	1983	32786.
2009	308036.	2000	308926.	1991	192557.	1982	32147.
2008	309862.	1999	295832.	1990	172513.	1981	30956.
2007	311476.	1998	287892.	1989	117356.	1980	20862.
2006	312893.	1997	275997.	1988	74149.	1979	15778.
2005	314128.	1996	269675.	1987	73201.	1978	14249.

DISP MEAN SSD IV REI
S3 39.9 YRS. 0.2483E+10 41 60.23

SIMULATED BALANCES

YEAR	BALANCES	YEAR	BALANCES	YEAR	BALANCES	YEAR	BALANCES
2013	297596.	2004	316544.	1995	267123.	1986	56524.
2012	301173.	2003	317342.	1994	256986.	1985	46631.
2011	304297.	2002	317994.	1993	248441.	1984	45499.
2010	307003.	2001	317835.	1992	212371.	1983	32798.
2009	309328.	2000	309771.	1991	192720.	1982	32155.
2008	311311.	1999	296560.	1990	172642.	1981	30961.
2007	312989.	1998	288512.	1989	117455.	1980	20865.
2006	314398.	1997	276522.	1988	74224.	1979	15779.
2005	315572.	1996	270117.	1987	73256.	1978	14250.

DISP MEAN SSD IV REI
S4 35.7 YRS. 0.2699E+10 43 86.10

SIMULATED BALANCES

YEAR	BALANCES	YEAR	BALANCES	YEAR	BALANCES	YEAR	BALANCES
2013	297238.	2004	317553.	1995	267384.	1986	56533.
2012	301452.	2003	318274.	1994	257188.	1985	46636.
2011	304992.	2002	318842.	1993	248593.	1984	45502.
2010	307953.	2001	318594.	1992	212483.	1983	32800.
2009	310419.	2000	310439.	1991	192800.	1982	32156.
2008	312461.	1999	297137.	1990	172697.	1981	30961.
2007	314145.	1998	289001.	1989	117493.	1980	20865.
2006	315525.	1997	276927.	1988	74248.	1979	15779.
2005	316647.	1996	270446.	1987	73272.	1978	14250.

DISP MEAN SSD IV REI
S5 33.7 YRS. 0.2829E+10 44 98.69

SIMULATED BALANCES

YEAR	BALANCES	YEAR	BALANCES	YEAR	BALANCES	YEAR	BALANCES
2013	297110.	2004	318224.	1995	267473.	1986	56533.
2012	301292.	2003	318939.	1994	257244.	1985	46636.
2011	304854.	2002	319461.	1993	248626.	1984	45502.
2010	307901.	2001	319140.	1992	212501.	1983	32800.
2009	310503.	2000	310894.	1991	192810.	1982	32156.
2008	312708.	1999	297499.	1990	172702.	1981	30961.
2007	314551.	1998	289275.	1989	117495.	1980	20865.
2006	316064.	1997	277125.	1988	74249.	1979	15779.
2005	317277.	1996	270582.	1987	73272.	1978	14250.

DISP	MEAN	SSD	IV	REI			
S6	32.9 YRS.	0.2936E+10	45	100.00			
SIMULATED BALANCES							
YEAR	BALANCES	YEAR	BALANCES	YEAR	BALANCES		
2013	296456.	2004	318807.	1995	267484.	1986	56533.
2012	300623.	2003	319512.	1994	257248.	1985	46636.
2011	304306.	2002	319958.	1993	248628.	1984	45502.
2010	307520.	2001	319525.	1992	212502.	1983	32800.
2009	310303.	2000	311163.	1991	192810.	1982	32156.
2008	312698.	1999	297669.	1990	172702.	1981	30961.
2007	314740.	1998	289373.	1989	117495.	1980	20865.
2006	316439.	1997	277176.	1988	74249.	1979	15779.
2005	317792.	1996	270606.	1987	73272.	1978	14250.

DISP	MEAN	SSD	IV	REI			
SQ	35.5 YRS.	0.3267E+10	47	100.00			
SIMULATED BALANCES							
YEAR	BALANCES	YEAR	BALANCES	YEAR	BALANCES		
2013	306180.	2004	320430.	1995	267484.	1986	56533.
2012	308639.	2003	320430.	1994	257248.	1985	46636.
2011	310766.	2002	320430.	1993	248628.	1984	45502.
2010	314630.	2001	319743.	1992	212502.	1983	32800.
2009	315939.	2000	311253.	1991	192810.	1982	32156.
2008	317235.	1999	297701.	1990	172702.	1981	30961.
2007	319523.	1998	289383.	1989	117495.	1980	20865.
2006	320152.	1997	277179.	1988	74249.	1979	15779.
2005	320430.	1996	270607.	1987	73272.	1978	14250.

DISP	MEAN	SSD	IV	REI			
L0	134.0 YRS.	0.1265E+10	29	14.06			
SIMULATED BALANCES							
YEAR	BALANCES	YEAR	BALANCES	YEAR	BALANCES		
2013	300428.	2004	310025.	1995	264097.	1986	56000.
2012	301580.	2003	310966.	1994	254415.	1985	46204.
2011	302713.	2002	311874.	1993	246293.	1984	45156.
2010	303826.	2001	312059.	1992	210604.	1983	32528.
2009	304918.	2000	304400.	1991	191283.	1982	31945.
2008	305988.	1999	291634.	1990	171483.	1981	30803.
2007	307035.	1998	284053.	1989	116518.	1980	20749.
2006	308058.	1997	272540.	1988	73451.	1979	15694.
2005	309055.	1996	266616.	1987	72616.	1978	14190.

DISP	MEAN	SSD	IV	REI			
L1	80.2 YRS.	0.1509E+10	32	20.40			
SIMULATED BALANCES							
YEAR	BALANCES	YEAR	BALANCES	YEAR	BALANCES		
2013	299726.	2004	311603.	1995	264971.	1986	56163.
2012	301349.	2003	312560.	1994	255156.	1985	46339.
2011	302895.	2002	313450.	1993	246911.	1984	45267.
2010	304363.	2001	313588.	1992	211108.	1983	32616.
2009	305755.	2000	305859.	1991	191690.	1982	32014.
2008	307072.	1999	293001.	1990	171815.	1981	30855.
2007	308314.	1998	285313.	1989	116793.	1980	20788.
2006	309481.	1997	273681.	1988	73681.	1979	15723.
2005	310577.	1996	267626.	1987	72811.	1978	14210.

DISP MEAN SSD IV REI
L2 55.9 YRS. 0.1932E+10 36 32.55

SIMULATED BALANCES

YEAR	BALANCES	YEAR	BALANCES	YEAR	BALANCES	YEAR	BALANCES
2013	298791.	2004	313646.	1995	266222.	1986	56391.
2012	301082.	2003	314631.	1994	256238.	1985	46530.
2011	303186.	2002	315508.	1993	247822.	1984	45425.
2010	305117.	2001	315596.	1992	211861.	1983	32745.
2009	306887.	2000	307785.	1991	192302.	1982	32118.
2008	308505.	1999	294825.	1990	172301.	1981	30936.
2007	309982.	1998	287016.	1989	117180.	1980	20849.
2006	311326.	1997	275246.	1988	74004.	1979	15769.
2005	312546.	1996	269040.	1987	73084.	1978	14244.

DISP MEAN SSD IV REI
L3 44.6 YRS. 0.2277E+10 39 50.33

SIMULATED BALANCES

YEAR	BALANCES	YEAR	BALANCES	YEAR	BALANCES	YEAR	BALANCES
2013	297971.	2004	315464.	1995	266841.	1986	56491.
2012	301002.	2003	316371.	1994	256747.	1985	46608.
2011	303702.	2002	317139.	1993	248240.	1984	45484.
2010	306101.	2001	317094.	1992	212205.	1983	32789.
2009	308223.	2000	309135.	1991	192585.	1982	32150.
2008	310091.	1999	296018.	1990	172534.	1981	30958.
2007	311730.	1998	288052.	1989	117372.	1980	20863.
2006	313160.	1997	276131.	1988	74160.	1979	15778.
2005	314399.	1996	269785.	1987	73210.	1978	14250.

DISP MEAN SSD IV REI
L4 38.3 YRS. 0.2577E+10 42 72.05

SIMULATED BALANCES

YEAR	BALANCES	YEAR	BALANCES	YEAR	BALANCES	YEAR	BALANCES
2013	297199.	2004	317018.	1995	267205.	1986	56530.
2012	301019.	2003	317762.	1994	257052.	1985	46635.
2011	304355.	2002	318352.	1993	248494.	1984	45502.
2010	307236.	2001	318132.	1992	212413.	1983	32800.
2009	309696.	2000	310012.	1991	192753.	1982	32156.
2008	311773.	1999	296754.	1990	172667.	1981	30961.
2007	313504.	1998	288668.	1989	117475.	1980	20865.
2006	314929.	1997	276647.	1988	74238.	1979	15779.
2005	316087.	1996	270218.	1987	73266.	1978	14250.

DISP MEAN SSD IV REI
L5 35.0 YRS. 0.2763E+10 43 90.21

SIMULATED BALANCES

YEAR	BALANCES	YEAR	BALANCES	YEAR	BALANCES	YEAR	BALANCES
2013	296873.	2004	317852.	1995	267423.	1986	56533.
2012	301218.	2003	318555.	1994	257216.	1985	46636.
2011	304884.	2002	319090.	1993	248613.	1984	45502.
2010	307954.	2001	318801.	1992	212495.	1983	32800.
2009	310509.	2000	310604.	1991	192808.	1982	32156.
2008	312626.	1999	297264.	1990	172701.	1981	30961.
2007	314370.	1998	289097.	1989	117495.	1980	20865.
2006	315795.	1997	276999.	1988	74249.	1979	15779.
2005	316943.	1996	270499.	1987	73272.	1978	14250.

DISP	MEAN	SSD	IV	REI			
R1	112.5 YRS.	0.1062E+10	27	12.23			
SIMULATED BALANCES							
YEAR	BALANCES	YEAR	BALANCES	YEAR	BALANCES		
2013	300986.	2004	309082.	1995	263090.	1986	55806.
2012	301922.	2003	309936.	1994	253500.	1985	46034.
2011	302848.	2002	310782.	1993	245497.	1984	45012.
2010	303766.	2001	310930.	1992	209930.	1983	32404.
2009	304674.	2000	303255.	1991	190727.	1982	31839.
2008	305574.	1999	290485.	1990	171057.	1981	30719.
2007	306464.	1998	282916.	1989	116198.	1980	20685.
2006	307346.	1997	271429.	1988	73185.	1979	15642.
2005	308218.	1996	265544.	1987	72387.	1978	14149.

DISP	MEAN	SSD	IV	REI			
R2	66.1 YRS.	0.1278E+10	29	17.65			
SIMULATED BALANCES							
YEAR	BALANCES	YEAR	BALANCES	YEAR	BALANCES		
2013	300545.	2004	310558.	1995	264124.	1986	56000.
2012	301851.	2003	311450.	1994	254409.	1985	46199.
2011	303106.	2002	312304.	1993	246272.	1984	45150.
2010	304309.	2001	312433.	1992	210576.	1983	32519.
2009	305465.	2000	304717.	1991	191254.	1982	31933.
2008	306572.	1999	291888.	1990	171472.	1981	30792.
2007	307634.	1998	284246.	1989	116523.	1980	20740.
2006	308651.	1997	272674.	1988	73456.	1979	15686.
2005	309625.	1996	266691.	1987	72618.	1978	14182.

DISP	MEAN	SSD	IV	REI			
R3	46.0 YRS.	0.1799E+10	35	35.03			
SIMULATED BALANCES							
YEAR	BALANCES	YEAR	BALANCES	YEAR	BALANCES		
2013	299074.	2004	313270.	1995	265799.	1986	56309.
2012	301289.	2003	314201.	1994	255865.	1985	46460.
2011	303319.	2002	315035.	1993	247506.	1984	45365.
2010	305176.	2001	315094.	1992	211601.	1983	32695.
2009	306871.	2000	307267.	1991	192092.	1982	32076.
2008	308414.	1999	294302.	1990	172137.	1981	30902.
2007	309816.	1998	286500.	1989	117050.	1980	20823.
2006	311087.	1997	274750.	1988	73894.	1979	15749.
2005	312235.	1996	268575.	1987	72989.	1978	14229.

DISP	MEAN	SSD	IV	REI			
R4	38.5 YRS.	0.2333E+10	40	66.54			
SIMULATED BALANCES							
YEAR	BALANCES	YEAR	BALANCES	YEAR	BALANCES		
2013	297980.	2004	315916.	1995	266881.	1986	56486.
2012	301311.	2003	316739.	1994	256781.	1985	46602.
2011	304222.	2002	317428.	1993	248269.	1984	45478.
2010	306750.	2001	317315.	1992	212228.	1983	32783.
2009	308933.	2000	309300.	1991	192602.	1982	32144.
2008	310809.	1999	296138.	1990	172546.	1981	30953.
2007	312413.	1998	288140.	1989	117378.	1980	20860.
2006	313778.	1997	276196.	1988	74162.	1979	15775.
2005	314937.	1996	269835.	1987	73208.	1978	14248.

DISP	MEAN	SSD	IV	REI			
R5	34.5 YRS.	0.2768E+10	43	97.50			
SIMULATED BALANCES							
YEAR	BALANCES	YEAR	BALANCES	YEAR	BALANCES		
2013	297016.	2004	317929.	1995	267405.	1986	56533.
2012	301336.	2003	318598.	1994	257201.	1985	46636.
2011	305010.	2002	319107.	1993	248601.	1984	45502.
2010	308107.	2001	318802.	1992	212487.	1983	32800.
2009	310691.	2000	310594.	1991	192803.	1982	32156.
2008	312822.	1999	297248.	1990	172699.	1981	30961.
2007	314558.	1998	289078.	1989	117494.	1980	20865.
2006	315954.	1997	276978.	1988	74248.	1979	15779.
2005	317062.	1996	270479.	1987	73272.	1978	14250.

DISP	MEAN	SSD	IV	REI			
O1	192.7 YRS.	0.1002E+10	26	11.03			
SIMULATED BALANCES							
YEAR	BALANCES	YEAR	BALANCES	YEAR	BALANCES		
2013	301233.	2004	308715.	1995	262777.	1986	55746.
2012	302064.	2003	309547.	1994	253221.	1985	45983.
2011	302896.	2002	310378.	1993	245258.	1984	44968.
2010	303727.	2001	310522.	1992	209730.	1983	32368.
2009	304558.	2000	302850.	1991	190564.	1982	31808.
2008	305390.	1999	290088.	1990	170930.	1981	30695.
2007	306221.	1998	282532.	1989	116099.	1980	20666.
2006	307053.	1997	271063.	1988	73102.	1979	15628.
2005	307884.	1996	265202.	1987	72317.	1978	14138.

DISP	MEAN	SSD	IV	REI			
O2	217.3 YRS.	0.1003E+10	26	10.99			
SIMULATED BALANCES							
YEAR	BALANCES	YEAR	BALANCES	YEAR	BALANCES		
2013	301301.	2004	308760.	1995	262796.	1986	55749.
2012	302130.	2003	309589.	1994	253238.	1985	45986.
2011	302959.	2002	310418.	1993	245272.	1984	44971.
2010	303788.	2001	310558.	1992	209742.	1983	32370.
2009	304617.	2000	302884.	1991	190573.	1982	31810.
2008	305446.	1999	290119.	1990	170937.	1981	30696.
2007	306274.	1998	282560.	1989	116105.	1980	20667.
2006	307103.	1997	271088.	1988	73107.	1979	15628.
2005	307932.	1996	265224.	1987	72321.	1978	14138.

DISP	MEAN	SSD	IV	REI			
O3	316.5 YRS.	0.1000E+10	26	11.02			
SIMULATED BALANCES							
YEAR	BALANCES	YEAR	BALANCES	YEAR	BALANCES		
2013	301150.	2004	308641.	1995	262740.	1986	55740.
2012	301980.	2003	309476.	1994	253190.	1985	45977.
2011	302811.	2002	310311.	1993	245231.	1984	44964.
2010	303643.	2001	310458.	1992	209708.	1983	32364.
2009	304475.	2000	302791.	1991	190546.	1982	31805.
2008	305307.	1999	290034.	1990	170916.	1981	30693.
2007	306140.	1998	282482.	1989	116088.	1980	20665.
2006	306974.	1997	271017.	1988	73093.	1979	15626.
2005	307807.	1996	265160.	1987	72309.	1978	14137.

DISP MEAN SSD IV REI
O4 432.0 YRS. 0.9988E+09 26 10.94

SIMULATED BALANCES

YEAR	BALANCES	YEAR	BALANCES	YEAR	BALANCES	YEAR	BALANCES
2013	301236.	2004	308682.	1995	262753.	1986	55742.
2012	302060.	2003	309513.	1994	253201.	1985	45979.
2011	302886.	2002	310344.	1993	245240.	1984	44965.
2010	303712.	2001	310488.	1992	209715.	1983	32365.
2009	304539.	2000	302818.	1991	190552.	1982	31806.
2008	305366.	1999	290057.	1990	170921.	1981	30693.
2007	306194.	1998	282502.	1989	116092.	1980	20665.
2006	307023.	1997	271035.	1988	73096.	1979	15627.
2005	307852.	1996	265176.	1987	72311.	1978	14137.

DISP MEAN SSD IV REI
S0.5 70.9 YRS. 0.1569E+10 33 20.16

SIMULATED BALANCES

YEAR	BALANCES	YEAR	BALANCES	YEAR	BALANCES	YEAR	BALANCES
2013	299379.	2004	311574.	1995	265210.	1986	56212.
2012	301010.	2003	312580.	1994	255385.	1985	46384.
2011	302574.	2002	313516.	1993	247118.	1984	45307.
2010	304068.	2001	313695.	1992	211287.	1983	32651.
2009	305493.	2000	305999.	1991	191837.	1982	32045.
2008	306849.	1999	293172.	1990	171925.	1981	30881.
2007	308135.	1998	285512.	1989	116871.	1980	20808.
2006	309351.	1997	273902.	1988	73745.	1979	15739.
2005	310497.	1996	267861.	1987	72868.	1978	14224.

DISP MEAN SSD IV REI
S1.5 51.9 YRS. 0.1962E+10 36 31.57

SIMULATED BALANCES

YEAR	BALANCES	YEAR	BALANCES	YEAR	BALANCES	YEAR	BALANCES
2013	298419.	2004	313709.	1995	266258.	1986	56402.
2012	300757.	2003	314703.	1994	256269.	1985	46539.
2011	302923.	2002	315583.	1993	247851.	1984	45432.
2010	304920.	2001	315669.	1992	211887.	1983	32750.
2009	306755.	2000	307853.	1991	192326.	1982	32122.
2008	308434.	1999	294885.	1990	172322.	1981	30938.
2007	309962.	1998	287069.	1989	117199.	1980	20850.
2006	311345.	1997	275292.	1988	74020.	1979	15770.
2005	312592.	1996	269080.	1987	73098.	1978	14245.

DISP MEAN SSD IV REI
S2.5 43.1 YRS. 0.2302E+10 40 48.20

SIMULATED BALANCES

YEAR	BALANCES	YEAR	BALANCES	YEAR	BALANCES	YEAR	BALANCES
2013	298293.	2004	315698.	1995	266882.	1986	56496.
2012	301341.	2003	316565.	1994	256786.	1985	46612.
2011	304062.	2002	317295.	1993	248276.	1984	45486.
2010	306472.	2001	317216.	1992	212236.	1983	32790.
2009	308596.	2000	309229.	1991	192612.	1982	32150.
2008	310457.	1999	296092.	1990	172556.	1981	30957.
2007	312075.	1998	288112.	1989	117389.	1980	20863.
2006	313473.	1997	276181.	1988	74173.	1979	15778.
2005	314675.	1996	269830.	1987	73219.	1978	14250.

DISP MEAN SSD IV REI
L0.5 104.1 YRS. 0.1313E+10 30 15.90

SIMULATED BALANCES

YEAR	BALANCES	YEAR	BALANCES	YEAR	BALANCES	YEAR	BALANCES
2013	300094.	2004	310302.	1995	264256.	1986	56030.
2012	301369.	2003	311251.	1994	254549.	1985	46229.
2011	302611.	2002	312161.	1993	246406.	1984	45177.
2010	303817.	2001	312341.	1992	210695.	1983	32544.
2009	304989.	2000	304671.	1991	191355.	1982	31957.
2008	306125.	1999	291887.	1990	171544.	1981	30812.
2007	307225.	1998	284287.	1989	116570.	1980	20756.
2006	308288.	1997	272752.	1988	73493.	1979	15699.
2005	309314.	1996	266802.	1987	72653.	1978	14193.

DISP MEAN SSD IV REI
L1.5 67.2 YRS. 0.1646E+10 33 24.01

SIMULATED BALANCES

YEAR	BALANCES	YEAR	BALANCES	YEAR	BALANCES	YEAR	BALANCES
2013	299330.	2004	312251.	1995	265411.	1986	56245.
2012	301156.	2003	313229.	1994	255538.	1985	46409.
2011	302880.	2002	314126.	1993	247234.	1984	45325.
2010	304504.	2001	314256.	1992	211377.	1983	32664.
2009	306029.	2000	306507.	1991	191909.	1982	32053.
2008	307459.	1999	293620.	1990	171988.	1981	30885.
2007	308794.	1998	285897.	1989	116931.	1980	20811.
2006	310036.	1997	274223.	1988	73797.	1979	15740.
2005	311187.	1996	268120.	1987	72910.	1978	14223.

DISP MEAN SSD IV REI
L2.5 50.2 YRS. 0.2041E+10 37 38.38

SIMULATED BALANCES

YEAR	BALANCES	YEAR	BALANCES	YEAR	BALANCES	YEAR	BALANCES
2013	298734.	2004	314327.	1995	266439.	1986	56425.
2012	301259.	2003	315271.	1994	256417.	1985	46557.
2011	303553.	2002	316099.	1993	247970.	1984	45445.
2010	305629.	2001	316132.	1992	211983.	1983	32760.
2009	307502.	2000	308264.	1991	192402.	1982	32129.
2008	309188.	1999	295245.	1990	172383.	1981	30943.
2007	310700.	1998	287379.	1989	117247.	1980	20853.
2006	312052.	1997	275556.	1988	74059.	1979	15772.
2005	313257.	1996	269301.	1987	73128.	1978	14246.

DISP MEAN SSD IV REI
R1.5 86.7 YRS. 0.1119E+10 27 13.69

SIMULATED BALANCES

YEAR	BALANCES	YEAR	BALANCES	YEAR	BALANCES	YEAR	BALANCES
2013	300830.	2004	309483.	1995	263386.	1986	55862.
2012	301869.	2003	310351.	1994	253761.	1985	46082.
2011	302889.	2002	311202.	1993	245720.	1984	45052.
2010	303888.	2001	311348.	1992	210116.	1983	32438.
2009	304868.	2000	303664.	1991	190879.	1982	31866.
2008	305828.	1999	290880.	1990	171177.	1981	30740.
2007	306770.	1998	283292.	1989	116292.	1980	20701.
2006	307693.	1997	271782.	1988	73263.	1979	15655.
2005	308597.	1996	265872.	1987	72454.	1978	14159.

DISP MEAN SSD IV REI
R2.5 54.9 YRS. 0.1445E+10 31 22.91

SIMULATED BALANCES

YEAR	BALANCES	YEAR	BALANCES	YEAR	BALANCES	YEAR	BALANCES
2013	300238.	2004	311582.	1995	264753.	1986	56116.
2012	301834.	2003	312484.	1994	254956.	1985	46297.
2011	303336.	2002	313327.	1993	246736.	1984	45231.
2010	304748.	2001	313428.	1992	210961.	1983	32585.
2009	306076.	2000	305669.	1991	191569.	1982	31987.
2008	307323.	1999	292790.	1990	171721.	1981	30834.
2007	308493.	1998	285089.	1989	116720.	1980	20772.
2006	309591.	1997	273450.	1988	73619.	1979	15710.
2005	310619.	1996	267397.	1987	72757.	1978	14200.

S0	86.5 YRS.	0.1457E+10	31	32	16.96
S0.5	70.9 YRS.	0.1569E+10	33	30	20.16
L0	134.0 YRS.	0.1265E+10	29	34	14.06
L0.5	104.1 YRS.	0.1313E+10	30	33	15.90
R1	112.5 YRS.	0.1062E+10	27	37	12.23
R1.5	86.7 YRS.	0.1119E+10	27	37	13.69

SIMULATED PLANT RECORD ANALYSIS
SIMULATED BALANCE METHOD

Shelby Energy Cooperative
August 2, 2014

CARRIERS - 030 Shelby Energy Cooperative
ACCOUNT - 366 Underground Conduit

- ACCOUNT CONTROL INFORMATION -

EARLIEST ADDITION = 1971 LATEST ADDITION = 2002
EARLIEST BALANCE = 1978 LATEST BALANCE = 2013
EARLIEST RETIREMENT = 1978 LATEST RETIREMENT = 2001 INPUT = ADD & RET

SIMULATED PLANT RECORD ANALYSIS
SIMULATED BALANCE METHOD

Shelby Energy Cooperative
August 2, 2014

CARRIERS - 030 Shelby Energy Cooperative
ACCOUNT - 366 Underground Conduit

ANALYSIS BAND = 1978 THRU 2013

INCREMENT = 1

CURVE	IV	CI	REI
S0 - 86.5	31	32	16.96
S0.5 - 70.9	33	30	20.16
S1 - 58.7	35	28	26.06
S1.5 - 51.9	36	27	31.57
S2 - 46.4	39	25	40.17
S2.5 - 43.1	40	25	48.20
S3 - 39.9	41	24	60.23
S4 - 35.7	43	23	86.10
S5 - 33.7	44	22	98.69
S6 - 32.9	45	22	100.00
SQ - 35.5	47	21	100.00
L0 -134.0	29	34	14.06
L0.5 -104.1	30	33	15.90
L1 - 80.2	32	31	20.40
L1.5 - 67.2	33	30	24.01
L2 - 55.9	36	27	32.55
L2.5 - 50.2	37	27	38.38
L3 - 44.6	39	25	50.33
L4 - 38.3	42	23	72.05
L5 - 35.0	43	23	90.21
R1 -112.5	27	37	12.23
R1.5 - 86.7	27	37	13.69
R2 - 66.1	29	34	17.65
R2.5 - 54.9	31	32	22.91
R3 - 46.0	35	28	35.03
R4 - 38.5	40	25	66.54
R5 - 34.5	43	23	97.50
O1 -192.7	26	38	11.03
O2 -217.3	26	38	10.99
O3 -316.5	26	38	11.02
O4 -432.0	26	38	10.94

August 2, 2014

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(X) CURVE OVERLAP
(ù) S0 86.5
(+) L0 134.0
(*) R1 112.5

SIMULATED PLANT RECORD ANALYSIS
SIMULATED BALANCE METHOD

Shelby Energy Cooperative
August 2, 2014

CARRIERS - 030 Shelby Energy Cooperative
ACCOUNT - 367 Underground Conductors & Devices

- ACCOUNT CONTROL INFORMATION -

EARLIEST ADDITION	= 1968	LATEST ADDITION	= 2013	
EARLIEST BALANCE	= 1981	LATEST BALANCE	= 2013	
EARLIEST RETIREMENT	= 1981	LATEST RETIREMENT	= 2013	INPUT = ADD & RET

SIMULATED PLANT RECORD ANALYSIS
SIMULATED BALANCE METHOD

Shelby Energy Cooperative
August 2, 2014

CARRIERS - 030 Shelby Energy Cooperative
ACCOUNT - 367 Underground Conductors & Devices

ANALYSIS BAND = 1981 THRU 2013 INCREMENT = 1

DISP MEAN SSD IV REI
S0 34.5 YRS. 0.1057E+12 38 71.49

SIMULATED BALANCES

YEAR	BALANCES	YEAR	BALANCES	YEAR	BALANCES	YEAR	BALANCES
2013	4431452.	2004	2409889.	1995	479440.	1986	172140.
2012	4249980.	2003	2171985.	1994	455631.	1985	165463.
2011	3949394.	2002	1804613.	1993	432892.	1984	161160.
2010	3673899.	2001	1652291.	1992	373914.	1983	151208.
2009	3401697.	2000	1402698.	1991	351489.	1982	149225.
2008	3348177.	1999	1184510.	1990	303984.	1981	144111.
2007	3217187.	1998	1035936.	1989	222835.	0	0.
2006	2831852.	1997	784347.	1988	181622.	0	0.
2005	2696916.	1996	629831.	1987	178964.	0	0.

DISP MEAN SSD IV REI
S1 27.8 YRS. 0.1124E+12 39 94.95

SIMULATED BALANCES

YEAR	BALANCES	YEAR	BALANCES	YEAR	BALANCES	YEAR	BALANCES
2013	4423050.	2004	2412882.	1995	478750.	1986	175039.
2012	4247857.	2003	2173465.	1994	455478.	1985	168398.
2011	3951924.	2002	1804846.	1993	433201.	1984	164021.
2010	3679605.	2001	1651456.	1992	374662.	1983	153905.
2009	3409151.	2000	1401108.	1991	352654.	1982	151672.
2008	3355987.	1999	1182504.	1990	305582.	1981	146247.
2007	3224382.	1998	1033836.	1989	224893.	0	0.
2006	2837961.	1997	782530.	1988	184087.	0	0.
2005	2701523.	1996	628528.	1987	181710.	0	0.

DISP MEAN SSD IV REI
S2 24.4 YRS. 0.1014E+12 37 99.98

SIMULATED BALANCES

YEAR	BALANCES	YEAR	BALANCES	YEAR	BALANCES	YEAR	BALANCES
2013	4423498.	2004	2405884.	1995	476310.	1986	178140.
2012	4251326.	2003	2165465.	1994	454215.	1985	171274.
2011	3956546.	2002	1796358.	1993	433033.	1984	166575.
2010	3683888.	2001	1642970.	1992	375484.	1983	156074.
2009	3412038.	2000	1393068.	1991	354326.	1982	153433.
2008	3356852.	1999	1175274.	1990	307936.	1981	147606.
2007	3222999.	1998	1027673.	1989	227732.	0	0.
2006	2834386.	1997	777588.	1988	187198.	0	0.
2005	2696020.	1996	624851.	1987	184900.	0	0.

DISP	MEAN	SSD	IV	REI			
S3	22.5 YRS.	0.8312E+11	34	100.00			
SIMULATED BALANCES							
YEAR	BALANCES	YEAR	BALANCES	YEAR	BALANCES		
2013	4431465.	2004	2394426.	1995	472381.	1986	180625.
2012	4260470.	2003	2152615.	1994	452221.	1985	173334.
2011	3964895.	2002	1782856.	1993	432750.	1984	168198.
2010	3690125.	2001	1629521.	1992	376563.	1983	157289.
2009	3415288.	2000	1380299.	1991	356424.	1982	154301.
2008	3356697.	1999	1163953.	1990	310665.	1981	148200.
2007	3219426.	1998	1017726.	1989	230764.	0	0.
2006	2827635.	1997	769548.	1988	190239.	0	0.
2005	2686591.	1996	618898.	1987	187736.	0	0.

DISP	MEAN	SSD	IV	REI			
S4	21.5 YRS.	0.7008E+11	31	100.00			
SIMULATED BALANCES							
YEAR	BALANCES	YEAR	BALANCES	YEAR	BALANCES		
2013	4460198.	2004	2389687.	1995	470996.	1986	182738.
2012	4286206.	2003	2144199.	1994	453578.	1985	174850.
2011	3987131.	2002	1771548.	1993	436121.	1984	169250.
2010	3708698.	2001	1616428.	1992	381182.	1983	157999.
2009	3430264.	2000	1366733.	1991	361507.	1982	154766.
2008	3368064.	1999	1151027.	1990	315606.	1981	148494.
2007	3227004.	1998	1007077.	1989	235150.	0	0.
2006	2831218.	1997	761745.	1988	193872.	0	0.
2005	2685995.	1996	614299.	1987	190571.	0	0.

DISP	MEAN	SSD	IV	REI			
S5	21.0 YRS.	0.7021E+11	31	100.00			
SIMULATED BALANCES							
YEAR	BALANCES	YEAR	BALANCES	YEAR	BALANCES		
2013	4471146.	2004	2388654.	1995	471005.	1986	183592.
2012	4292436.	2003	2140012.	1994	456927.	1985	175451.
2011	3992026.	2002	1764283.	1993	441025.	1984	169640.
2010	3714864.	2001	1606197.	1992	386095.	1983	158229.
2009	3438386.	2000	1354090.	1991	365571.	1982	154887.
2008	3377054.	1999	1137344.	1990	318633.	1981	148551.
2007	3235029.	1998	994496.	1989	237317.	0	0.
2006	2836747.	1997	752453.	1988	195440.	0	0.
2005	2688282.	1996	609664.	1987	191732.	0	0.

DISP	MEAN	SSD	IV	REI			
S6	20.9 YRS.	0.7651E+11	32	100.00			
SIMULATED BALANCES							
YEAR	BALANCES	YEAR	BALANCES	YEAR	BALANCES		
2013	4476466.	2004	2388506.	1995	477684.	1986	184115.
2012	4291516.	2003	2139385.	1994	465041.	1985	175731.
2011	3993503.	2002	1763704.	1993	447127.	1984	169760.
2010	3723325.	2001	1604985.	1992	389643.	1983	158270.
2009	3452068.	2000	1350041.	1991	367442.	1982	154899.
2008	3390536.	1999	1128704.	1990	319781.	1981	148554.
2007	3244286.	1998	983329.	1989	238297.	0	0.
2006	2841293.	1997	744776.	1988	196375.	0	0.
2005	2689679.	1996	609934.	1987	192511.	0	0.

DISP	MEAN	SSD	IV	REI			
SQ	22.5 YRS.	0.1050E+12	38	100.00			
SIMULATED BALANCES							
YEAR	BALANCES	YEAR	BALANCES	YEAR	BALANCES		
2013	4517945.	2004	2395594.	1995	495389.	1986	184320.
2012	4336137.	2003	2144943.	1994	481439.	1985	175776.
2011	4072723.	2002	1779215.	1993	454751.	1984	169767.
2010	3798217.	2001	1616791.	1992	392084.	1983	158271.
2009	3492001.	2000	1354323.	1991	372690.	1982	154899.
2008	3411895.	1999	1124900.	1990	322775.	1981	148554.
2007	3257510.	1998	969089.	1989	241616.	0	0.
2006	2849833.	1997	813097.	1988	198029.	0	0.
2005	2701257.	1996	651073.	1987	193175.	0	0.

DISP	MEAN	SSD	IV	REI			
L0	47.9 YRS.	0.9745E+11	37	52.36			
SIMULATED BALANCES							
YEAR	BALANCES	YEAR	BALANCES	YEAR	BALANCES		
2013	4441954.	2004	2406644.	1995	479558.	1986	170961.
2012	4256234.	2003	2169446.	1994	455521.	1985	164196.
2011	3952204.	2002	1802704.	1993	432644.	1984	159853.
2010	3673916.	2001	1651002.	1992	373559.	1983	149902.
2009	3399535.	2000	1402021.	1991	351051.	1982	147960.
2008	3344678.	1999	1184313.	1990	303473.	1981	142932.
2007	3213204.	1998	1036133.	1989	222179.	0	0.
2006	2827769.	1997	784728.	1988	180760.	0	0.
2005	2693096.	1996	630161.	1987	177918.	0	0.

DISP	MEAN	SSD	IV	REI			
L1	34.4 YRS.	0.1069E+12	38	73.59			
SIMULATED BALANCES							
YEAR	BALANCES	YEAR	BALANCES	YEAR	BALANCES		
2013	4429403.	2004	2410674.	1995	478028.	1986	173193.
2012	4250659.	2003	2171937.	1994	454436.	1985	166572.
2011	3952059.	2002	1803850.	1993	431958.	1984	162260.
2010	3677756.	2001	1650886.	1992	373287.	1983	152243.
2009	3405950.	2000	1400885.	1991	351192.	1982	150146.
2008	3352160.	1999	1182465.	1990	304062.	1981	144887.
2007	3220616.	1998	1033863.	1989	223281.	0	0.
2006	2834530.	1997	782448.	1988	182352.	0	0.
2005	2698620.	1996	628166.	1987	179890.	0	0.

DISP	MEAN	SSD	IV	REI			
L2	27.7 YRS.	0.1067E+12	38	91.06			
SIMULATED BALANCES							
YEAR	BALANCES	YEAR	BALANCES	YEAR	BALANCES		
2013	4425849.	2004	2410350.	1995	475915.	1986	176315.
2012	4252370.	2003	2170073.	1994	453421.	1985	169521.
2011	3957073.	2002	1800783.	1993	431925.	1984	164967.
2010	3684508.	2001	1646912.	1992	374129.	1983	154677.
2009	3413156.	2000	1396299.	1991	352782.	1982	152282.
2008	3358695.	1999	1177667.	1990	306245.	1981	146712.
2007	3225626.	1998	1029216.	1989	225948.	0	0.
2006	2837773.	1997	778357.	1988	185368.	0	0.
2005	2700058.	1996	624972.	1987	183053.	0	0.

DISP MEAN SSD IV REI
L3 24.3 YRS. 0.9545E+11 36 98.86

SIMULATED BALANCES

YEAR	BALANCES	YEAR	BALANCES	YEAR	BALANCES	YEAR	BALANCES
2013	4432864.	2004	2404765.	1995	473412.	1986	179133.
2012	4261219.	2003	2162622.	1994	452596.	1985	172040.
2011	3966065.	2002	1792004.	1993	432571.	1984	167149.
2010	3692444.	2001	1637461.	1992	375950.	1983	156495.
2009	3419290.	2000	1386869.	1991	355433.	1982	153737.
2008	3362618.	1999	1168906.	1990	309389.	1981	147820.
2007	3227164.	1998	1021648.	1989	229272.	0	0.
2006	2836850.	1997	772339.	1988	188639.	0	0.
2005	2696703.	1996	620693.	1987	186134.	0	0.

DISP MEAN SSD IV REI
L4 22.2 YRS. 0.8050E+11 33 100.00

SIMULATED BALANCES

YEAR	BALANCES	YEAR	BALANCES	YEAR	BALANCES	YEAR	BALANCES
2013	4439739.	2004	2394085.	1995	471570.	1986	181470.
2012	4267331.	2003	2150256.	1994	453133.	1985	173984.
2011	3971374.	2002	1778677.	1993	434577.	1984	168663.
2010	3696944.	2001	1623797.	1992	378652.	1983	157601.
2009	3422545.	2000	1373497.	1991	358380.	1982	154497.
2008	3363767.	1999	1156510.	1990	312376.	1981	148319.
2007	3225362.	1998	1011045.	1989	232225.	0	0.
2006	2831728.	1997	764311.	1988	191485.	0	0.
2005	2688482.	1996	615776.	1987	188781.	0	0.

DISP MEAN SSD IV REI
L5 21.2 YRS. 0.7229E+11 31 100.00

SIMULATED BALANCES

YEAR	BALANCES	YEAR	BALANCES	YEAR	BALANCES	YEAR	BALANCES
2013	4454545.	2004	2389009.	1995	469271.	1986	183059.
2012	4279235.	2003	2142806.	1994	453885.	1985	175061.
2011	3981488.	2002	1769159.	1993	437079.	1984	169381.
2010	3706100.	2001	1612530.	1992	382025.	1983	158079.
2009	3430648.	2000	1360813.	1991	362131.	1982	154814.
2008	3370005.	1999	1143097.	1990	316151.	1981	148523.
2007	3228898.	1998	998275.	1989	235690.	0	0.
2006	2832228.	1997	754055.	1988	194392.	0	0.
2005	2686064.	1996	609427.	1987	191010.	0	0.

DISP MEAN SSD IV REI
R1 38.1 YRS. 0.8986E+11 35 62.04

SIMULATED BALANCES

YEAR	BALANCES	YEAR	BALANCES	YEAR	BALANCES	YEAR	BALANCES
2013	4443859.	2004	2401122.	1995	480153.	1986	171015.
2012	4256360.	2003	2164721.	1994	456021.	1985	164067.
2011	3950822.	2002	1798798.	1993	433132.	1984	159561.
2010	3671020.	2001	1647817.	1992	374071.	1983	149468.
2009	3395081.	2000	1399744.	1991	351591.	1982	147411.
2008	3338937.	1999	1182857.	1990	304099.	1981	142309.
2007	3207044.	1998	1035499.	1989	222811.	0	0.
2006	2821573.	1997	784828.	1988	181232.	0	0.
2005	2686987.	1996	630651.	1987	178171.	0	0.

DISP MEAN SSD IV REI
R2 28.7 YRS. 0.9941E+11 37 96.32

SIMULATED BALANCES

YEAR	BALANCES	YEAR	BALANCES	YEAR	BALANCES	YEAR	BALANCES
2013	4433397.	2004	2405864.	1995	481530.	1986	173990.
2012	4251496.	2003	2168433.	1994	457865.	1985	167003.
2011	3950209.	2002	1801666.	1993	435262.	1984	162386.
2010	3673676.	2001	1649988.	1992	376392.	1983	152128.
2009	3400159.	2000	1401246.	1991	354036.	1982	149854.
2008	3345367.	1999	1183916.	1990	306599.	1981	144487.
2007	3213649.	1998	1036240.	1989	225427.	0	0.
2006	2827884.	1997	785499.	1988	184032.	0	0.
2005	2692697.	1996	631575.	1987	181108.	0	0.

DISP MEAN SSD IV REI
R3 24.1 YRS. 0.8750E+11 35 100.00

SIMULATED BALANCES

YEAR	BALANCES	YEAR	BALANCES	YEAR	BALANCES	YEAR	BALANCES
2013	4426370.	2004	2394843.	1995	479922.	1986	177422.
2012	4248580.	2003	2156842.	1994	457668.	1985	170331.
2011	3949150.	2002	1790274.	1993	436125.	1984	165521.
2010	3672881.	2001	1639369.	1992	378060.	1983	155004.
2009	3398511.	2000	1391728.	1991	356293.	1982	152424.
2008	3341952.	1999	1175816.	1990	309261.	1981	146713.
2007	3207841.	1998	1029666.	1989	228422.	0	0.
2006	2819873.	1997	780552.	1988	187306.	0	0.
2005	2682934.	1996	628331.	1987	184532.	0	0.

DISP MEAN SSD IV REI
R4 22.2 YRS. 0.6974E+11 31 100.00

SIMULATED BALANCES

YEAR	BALANCES	YEAR	BALANCES	YEAR	BALANCES	YEAR	BALANCES
2013	4445624.	2004	2386492.	1995	477389.	1986	180596.
2012	4271914.	2003	2144351.	1994	456907.	1985	173147.
2011	3973804.	2002	1775102.	1993	436847.	1984	167943.
2010	3696248.	2001	1623164.	1992	379960.	1983	157029.
2009	3418396.	2000	1376169.	1991	359049.	1982	154068.
2008	3356761.	1999	1162335.	1990	312561.	1981	148009.
2007	3216687.	1998	1019111.	1989	231989.	0	0.
2006	2822589.	1997	773099.	1988	190910.	0	0.
2005	2679784.	1996	623608.	1987	187987.	0	0.

DISP MEAN SSD IV REI
R5 21.2 YRS. 0.6859E+11 31 100.00

SIMULATED BALANCES

YEAR	BALANCES	YEAR	BALANCES	YEAR	BALANCES	YEAR	BALANCES
2013	4468438.	2004	2388072.	1995	474621.	1986	183209.
2012	4293768.	2003	2140446.	1994	457807.	1985	175149.
2011	3995559.	2002	1765457.	1993	440016.	1984	169424.
2010	3717939.	2001	1608046.	1992	384315.	1983	158093.
2009	3439227.	2000	1357422.	1991	363853.	1982	154813.
2008	3375521.	1999	1142950.	1990	317337.	1981	148516.
2007	3232185.	1998	1001990.	1989	236435.	0	0.
2006	2833930.	1997	760294.	1988	194826.	0	0.
2005	2686456.	1996	615988.	1987	191260.	0	0.

DISP	MEAN	SSD	IV	REI			
O1	57.3 YRS.	0.8340E+11	34	39.73			
SIMULATED BALANCES							
YEAR	BALANCES	YEAR	BALANCES	YEAR	BALANCES		
2013	4450223.	2004	2397511.	1995	479480.	1986	169922.
2012	4259606.	2003	2161664.	1994	455216.	1985	162950.
2011	3951593.	2002	1796248.	1993	432274.	1984	158450.
2010	3669784.	2001	1645734.	1992	373196.	1983	148386.
2009	3392251.	2000	1398158.	1991	350720.	1982	146381.
2008	3335081.	1999	1181670.	1990	303254.	1981	141361.
2007	3202843.	1998	1034662.	1989	221942.	0	0.
2006	2817330.	1997	784216.	1988	180275.	0	0.
2005	2682926.	1996	630074.	1987	177129.	0	0.

DISP	MEAN	SSD	IV	REI			
O2	64.6 YRS.	0.8341E+11	34	39.62			
SIMULATED BALANCES							
YEAR	BALANCES	YEAR	BALANCES	YEAR	BALANCES		
2013	4451636.	2004	2398024.	1995	479612.	1986	169970.
2012	4260893.	2003	2162106.	1994	455335.	1985	162993.
2011	3952762.	2002	1796629.	1993	432379.	1984	158489.
2010	3670844.	2001	1646061.	1992	373289.	1983	148420.
2009	3393209.	2000	1398436.	1991	350801.	1982	146412.
2008	3335942.	1999	1181907.	1990	303325.	1981	141387.
2007	3203606.	1998	1034864.	1989	222006.	0	0.
2006	2818003.	1997	784388.	1988	180332.	0	0.
2005	2683517.	1996	630223.	1987	177181.	0	0.

DISP	MEAN	SSD	IV	REI			
O3	94.1 YRS.	0.8291E+11	34	37.37			
SIMULATED BALANCES							
YEAR	BALANCES	YEAR	BALANCES	YEAR	BALANCES		
2013	4453214.	2004	2398102.	1995	479648.	1986	169909.
2012	4262110.	2003	2162178.	1994	455350.	1985	162928.
2011	3953679.	2002	1796698.	1993	432380.	1984	158422.
2010	3671511.	2001	1646128.	1992	373278.	1983	148354.
2009	3393671.	2000	1398508.	1991	350782.	1982	146348.
2008	3336249.	1999	1181981.	1990	303300.	1981	141328.
2007	3203815.	1998	1034939.	1989	221972.	0	0.
2006	2818145.	1997	784458.	1988	180288.	0	0.
2005	2683614.	1996	630280.	1987	177127.	0	0.

DISP	MEAN	SSD	IV	REI			
O4	127.1 YRS.	0.8268E+11	34	36.42			
SIMULATED BALANCES							
YEAR	BALANCES	YEAR	BALANCES	YEAR	BALANCES		
2013	4453278.	2004	2397906.	1995	479606.	1986	169856.
2012	4262064.	2003	2162013.	1994	455303.	1985	162876.
2011	3953551.	2002	1796559.	1993	432331.	1984	158371.
2010	3671319.	2001	1646015.	1992	373229.	1983	148305.
2009	3393433.	2000	1398419.	1991	350734.	1982	146302.
2008	3335988.	1999	1181912.	1990	303254.	1981	141287.
2007	3203556.	1998	1034886.	1989	221926.	0	0.
2006	2817898.	1997	784415.	1988	180238.	0	0.
2005	2683388.	1996	630240.	1987	177075.	0	0.

DISP	MEAN	SSD	IV	REI			
S0.5	30.9 YRS.	0.1084E+12	39	84.30			
SIMULATED BALANCES							
YEAR	BALANCES	YEAR	BALANCES	YEAR	BALANCES		
2013	4428172.	2004	2411188.	1995	479407.	1986	173401.
2012	4249234.	2003	2172700.	1994	455807.	1985	166717.
2011	3950511.	2002	1804852.	1993	433243.	1984	162366.
2010	3676276.	2001	1652127.	1992	374430.	1983	152332.
2009	3404761.	2000	1402257.	1991	352157.	1982	150237.
2008	3351374.	1999	1183926.	1990	304808.	1981	144986.
2007	3220135.	1998	1035329.	1989	223823.	0	0.
2006	2834369.	1997	783862.	1988	182750.	0	0.
2005	2698842.	1996	629555.	1987	180184.	0	0.

DISP	MEAN	SSD	IV	REI			
S1.5	26.1 YRS.	0.1074E+12	38	98.79			
SIMULATED BALANCES							
YEAR	BALANCES	YEAR	BALANCES	YEAR	BALANCES		
2013	4426355.	2004	2410633.	1995	478492.	1986	176498.
2012	4251764.	2003	2170826.	1994	455660.	1985	169717.
2011	3955767.	2002	1802044.	1993	433778.	1984	165170.
2010	3682870.	2001	1648695.	1992	375582.	1983	154864.
2009	3411508.	2000	1398564.	1991	353854.	1982	152442.
2008	3357270.	1999	1180319.	1990	306990.	1981	146835.
2007	3224578.	1998	1032101.	1989	226430.	0	0.
2006	2837161.	1997	781294.	1988	185668.	0	0.
2005	2699887.	1996	627794.	1987	183262.	0	0.

DISP	MEAN	SSD	IV	REI			
S2.5	23.6 YRS.	0.9170E+11	35	100.00			
SIMULATED BALANCES							
YEAR	BALANCES	YEAR	BALANCES	YEAR	BALANCES		
2013	4435459.	2004	2402264.	1995	476101.	1986	179400.
2012	4262138.	2003	2161264.	1994	454703.	1985	172289.
2011	3965589.	2002	1791941.	1993	434091.	1984	167358.
2010	3690799.	2001	1638659.	1992	376960.	1983	156650.
2009	3416684.	2000	1389132.	1991	356059.	1982	153839.
2008	3359289.	1999	1171922.	1990	309777.	1981	147881.
2007	3223422.	1998	1025050.	1989	229552.	0	0.
2006	2833093.	1997	775772.	1988	188893.	0	0.
2005	2693367.	1996	623858.	1987	186396.	0	0.

DISP	MEAN	SSD	IV	REI			
L0.5	40.4 YRS.	0.1000E+12	37	62.23			
SIMULATED BALANCES							
YEAR	BALANCES	YEAR	BALANCES	YEAR	BALANCES		
2013	4436703.	2004	2407359.	1995	479092.	1986	171834.
2012	4253478.	2003	2169694.	1994	455251.	1985	165096.
2011	3951375.	2002	1802568.	1993	432543.	1984	160744.
2010	3674473.	2001	1650513.	1992	373622.	1983	150750.
2009	3400980.	2000	1401275.	1991	351266.	1982	148741.
2008	3346476.	1999	1183419.	1990	303845.	1981	143619.
2007	3214984.	1998	1035190.	1989	222720.	0	0.
2006	2829344.	1997	783872.	1988	181455.	0	0.
2005	2694274.	1996	629477.	1987	178723.	0	0.

DISP MEAN SSD IV REI
L1.5 30.7 YRS. 0.1065E+12 38 83.17

SIMULATED BALANCES

YEAR	BALANCES	YEAR	BALANCES	YEAR	BALANCES	YEAR	BALANCES
2013	4426509.	2004	2409928.	1995	477692.	1986	174387.
2012	4249690.	2003	2170771.	1994	454505.	1985	167697.
2011	3952319.	2002	1802388.	1993	432361.	1984	163299.
2010	3678706.	2001	1649239.	1992	373964.	1983	153185.
2009	3407164.	2000	1399160.	1991	352081.	1982	150981.
2008	3353257.	1999	1180810.	1990	305103.	1981	145607.
2007	3221309.	1998	1032393.	1989	224433.	0	0.
2006	2834755.	1997	781283.	1988	183574.	0	0.
2005	2698360.	1996	627399.	1987	181124.	0	0.

DISP MEAN SSD IV REI
L2.5 26.0 YRS. 0.1008E+12 37 95.59

SIMULATED BALANCES

YEAR	BALANCES	YEAR	BALANCES	YEAR	BALANCES	YEAR	BALANCES
2013	4432174.	2004	2408089.	1995	476001.	1986	177574.
2012	4258661.	2003	2167120.	1994	454072.	1985	170638.
2011	3962796.	2002	1797454.	1993	433013.	1984	165922.
2010	3689299.	2001	1643528.	1992	375519.	1983	155461.
2009	3416802.	2000	1393157.	1991	354339.	1982	152904.
2008	3361080.	1999	1175006.	1990	307863.	1981	147181.
2007	3226729.	1998	1027194.	1989	227537.	0	0.
2006	2837623.	1997	777052.	1988	186870.	0	0.
2005	2698752.	1996	624389.	1987	184442.	0	0.

DISP MEAN SSD IV REI
R1.5 32.8 YRS. 0.9449E+11 36 81.14

SIMULATED BALANCES

YEAR	BALANCES	YEAR	BALANCES	YEAR	BALANCES	YEAR	BALANCES
2013	4438764.	2004	2403417.	1995	480866.	1986	172197.
2012	4253789.	2003	2166610.	1994	456891.	1985	165227.
2011	3950199.	2002	1800338.	1993	434090.	1984	160674.
2010	3671916.	2001	1649056.	1992	375082.	1983	150514.
2009	3397118.	2000	1400686.	1991	352630.	1982	148370.
2008	3341654.	1999	1183587.	1990	305142.	1981	143165.
2007	3209936.	1998	1036065.	1989	223884.	0	0.
2006	2824422.	1997	785328.	1988	182364.	0	0.
2005	2689645.	1996	631216.	1987	179346.	0	0.

DISP MEAN SSD IV REI
R2.5 26.1 YRS. 0.9614E+11 36 99.83

SIMULATED BALANCES

YEAR	BALANCES	YEAR	BALANCES	YEAR	BALANCES	YEAR	BALANCES
2013	4424638.	2004	2400399.	1995	481145.	1986	175469.
2012	4244509.	2003	2163246.	1994	458019.	1985	168435.
2011	3944216.	2002	1796939.	1993	435812.	1984	163735.
2010	3668199.	2001	1645829.	1992	377236.	1983	153367.
2009	3394908.	2000	1397678.	1991	355091.	1982	150963.
2008	3340094.	1999	1180989.	1990	307796.	1981	145451.
2007	3208160.	1998	1033938.	1989	226744.	0	0.
2006	2822275.	1997	783831.	1988	185456.	0	0.
2005	2687108.	1996	630563.	1987	182588.	0	0.

S3	22.5 YRS.	0.8312E+11	34	29	100.00
S4	21.5 YRS.	0.7008E+11	31	32	100.00
S5	21.0 YRS.	0.7021E+11	31	32	100.00
L4	22.2 YRS.	0.8050E+11	33	30	100.00
L5	21.2 YRS.	0.7229E+11	31	32	100.00
R4	22.2 YRS.	0.6974E+11	31	32	100.00
R5	21.2 YRS.	0.6859E+11	31	32	100.00

SIMULATED PLANT RECORD ANALYSIS
SIMULATED BALANCE METHOD

Shelby Energy Cooperative
August 2, 2014

CARRIERS - 030 Shelby Energy Cooperative
ACCOUNT - 367 Underground Conductors & Devices

- ACCOUNT CONTROL INFORMATION -

EARLIEST ADDITION = 1968 LATEST ADDITION = 2013
EARLIEST BALANCE = 1981 LATEST BALANCE = 2013
EARLIEST RETIREMENT = 1981 LATEST RETIREMENT = 2013 INPUT = ADD & RET

SIMULATED PLANT RECORD ANALYSIS
SIMULATED BALANCE METHOD

Shelby Energy Cooperative
August 2, 2014

CARRIERS - 030 Shelby Energy Cooperative
ACCOUNT - 367 Underground Conductors & Devices

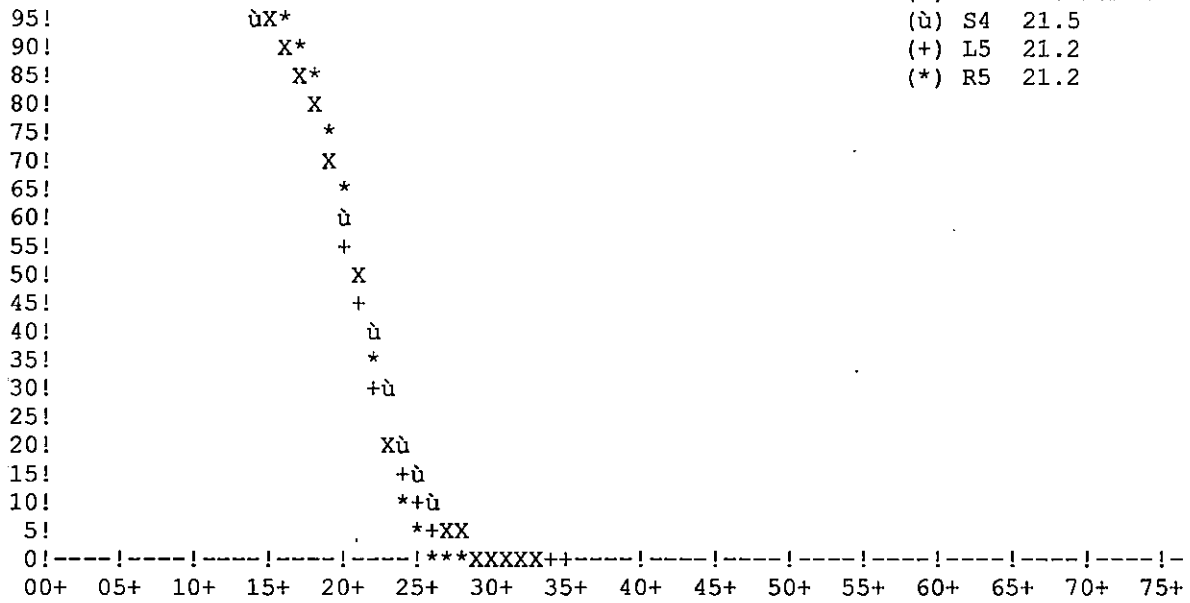
ANALYSIS BAND = 1981 THRU 2013 INCREMENT = 1

CURVE	IV	CI	REI
S0 - 34.5	38	26	71.49
S0.5 - 30.9	39	25	84.30
S1 - 27.8	39	25	94.95
S1.5 - 26.1	38	26	98.79
S2 - 24.4	37	27	99.98
S2.5 - 23.6	35	28	100.00
S3 - 22.5	34	29	100.00
S4 - 21.5	31	32	100.00
S5 - 21.0	31	32	100.00
S6 - 20.9	32	31	100.00
SQ - 22.5	38	26	100.00
L0 - 47.9	37	27	52.36
L0.5 - 40.4	37	27	62.23
L1 - 34.4	38	26	73.59
L1.5 - 30.7	38	26	83.17
L2 - 27.7	38	26	91.06
L2.5 - 26.0	37	27	95.59
L3 - 24.3	36	27	98.86
L4 - 22.2	33	30	100.00
L5 - 21.2	31	32	100.00
R1 - 38.1	35	28	62.04
R1.5 - 32.8	36	27	81.14
R2 - 28.7	37	27	96.32
R2.5 - 26.1	36	27	99.83
R3 - 24.1	35	28	100.00
R4 - 22.2	31	32	100.00
R5 - 21.2	31	32	100.00
O1 - 57.3	34	29	39.73
O2 - 64.6	34	29	39.62
O3 - 94.1	34	29	37.37
O4 - 127.1	34	29	36.42

August 2, 2014

XXXXXXXXXXXXXXXXXXXX

(X) CURVE OVERLAP



SIMULATED PLANT RECORD ANALYSIS
SIMULATED BALANCE METHOD

Shelby Energy Cooperative
August 2, 2014

CARRIERS - 030 Shelby Energy Cooperative
ACCOUNT - 368 Line Transformers

- ACCOUNT CONTROL INFORMATION -

EARLIEST ADDITION	= 1939	LATEST ADDITION	= 2013	
EARLIEST BALANCE	= 1940	LATEST BALANCE	= 2013	
EARLIEST RETIREMENT	= 1940	LATEST RETIREMENT	= 2013	INPUT = ADD & RET

SIMULATED PLANT RECORD ANALYSIS
SIMULATED BALANCE METHOD

Shelby Energy Cooperative
August 2, 2014

CARRIERS - 030 Shelby Energy Cooperative
ACCOUNT - 368 Line Transformers

ANALYSIS BAND = 1940 THRU 2013

INCREMENT = 1

DISP MEAN SSD IV REI
S0 36.3 YRS. 0.5947E+12 32 100.00

SIMULATED BALANCES

YEAR	BALANCES	YEAR	BALANCES	YEAR	BALANCES	YEAR	BALANCES
2013	9223412.	1994	4589349.	1975	1156844.	1956	433111.
2012	9149254.	1993	4358293.	1974	1075801.	1955	408388.
2011	8957452.	1992	4017129.	1973	982372.	1954	388973.
2010	8840945.	1991	3795156.	1972	896549.	1953	360833.
2009	8645953.	1990	3614901.	1971	826585.	1952	340957.
2008	8571241.	1989	3256800.	1970	761193.	1951	325308.
2007	8350826.	1988	2992103.	1969	713331.	1950	307464.
2006	8217919.	1987	2858376.	1968	677119.	1949	294290.
2005	7770217.	1986	2648049.	1967	647247.	1948	251973.
2004	7387896.	1985	2472778.	1966	620967.	1947	146827.
2003	7076624.	1984	2341005.	1965	605812.	1946	104415.
2002	6815726.	1983	2285584.	1964	589032.	1945	91534.
2001	6549331.	1982	2157164.	1963	568331.	1944	83696.
2000	6383160.	1981	2107574.	1962	551425.	1943	82189.
1999	6127156.	1980	1988293.	1961	539564.	1942	68236.
1998	5760721.	1979	1915150.	1960	533916.	1941	67600.
1997	5494180.	1978	1761093.	1959	507052.	1940	60150.
1996	5146163.	1977	1637476.	1958	472480.	0	0.
1995	4822485.	1976	1289342.	1957	445605.	0	0.

DISP MEAN SSD IV REI
S1 32.8 YRS. 0.6967E+12 34 100.00

SIMULATED BALANCES

YEAR	BALANCES	YEAR	BALANCES	YEAR	BALANCES	YEAR	BALANCES
2013	9171231.	1994	4602687.	1975	1162494.	1956	443932.
2012	9112333.	1993	4370430.	1974	1082768.	1955	418109.
2011	8933573.	1992	4028242.	1973	990713.	1954	397562.
2010	8827924.	1991	3805353.	1972	906279.	1953	368288.
2009	8641778.	1990	3624317.	1971	837665.	1952	347291.
2008	8574046.	1989	3265706.	1970	773537.	1951	330557.
2007	8359099.	1988	3000618.	1969	726800.	1950	311700.
2006	8230417.	1987	2866457.	1968	691537.	1949	297633.
2005	7786114.	1986	2655687.	1967	662413.	1948	254604.
2004	7406379.	1985	2479918.	1966	636664.	1947	148956.
2003	7096809.	1984	2347517.	1965	621816.	1946	106149.
2002	6836741.	1983	2291318.	1964	605125.	1945	92909.
2001	6570399.	1982	2162085.	1963	584306.	1944	84736.
2000	6403612.	1981	2111689.	1962	567083.	1943	82923.
1999	6146610.	1980	1991748.	1961	554717.	1942	68705.
1998	5779040.	1979	1918182.	1960	548403.	1941	67849.
1997	5511254.	1978	1764092.	1959	520758.	1940	60241.
1996	5161992.	1977	1640909.	1958	485312.	0	0.
1995	4837080.	1976	1293759.	1957	457474.	0	0.

DISP MEAN SSD IV REI
S2 30.9 YRS. 0.7581E+12 36 100.00

SIMULATED BALANCES

YEAR	BALANCES	YEAR	BALANCES	YEAR	BALANCES	YEAR	BALANCES
2013	9145959.	1994	4619709.	1975	1165368.	1956	451425.
2012	9098915.	1993	4384287.	1974	1087962.	1955	424492.
2011	8930459.	1992	4038923.	1973	998100.	1954	402906.
2010	8833644.	1991	3812906.	1972	915671.	1953	372682.
2009	8654963.	1990	3628845.	1971	848823.	1952	350841.
2008	8593426.	1989	3267364.	1970	786181.	1951	333381.
2007	8383493.	1988	2999604.	1969	740627.	1950	313917.
2006	8258717.	1987	2863042.	1968	706234.	1949	299354.
2005	7817267.	1986	2650212.	1967	677667.	1948	255925.
2004	7439377.	1985	2472788.	1966	652171.	1947	149947.
2003	7130711.	1984	2339205.	1965	637289.	1946	106863.
2002	6870718.	1983	2282356.	1964	620304.	1945	93395.
2001	6603747.	1982	2153041.	1963	598962.	1944	85041.
2000	6435743.	1981	2103136.	1962	581019.	1943	83094.
1999	6177033.	1980	1984234.	1961	567770.	1942	68788.
1998	5807336.	1979	1912195.	1960	560451.	1941	67879.
1997	5537085.	1978	1760033.	1959	531715.	1940	60248.
1996	5185079.	1977	1639058.	1958	495125.	0	0.
1995	4857207.	1976	1294258.	1957	466120.	0	0.

DISP MEAN SSD IV REI
S3 29.5 YRS. 0.8275E+12 37 100.00

SIMULATED BALANCES

YEAR	BALANCES	YEAR	BALANCES	YEAR	BALANCES	YEAR	BALANCES
2013	9081991.	1994	4631796.	1975	1161498.	1956	455464.
2012	9043025.	1993	4392283.	1974	1087193.	1955	427765.
2011	8882125.	1992	4042309.	1973	1000198.	1954	405509.
2010	8792529.	1991	3811425.	1972	920329.	1953	374712.
2009	8620842.	1990	3622496.	1971	855673.	1952	352392.
2008	8566148.	1989	3256395.	1970	794828.	1951	334536.
2007	8362942.	1988	2984490.	1969	750656.	1950	314751.
2006	8244749.	1987	2844439.	1968	717225.	1949	299933.
2005	7809660.	1986	2628927.	1967	689224.	1948	256309.
2004	7437807.	1985	2449705.	1966	663921.	1947	150187.
2003	7134719.	1984	2315244.	1965	648905.	1946	107002.
2002	6879677.	1983	2258413.	1964	631507.	1945	93468.
2001	6616863.	1982	2129945.	1963	609520.	1944	85075.
2000	6452058.	1981	2081626.	1962	590761.	1943	83108.
1999	6195482.	1980	1964922.	1961	576585.	1942	68792.
1998	5826774.	1979	1895558.	1960	568275.	1941	67880.
1997	5556313.	1978	1746408.	1959	538529.	1940	60248.
1996	5202949.	1977	1628647.	1958	500951.	0	0.
1995	4872647.	1976	1287137.	1957	471014.	0	0.

DISP	MEAN	SSD	IV	REI			
S4	28.8 YRS.	0.9213E+12	40	100.00			
SIMULATED BALANCES							
YEAR	BALANCES	YEAR	BALANCES	YEAR	BALANCES		
2013	9082539.	1994	4663847.	1975	1162390.	1956	458006.
2012	9039411.	1993	4416649.	1974	1091661.	1955	429614.
2011	8874203.	1992	4058883.	1973	1007797.	1954	406803.
2010	8781266.	1991	3820486.	1972	930507.	1953	375581.
2009	8608021.	1990	3624630.	1971	867806.	1952	352949.
2008	8554215.	1989	3252381.	1970	808283.	1951	334874.
2007	8354538.	1988	2975221.	1969	764829.	1950	314945.
2006	8242404.	1987	2830873.	1968	731583.	1949	300037.
2005	7815426.	1986	2612031.	1967	703314.	1948	256361.
2004	7452963.	1985	2430458.	1966	677390.	1947	150210.
2003	7159654.	1984	2294610.	1965	661488.	1946	107011.
2002	6913810.	1983	2237352.	1964	643016.	1945	93471.
2001	6658768.	1982	2109388.	1963	619844.	1944	85076.
2000	6499639.	1981	2062458.	1962	599839.	1943	83108.
1999	6246225.	1980	1947950.	1961	584404.	1942	68792.
1998	5878025.	1979	1881480.	1960	574862.	1941	67880.
1997	5605550.	1978	1735759.	1959	543946.	1940	60248.
1996	5247981.	1977	1621778.	1958	505289.	0	0.
1995	4911765.	1976	1284189.	1957	474388.	0	0.

DISP	MEAN	SSD	IV	REI			
S5	28.3 YRS.	0.1007E+13	41	100.00			
SIMULATED BALANCES							
YEAR	BALANCES	YEAR	BALANCES	YEAR	BALANCES		
2013	9094548.	1994	4681131.	1975	1162994.	1956	458528.
2012	9038861.	1993	4427576.	1974	1096567.	1955	429886.
2011	8858316.	1992	4063984.	1973	1015636.	1954	406933.
2010	8750228.	1991	3820523.	1972	939717.	1953	375638.
2009	8565223.	1990	3620533.	1971	877136.	1952	352971.
2008	8505632.	1989	3245137.	1970	816984.	1951	334882.
2007	8307516.	1988	2965757.	1969	772749.	1950	314947.
2006	8204152.	1987	2819918.	1968	738957.	1949	300038.
2005	7791418.	1986	2600020.	1967	710499.	1948	256361.
2004	7446132.	1985	2417502.	1966	684629.	1947	150210.
2003	7169845.	1984	2280569.	1965	668765.	1946	107011.
2002	6938568.	1983	2222010.	1964	650098.	1945	93471.
2001	6693854.	1982	2092690.	1963	626364.	1944	85076.
2000	6540495.	1981	2044753.	1962	605472.	1943	83108.
1999	6288509.	1980	1930108.	1961	588937.	1942	68792.
1998	5918372.	1979	1864856.	1960	578263.	1941	67880.
1997	5641581.	1978	1721939.	1959	546319.	1940	60248.
1996	5278277.	1977	1612182.	1958	506831.	0	0.
1995	4935635.	1976	1279677.	1957	475320.	0	0.

DISP MEAN SSD IV REI
S6 28.2 YRS. 0.1082E+13 43 100.00

SIMULATED BALANCES

YEAR	BALANCES	YEAR	BALANCES	YEAR	BALANCES	YEAR	BALANCES
2013	9136586.	1994	4692466.	1975	1169208.	1956	458543.
2012	9068362.	1993	4434886.	1974	1109496.	1955	429889.
2011	8869357.	1992	4067574.	1973	1030412.	1954	406934.
2010	8739605.	1991	3820718.	1972	951810.	1953	375638.
2009	8534179.	1990	3617750.	1971	884184.	1952	352971.
2008	8460506.	1989	3240170.	1970	819389.	1951	334882.
2007	8259873.	1988	2959851.	1969	772804.	1950	314947.
2006	8167513.	1987	2814403.	1968	739436.	1949	300038.
2005	7776531.	1986	2595736.	1967	713305.	1948	256361.
2004	7455844.	1985	2414457.	1966	689994.	1947	150210.
2003	7199066.	1984	2278141.	1965	675514.	1946	107011.
2002	6977375.	1983	2219258.	1964	656572.	1945	93471.
2001	6733933.	1982	2088505.	1963	631434.	1944	85076.
2000	6577049.	1981	2037851.	1962	608797.	1943	83108.
1999	6320472.	1980	1919564.	1961	590818.	1942	68792.
1998	5946035.	1979	1851038.	1960	579188.	1941	67880.
1997	5665308.	1978	1707456.	1959	546720.	1940	60248.
1996	5298009.	1977	1601429.	1958	506984.	0	0.
1995	4951192.	1976	1276743.	1957	475371.	0	0.

DISP MEAN SSD IV REI
SQ 30.4 YRS. 0.2431E+13 65 100.00

SIMULATED BALANCES

YEAR	BALANCES	YEAR	BALANCES	YEAR	BALANCES	YEAR	BALANCES
2013	9428271.	1994	4748069.	1975	1253621.	1956	458543.
2012	9352293.	1993	4487859.	1974	1166605.	1955	429889.
2011	9083757.	1992	4117064.	1973	1061740.	1954	406934.
2010	8964069.	1991	3863442.	1972	977701.	1953	375638.
2009	8723735.	1990	3648164.	1971	896894.	1952	352971.
2008	8688576.	1989	3279002.	1970	828076.	1951	334882.
2007	8481508.	1988	3013356.	1969	795123.	1950	314947.
2006	8590819.	1987	2873096.	1968	783943.	1949	300038.
2005	8174631.	1986	2643885.	1967	744726.	1948	256361.
2004	7777273.	1985	2463805.	1966	709598.	1947	150210.
2003	7468003.	1984	2323580.	1965	686071.	1946	107011.
2002	7206009.	1983	2269975.	1964	661388.	1945	93471.
2001	6927106.	1982	2136671.	1963	633248.	1944	85076.
2000	6748238.	1981	2079472.	1962	609356.	1943	83108.
1999	6466485.	1980	1956296.	1961	590954.	1942	68792.
1998	6067136.	1979	1876055.	1960	579214.	1941	67880.
1997	5765601.	1978	1745504.	1959	546724.	1940	60248.
1996	5383114.	1977	1709633.	1958	506984.	0	0.
1995	5017713.	1976	1387996.	1957	475371.	0	0.

DISP MEAN SSD IV REI
L0 44.3 YRS. 0.4679E+12 28 84.63

SIMULATED BALANCES

YEAR	BALANCES	YEAR	BALANCES	YEAR	BALANCES	YEAR	BALANCES
2013	9294015.	1994	4574187.	1975	1147466.	1956	424948.
2012	9206441.	1993	4343318.	1974	1066201.	1955	400933.
2011	9002728.	1992	4002304.	1973	972498.	1954	382249.
2010	8875750.	1991	3780478.	1972	886338.	1953	354850.
2009	8671665.	1990	3600495.	1971	816005.	1952	335729.
2008	8589300.	1989	3242493.	1970	750231.	1951	320848.
2007	8362516.	1988	2977658.	1969	702009.	1950	303773.
2006	8224403.	1987	2843848.	1968	665496.	1949	291358.
2005	7772153.	1986	2633484.	1967	635402.	1948	249725.
2004	7385660.	1985	2458181.	1966	608986.	1947	145048.
2003	7070760.	1984	2326479.	1965	593804.	1946	102932.
2002	6806891.	1983	2271382.	1964	577107.	1945	90293.
2001	6538188.	1982	2143476.	1963	556589.	1944	82686.
2000	6370463.	1981	2094614.	1962	539961.	1943	81412.
1999	6113526.	1980	1976205.	1961	528481.	1942	67675.
1998	5746436.	1979	1904012.	1960	523324.	1941	67243.
1997	5479490.	1978	1750861.	1959	497021.	1940	59980.
1996	5131222.	1977	1627995.	1958	463036.	0	0.
1995	4807341.	1976	1280109.	1957	436776.	0	0.

DISP MEAN SSD IV REI
L1 37.5 YRS. 0.6166E+12 32 95.60

SIMULATED BALANCES

YEAR	BALANCES	YEAR	BALANCES	YEAR	BALANCES	YEAR	BALANCES
2013	9227973.	1994	4599851.	1975	1152970.	1956	436620.
2012	9157092.	1993	4368308.	1974	1072240.	1955	411613.
2011	8968085.	1992	4026707.	1973	979276.	1954	391858.
2010	8853799.	1991	3804261.	1972	894034.	1953	363345.
2009	8660473.	1990	3623576.	1971	824736.	1952	343075.
2008	8586918.	1989	3265056.	1970	760069.	1951	327033.
2007	8367348.	1988	2999747.	1969	712959.	1950	308831.
2006	8235047.	1987	2865223.	1968	677496.	1949	295371.
2005	7787797.	1986	2653957.	1967	648343.	1948	252872.
2004	7405565.	1985	2477545.	1966	622723.	1947	147607.
2003	7093998.	1984	2344431.	1965	608151.	1946	105055.
2002	6832458.	1983	2287539.	1964	591873.	1945	92022.
2001	6565168.	1982	2157637.	1963	571578.	1944	84036.
2000	6397980.	1981	2106612.	1962	554975.	1943	82398.
1999	6141037.	1980	1986073.	1961	543317.	1942	68337.
1998	5773778.	1979	1911923.	1960	537786.	1941	67619.
1997	5506497.	1978	1757223.	1959	510966.	1940	60132.
1996	5157849.	1977	1633354.	1958	476351.	0	0.
1995	4833564.	1976	1285300.	1957	449336.	0	0.

DISP MEAN SSD IV REI
L2 33.5 YRS. 0.7442E+12 35 99.48

SIMULATED BALANCES

YEAR	BALANCES	YEAR	BALANCES	YEAR	BALANCES	YEAR	BALANCES
2013	9176701.	1994	4625762.	1975	1156481.	1956	446784.
2012	9120417.	1993	4392446.	1974	1077724.	1955	420603.
2011	8943898.	1992	4048622.	1973	986756.	1954	399697.
2010	8840120.	1991	3823555.	1972	903476.	1953	370067.
2009	8655501.	1990	3639894.	1971	836040.	1952	348730.
2008	8589010.	1989	3278341.	1970	773072.	1951	331684.
2007	8375100.	1988	3010157.	1969	727444.	1950	312558.
2006	8247303.	1987	2872913.	1968	693202.	1949	298273.
2005	7803763.	1986	2659210.	1967	664977.	1948	255078.
2004	7424719.	1985	2480737.	1966	639977.	1947	149301.
2003	7115804.	1984	2345931.	1965	625712.	1946	106393.
2002	6856400.	1983	2287682.	1964	609422.	1945	93074.
2001	6590751.	1982	2156798.	1963	588818.	1944	84840.
2000	6424717.	1981	2105173.	1962	571635.	1943	82982.
1999	6168502.	1980	1984428.	1961	559154.	1942	68735.
1998	5801685.	1979	1910467.	1960	552609.	1941	67860.
1997	5534506.	1978	1756361.	1959	524655.	1940	60244.
1996	5185600.	1977	1633496.	1958	488867.	0	0.
1995	4860655.	1976	1286939.	1957	460678.	0	0.

DISP MEAN SSD IV REI
L3 30.9 YRS. 0.8082E+12 37 100.00

SIMULATED BALANCES

YEAR	BALANCES	YEAR	BALANCES	YEAR	BALANCES	YEAR	BALANCES
2013	9114028.	1994	4636119.	1975	1155240.	1956	452986.
2012	9067706.	1993	4399471.	1974	1079469.	1955	425754.
2011	8899312.	1992	4052017.	1973	991365.	1954	403887.
2010	8802182.	1991	3823295.	1972	910725.	1953	373414.
2009	8623150.	1990	3636157.	1971	845608.	1952	351365.
2008	8561574.	1989	3271440.	1970	784555.	1951	333741.
2007	8352260.	1988	3000461.	1969	740387.	1950	314155.
2006	8229024.	1987	2860832.	1968	707133.	1949	299510.
2005	7790191.	1986	2645186.	1967	679442.	1948	256027.
2004	7416030.	1985	2465266.	1966	654567.	1947	150014.
2003	7112110.	1984	2329557.	1965	640075.	1946	106907.
2002	6857643.	1983	2270985.	1964	623292.	1945	93423.
2001	6596630.	1982	2140369.	1963	602006.	1944	85058.
2000	6434613.	1981	2089597.	1962	584008.	1943	83103.
1999	6181488.	1980	1970269.	1961	570627.	1942	68791.
1998	5816594.	1979	1898241.	1960	563118.	1941	67880.
1997	5550060.	1978	1746512.	1959	534147.	1940	60248.
1996	5200503.	1977	1626352.	1958	497286.	0	0.
1995	4873752.	1976	1282702.	1957	467987.	0	0.

DISP MEAN SSD IV REI
L4 29.5 YRS. 0.8553E+12 38 100.00

SIMULATED BALANCES

YEAR	BALANCES	YEAR	BALANCES	YEAR	BALANCES	YEAR	BALANCES
2013	9127985.	1994	4656637.	1975	1163444.	1956	456506.
2012	9081922.	1993	4413465.	1974	1091263.	1955	428526.
2011	8912497.	1992	4059872.	1973	1005938.	1954	406064.
2010	8814106.	1991	3825542.	1972	927061.	1953	375115.
2009	8634680.	1990	3633446.	1971	862718.	1952	352680.
2008	8574497.	1989	3264522.	1970	801715.	1951	334736.
2007	8368854.	1988	2990163.	1969	757180.	1950	314884.
2006	8251490.	1987	2848028.	1968	723408.	1949	300015.
2005	7820189.	1986	2630760.	1967	695202.	1948	256355.
2004	7454160.	1985	2450039.	1966	669812.	1947	150209.
2003	7157708.	1984	2314251.	1965	654719.	1946	107011.
2002	6908749.	1983	2256209.	1964	637116.	1945	93471.
2001	6650518.	1982	2126675.	1963	614730.	1944	85076.
2000	6488336.	1981	2077535.	1962	595382.	1943	83108.
1999	6232525.	1980	1960410.	1961	580501.	1942	68792.
1998	5863037.	1979	1891178.	1960	571457.	1941	67880.
1997	5590648.	1978	1742802.	1959	541024.	1940	60248.
1996	5234566.	1977	1626454.	1958	502852.	0	0.
1995	4901026.	1976	1286879.	1957	472431.	0	0.

DISP MEAN SSD IV REI
L5 28.8 YRS. 0.9367E+12 40 100.00

SIMULATED BALANCES

YEAR	BALANCES	YEAR	BALANCES	YEAR	BALANCES	YEAR	BALANCES
2013	9123979.	1994	4678182.	1975	1165170.	1956	458318.
2012	9073565.	1993	4428106.	1974	1096979.	1955	429808.
2011	8898252.	1992	4067583.	1973	1014357.	1954	406912.
2010	8793990.	1991	3826731.	1972	936878.	1953	375634.
2009	8610284.	1990	3628861.	1971	873009.	1952	352971.
2008	8549008.	1989	3255142.	1970	812113.	1951	334882.
2007	8346427.	1988	2977084.	1969	767738.	1950	314947.
2006	8236446.	1987	2832338.	1968	734293.	1949	300038.
2005	7815720.	1986	2613407.	1967	706398.	1948	256361.
2004	7461547.	1985	2431774.	1966	681033.	1947	150210.
2003	7176218.	1984	2295608.	1965	665477.	1946	107011.
2002	6936161.	1983	2237583.	1964	646915.	1945	93471.
2001	6684157.	1982	2108386.	1963	623246.	1944	85076.
2000	6525691.	1981	2059923.	1962	602524.	1943	83108.
1999	6271514.	1980	1943963.	1961	586375.	1942	68792.
1998	5901833.	1979	1876630.	1960	576253.	1941	67880.
1997	5627489.	1978	1731141.	1959	544918.	1940	60248.
1996	5267691.	1977	1618752.	1958	505968.	0	0.
1995	4928911.	1976	1283868.	1957	474857.	0	0.

DISP MEAN SSD IV REI
R1 37.0 YRS. 0.5100E+12 29 100.00

SIMULATED BALANCES

YEAR	BALANCES	YEAR	BALANCES	YEAR	BALANCES	YEAR	BALANCES
2013	9288216.	1994	4578762.	1975	1160919.	1956	427105.
2012	9203509.	1993	4348413.	1974	1079929.	1955	402462.
2011	9001902.	1992	4007993.	1973	986401.	1954	383223.
2010	8876263.	1991	3786652.	1972	900255.	1953	355346.
2009	8672984.	1990	3607383.	1971	829767.	1952	335811.
2008	8591105.	1989	3250165.	1970	763674.	1951	320620.
2007	8364838.	1988	2985720.	1969	714963.	1950	303363.
2006	8227377.	1987	2852165.	1968	677826.	1949	290929.
2005	7775917.	1986	2642074.	1967	646997.	1948	249446.
2004	7389673.	1985	2466844.	1966	619754.	1947	144905.
2003	7074615.	1984	2335058.	1965	603677.	1946	102757.
2002	6810399.	1983	2279904.	1964	586059.	1945	90043.
2001	6541276.	1982	2152080.	1963	564595.	1944	82373.
2000	6373269.	1981	2103400.	1962	547006.	1943	81071.
1999	6116481.	1980	1985423.	1961	534578.	1942	67343.
1998	5749687.	1979	1913894.	1960	528536.	1941	66948.
1997	5483043.	1978	1761693.	1959	501426.	1940	59786.
1996	5135193.	1977	1639980.	1958	466664.	0	0.
1995	4811622.	1976	1293124.	1957	439641.	0	0.

DISP MEAN SSD IV REI
R2 32.8 YRS. 0.5876E+12 31 100.00

SIMULATED BALANCES

YEAR	BALANCES	YEAR	BALANCES	YEAR	BALANCES	YEAR	BALANCES
2013	9222169.	1994	4586165.	1975	1171339.	1956	439119.
2012	9157307.	1993	4353710.	1974	1091706.	1955	413352.
2011	8972826.	1992	4011610.	1973	999448.	1954	392977.
2010	8861694.	1991	3789064.	1972	914511.	1953	363971.
2009	8670340.	1990	3608791.	1971	845138.	1952	343327.
2008	8597786.	1989	3251083.	1970	780040.	1951	327033.
2007	8378401.	1988	2986864.	1969	732181.	1950	308686.
2006	8245642.	1987	2853813.	1968	695708.	1949	295178.
2005	7797330.	1986	2644401.	1967	665341.	1948	252695.
2004	7413372.	1985	2470118.	1966	638355.	1947	147427.
2003	7099635.	1984	2339391.	1965	622322.	1946	104830.
2002	6835696.	1983	2285164.	1964	604535.	1945	91763.
2001	6565888.	1982	2158125.	1963	582719.	1944	83769.
2000	6396210.	1981	2110079.	1962	564615.	1943	82152.
1999	6136911.	1980	1992567.	1961	551511.	1942	68132.
1998	5767348.	1979	1921386.	1960	544625.	1941	67469.
1997	5497880.	1978	1769493.	1959	516554.	1940	60050.
1996	5147268.	1977	1648162.	1958	480788.	0	0.
1995	4821255.	1976	1302168.	1957	452737.	0	0.

DISP MEAN SSD IV REI
R3 30.2 YRS. 0.7076E+12 35 100.00

SIMULATED BALANCES

YEAR	BALANCES	YEAR	BALANCES	YEAR	BALANCES	YEAR	BALANCES
2013	9106884.	1994	4597828.	1975	1170704.	1956	449008.
2012	9062369.	1993	4359675.	1974	1094212.	1955	422164.
2011	8897452.	1992	4012085.	1973	1004852.	1954	400732.
2010	8804968.	1991	3784436.	1972	922548.	1953	370708.
2009	8631090.	1990	3599430.	1971	855492.	1952	349094.
2008	8574524.	1989	3237680.	1970	792370.	1951	331874.
2007	8369391.	1988	2970342.	1969	746124.	1950	312650.
2006	8248906.	1987	2834948.	1968	710884.	1949	298318.
2005	7810956.	1986	2624001.	1967	681377.	1948	255099.
2004	7435584.	1985	2449084.	1966	654903.	1947	149287.
2003	7128387.	1984	2318530.	1965	639053.	1946	106331.
2002	6868835.	1983	2265100.	1964	621152.	1945	92976.
2001	6601333.	1982	2139411.	1963	598976.	1944	84726.
2000	6431919.	1981	2093167.	1962	580305.	1943	82871.
1999	6171055.	1980	1977792.	1961	566456.	1942	68641.
1998	5798589.	1979	1909010.	1960	558675.	1941	67794.
1997	5525133.	1978	1759720.	1959	529605.	1940	60209.
1996	5169719.	1977	1641154.	1958	492802.	0	0.
1995	4838462.	1976	1298233.	1957	463699.	0	0.

DISP MEAN SSD IV REI
R4 29.2 YRS. 0.8751E+12 39 100.00

SIMULATED BALANCES

YEAR	BALANCES	YEAR	BALANCES	YEAR	BALANCES	YEAR	BALANCES
2013	9072813.	1994	4633457.	1975	1170529.	1956	455039.
2012	9029291.	1993	4389515.	1974	1096801.	1955	427289.
2011	8866868.	1992	4035805.	1973	1009795.	1954	405027.
2010	8779166.	1991	3801868.	1972	929629.	1953	374257.
2009	8612695.	1990	3610547.	1971	864612.	1952	351984.
2008	8565735.	1989	3242695.	1970	803394.	1951	334186.
2007	8371643.	1988	2969675.	1969	758789.	1950	314464.
2006	8262575.	1987	2829135.	1968	724788.	1949	299709.
2005	7835394.	1986	2613694.	1967	696021.	1948	256141.
2004	7469313.	1985	2435071.	1966	669763.	1947	150065.
2003	7169502.	1984	2301715.	1965	653664.	1946	106916.
2002	6915303.	1983	2246521.	1964	635160.	1945	93411.
2001	6651343.	1982	2120231.	1963	612166.	1944	85039.
2000	6483852.	1981	2074577.	1962	592555.	1943	83086.
1999	6223377.	1980	1960952.	1961	577689.	1942	68780.
1998	5849848.	1979	1894885.	1960	568842.	1941	67874.
1997	5574006.	1978	1748986.	1959	538693.	1940	60246.
1996	5215065.	1977	1634102.	1958	500829.	0	0.
1995	4879324.	1976	1294798.	1957	470701.	0	0.

DISP MEAN SSD IV REI
R5 28.4 YRS. 0.1014E+13 41 100.00

SIMULATED BALANCES

YEAR	BALANCES	YEAR	BALANCES	YEAR	BALANCES	YEAR	BALANCES
2013	9075121.	1994	4669861.	1975	1166372.	1956	458202.
2012	9019167.	1993	4418590.	1974	1097117.	1955	429721.
2011	8841659.	1992	4057277.	1973	1013554.	1954	406859.
2010	8739904.	1991	3816090.	1972	935906.	1953	375609.
2009	8563891.	1990	3618262.	1971	872743.	1952	352962.
2008	8513813.	1989	3244759.	1970	812970.	1951	334880.
2007	8323349.	1988	2966841.	1969	769565.	1950	314947.
2006	8223729.	1987	2821943.	1968	736558.	1949	300038.
2005	7810201.	1986	2602467.	1967	708524.	1948	256361.
2004	7460058.	1985	2419962.	1966	682652.	1947	150210.
2003	7176553.	1984	2282873.	1965	666514.	1946	107011.
2002	6937314.	1983	2224155.	1964	647519.	1945	93471.
2001	6685677.	1982	2094871.	1963	623616.	1944	85076.
2000	6527162.	1981	2047476.	1962	602792.	1943	83108.
1999	6272253.	1980	1934056.	1961	586568.	1942	68792.
1998	5901058.	1979	1870355.	1960	576349.	1941	67880.
1997	5624700.	1978	1728634.	1959	544910.	1940	60248.
1996	5262789.	1977	1619025.	1958	505881.	0	0.
1995	4922138.	1976	1285339.	1957	474737.	0	0.

DISP MEAN SSD IV REI
O1 45.1 YRS. 0.3866E+12 25 82.62

SIMULATED BALANCES

YEAR	BALANCES	YEAR	BALANCES	YEAR	BALANCES	YEAR	BALANCES
2013	9348826.	1994	4555638.	1975	1144056.	1956	416938.
2012	9249489.	1993	4325679.	1974	1063055.	1955	393210.
2011	9035085.	1992	3985597.	1973	969511.	1954	374895.
2010	8898342.	1991	3764480.	1972	883307.	1953	347939.
2009	8685596.	1990	3585602.	1971	812740.	1952	329312.
2008	8595926.	1989	3228604.	1970	746565.	1951	315037.
2007	8363457.	1988	2963952.	1969	697795.	1950	298705.
2006	8221200.	1987	2830166.	1968	660662.	1949	287206.
2005	7765820.	1986	2619897.	1967	629921.	1948	246614.
2004	7375913.	1985	2444411.	1966	602857.	1947	142718.
2003	7057633.	1984	2312417.	1965	587069.	1946	100945.
2002	6790802.	1983	2257327.	1964	569858.	1945	88517.
2001	6519700.	1982	2129830.	1963	548897.	1944	81112.
2000	6350487.	1981	2081735.	1962	531895.	1943	80076.
1999	6093239.	1980	1964605.	1961	520149.	1942	66603.
1998	5726255.	1979	1894115.	1960	514897.	1941	66448.
1997	5459591.	1978	1743054.	1959	488650.	1940	59527.
1996	5111859.	1977	1622445.	1958	454753.	0	0.
1995	4788343.	1976	1276212.	1957	428587.	0	0.

DISP	MEAN	SSD	IV	REI			
O2	50.3 YRS.	0.3803E+12	25	78.49			
SIMULATED BALANCES							
YEAR	BALANCES	YEAR	BALANCES	YEAR	BALANCES		
2013	9338485.	1994	4549905.	1975	1142606.	1956	416652.
2012	9238985.	1993	4320290.	1974	1061708.	1955	392960.
2011	9024505.	1992	3980536.	1973	968257.	1954	374678.
2010	8887765.	1991	3759734.	1972	882140.	1953	347752.
2009	8675093.	1990	3581159.	1971	811653.	1952	329154.
2008	8585561.	1989	3224448.	1970	745552.	1951	314905.
2007	8353287.	1988	2960062.	1969	696851.	1950	298598.
2006	8211272.	1987	2826530.	1968	659783.	1949	287122.
2005	7756170.	1986	2616503.	1967	629104.	1948	246550.
2004	7366563.	1985	2441245.	1966	602099.	1947	142668.
2003	7048604.	1984	2309467.	1965	586368.	1946	100905.
2002	6782113.	1983	2254585.	1964	569211.	1945	88485.
2001	6511368.	1982	2127288.	1963	548302.	1944	81086.
2000	6342526.	1981	2079384.	1962	531350.	1943	80057.
1999	6085660.	1980	1962436.	1961	519653.	1942	66589.
1998	5719058.	1979	1892118.	1960	514448.	1941	66440.
1997	5452772.	1978	1741217.	1959	488246.	1940	59523.
1996	5105412.	1977	1620756.	1958	454391.	0	0.
1995	4782257.	1976	1274651.	1957	428264.	0	0.

DISP	MEAN	SSD	IV	REI			
O3	69.7 YRS.	0.3503E+12	24	66.63			
SIMULATED BALANCES							
YEAR	BALANCES	YEAR	BALANCES	YEAR	BALANCES		
2013	9359754.	1994	4542937.	1975	1137893.	1956	414524.
2012	9256006.	1993	4313292.	1974	1057085.	1955	391042.
2011	9037767.	1992	3973529.	1973	963723.	1954	372967.
2010	8897718.	1991	3752724.	1972	877683.	1953	346244.
2009	8682165.	1990	3574203.	1971	807268.	1952	327842.
2008	8590176.	1989	3217537.	1970	741236.	1951	313787.
2007	8355836.	1988	2953145.	1969	692606.	1950	297671.
2006	8212111.	1987	2819625.	1968	655618.	1949	286383.
2005	7755544.	1986	2609638.	1967	625033.	1948	245988.
2004	7364605.	1985	2434423.	1966	598137.	1947	142234.
2003	7045473.	1984	2302711.	1965	582532.	1946	100548.
2002	6777993.	1983	2247953.	1964	565520.	1945	88187.
2001	6506442.	1982	2120835.	1963	544771.	1944	80844.
2000	6336992.	1981	2073157.	1962	527992.	1943	79868.
1999	6079707.	1980	1956483.	1961	516482.	1942	66450.
1998	5712781.	1979	1886469.	1960	511481.	1941	66347.
1997	5446247.	1978	1735885.	1959	485493.	1940	59475.
1996	5098704.	1977	1615727.	1958	451848.	0	0.
1995	4775392.	1976	1269833.	1957	425928.	0	0.

DISP	MEAN	SSD	IV	REI			
O4	92.3 YRS.	0.3407E+12	24	62.16			
SIMULATED BALANCES							
YEAR	BALANCES	YEAR	BALANCES	YEAR	BALANCES		
2013	9373646.	1994	4541651.	1975	1136495.	1956	413604.
2012	9267763.	1993	4311932.	1974	1055672.	1955	390206.
2011	9047616.	1992	3972104.	1973	962294.	1954	372217.
2010	8905873.	1991	3751239.	1972	876235.	1953	345578.
2009	8688831.	1990	3572682.	1971	805799.	1952	327260.
2008	8595555.	1989	3215978.	1970	739748.	1951	313289.
2007	8360121.	1988	2951522.	1969	691102.	1950	297257.
2006	8215472.	1987	2817946.	1968	654104.	1949	286052.
2005	7758107.	1986	2607916.	1967	623519.	1948	245735.
2004	7366438.	1985	2432658.	1966	596631.	1947	142038.
2003	7046658.	1984	2300914.	1965	581045.	1946	100386.
2002	6778623.	1983	2246151.	1964	564065.	1945	88052.
2001	6506607.	1982	2119052.	1963	543358.	1944	80733.
2000	6336792.	1981	2071418.	1962	526629.	1943	79782.
1999	6079233.	1980	1954809.	1961	515177.	1942	66387.
1998	5712084.	1979	1884875.	1960	510246.	1941	66305.
1997	5445364.	1978	1734377.	1959	484335.	1940	59454.
1996	5097668.	1977	1614299.	1958	450769.	0	0.
1995	4774218.	1976	1268444.	1957	424927.	0	0.

DISP	MEAN	SSD	IV	REI			
S0.5	34.5 YRS.	0.6420E+12	33	100.00			
SIMULATED BALANCES							
YEAR	BALANCES	YEAR	BALANCES	YEAR	BALANCES		
2013	9206622.	1994	4597849.	1975	1161045.	1956	438259.
2012	9139039.	1993	4366200.	1974	1080538.	1955	412995.
2011	8952802.	1992	4024524.	1973	987665.	1954	393029.
2010	8840845.	1991	3802094.	1972	902400.	1953	364342.
2009	8649460.	1990	3621445.	1971	832972.	1952	343931.
2008	8577499.	1989	3263074.	1970	768072.	1951	327767.
2007	8359170.	1988	2998158.	1969	720637.	1950	309443.
2006	8227837.	1987	2864195.	1968	684770.	1949	295849.
2005	7781377.	1986	2653629.	1967	655151.	1948	253199.
2004	7399970.	1985	2478093.	1966	629025.	1947	147816.
2003	7089245.	1984	2345996.	1965	613924.	1946	105218.
2002	6828530.	1983	2290182.	1964	597102.	1945	92169.
2001	6561992.	1982	2161355.	1963	576267.	1944	84175.
2000	6395397.	1981	2111360.	1962	559139.	1943	82526.
1999	6138817.	1980	1991739.	1961	546974.	1942	68451.
1998	5771764.	1979	1918361.	1960	540954.	1941	67713.
1997	5504572.	1978	1764244.	1959	513671.	1940	60191.
1996	5155914.	1977	1640780.	1958	478642.	0	0.
1995	4831610.	1976	1293041.	1957	451276.	0	0.

DISP	MEAN	SSD	IV	REI			
S1.5	31.8 YRS.	0.7174E+12	35	100.00			
SIMULATED BALANCES							
YEAR	BALANCES	YEAR	BALANCES	YEAR	BALANCES		
2013	9162883.	1994	4610153.	1975	1164866.	1956	447472.
2012	9109555.	1993	4376377.	1974	1086203.	1955	421114.
2011	8935571.	1992	4032702.	1973	995137.	1954	400071.
2010	8833941.	1991	3808385.	1972	911592.	1953	370346.
2009	8651105.	1990	3626003.	1971	843744.	1952	348950.
2008	8586036.	1989	3266144.	1970	780243.	1951	331875.
2007	8373163.	1988	2999921.	1969	733987.	1950	312732.
2006	8246008.	1987	2864770.	1968	699056.	1949	298432.
2005	7802721.	1986	2653178.	1967	670117.	1948	255215.
2004	7423530.	1985	2476784.	1966	644413.	1947	149413.
2003	7114070.	1984	2343981.	1965	629479.	1946	106477.
2002	6853729.	1983	2287625.	1964	612583.	1945	93132.
2001	6586792.	1982	2158487.	1963	591456.	1944	84876.
2000	6419151.	1981	2108439.	1962	573838.	1943	83001.
1999	6161092.	1980	1989084.	1961	561010.	1942	68743.
1998	5792304.	1979	1916310.	1960	554183.	1941	67863.
1997	5523175.	1978	1763177.	1959	525991.	1940	60244.
1996	5172478.	1977	1641061.	1958	489980.	0	0.
1995	4846069.	1976	1295025.	1957	461572.	0	0.

DISP	MEAN	SSD	IV	REI			
S2.5	30.1 YRS.	0.7836E+12	36	100.00			
SIMULATED BALANCES							
YEAR	BALANCES	YEAR	BALANCES	YEAR	BALANCES		
2013	9104012.	1994	4621409.	1975	1163074.	1956	453258.
2012	9061836.	1993	4384064.	1974	1087250.	1955	425974.
2011	8897807.	1992	4036567.	1973	998796.	1954	404082.
2010	8805448.	1991	3808383.	1972	917641.	1953	373597.
2009	8630880.	1990	3622173.	1971	851899.	1952	351539.
2008	8573742.	1989	3258669.	1970	790147.	1951	333899.
2007	8367380.	1988	2989137.	1969	745205.	1950	314290.
2006	8246288.	1987	2851182.	1968	711278.	1949	299612.
2005	7808419.	1986	2637329.	1967	682980.	1948	256096.
2004	7433833.	1985	2459340.	1966	657577.	1947	150054.
2003	7128150.	1984	2325602.	1965	642634.	1946	106924.
2002	6870757.	1983	2269024.	1964	625453.	1945	93427.
2001	6605901.	1982	2140378.	1963	603809.	1944	85056.
2000	6439504.	1981	2091463.	1962	585486.	1943	83100.
1999	6181837.	1980	1973879.	1961	571806.	1942	68790.
1998	5812605.	1979	1903421.	1960	564028.	1941	67880.
1997	5542222.	1978	1752769.	1959	534825.	1940	60248.
1996	5189541.	1977	1633432.	1958	497778.	0	0.
1995	4860498.	1976	1290322.	1957	468345.	0	0.

DISP	MEAN	SSD	IV	REI			
L0.5	40.3 YRS.	0.5296E+12	30	91.03			
SIMULATED BALANCES							
YEAR	BALANCES	YEAR	BALANCES	YEAR	BALANCES		
2013	9242694.	1994	4579600.	1975	1148894.	1956	429949.
2012	9163844.	1993	4348844.	1974	1068017.	1955	405498.
2011	8967893.	1992	4007939.	1973	974779.	1954	386348.
2010	8847705.	1991	3786176.	1972	889148.	1953	358467.
2009	8649484.	1990	3606178.	1971	819380.	1952	338849.
2008	8572068.	1989	3248227.	1970	754188.	1951	323471.
2007	8349468.	1988	2983429.	1969	706530.	1950	305915.
2006	8214863.	1987	2849544.	1968	670535.	1949	293056.
2005	7765718.	1986	2639013.	1967	640894.	1948	251055.
2004	7381952.	1985	2463452.	1966	614857.	1947	146129.
2003	7069333.	1984	2331355.	1965	599963.	1946	103826.
2002	6807282.	1983	2275707.	1964	583465.	1945	91019.
2001	6539975.	1982	2147168.	1963	563053.	1944	83251.
2000	6373228.	1981	2097602.	1962	546442.	1943	81823.
1999	6117004.	1980	1978503.	1961	534886.	1942	67950.
1998	5750498.	1979	1905695.	1960	529565.	1941	67398.
1997	5484003.	1978	1752095.	1959	503031.	1940	60042.
1996	5136110.	1977	1629001.	1958	468764.	0	0.
1995	4812555.	1976	1281233.	1957	442169.	0	0.

DISP	MEAN	SSD	IV	REI			
L1.5	35.3 YRS.	0.6684E+12	34	98.08			
SIMULATED BALANCES							
YEAR	BALANCES	YEAR	BALANCES	YEAR	BALANCES		
2013	9202013.	1994	4610353.	1975	1155645.	1956	441211.
2012	9137978.	1993	4377848.	1974	1075836.	1955	415661.
2011	8954841.	1992	4035127.	1973	983775.	1954	395378.
2010	8845510.	1991	3811434.	1972	899395.	1953	366355.
2009	8656329.	1990	3629406.	1971	830889.	1952	345601.
2008	8586196.	1989	3269599.	1970	766919.	1951	329110.
2007	8369402.	1988	3003139.	1969	720390.	1950	310496.
2006	8239344.	1987	2867585.	1968	685380.	1949	296669.
2005	7793986.	1986	2655450.	1967	656542.	1948	253860.
2004	7413390.	1985	2478355.	1966	631099.	1947	148367.
2003	7103192.	1984	2344726.	1965	616563.	1946	105657.
2002	6842756.	1983	2287474.	1964	600180.	1945	92498.
2001	6576302.	1982	2157369.	1963	579657.	1944	84402.
2000	6409660.	1981	2106293.	1962	562711.	1943	82665.
1999	6153015.	1980	1985859.	1961	550612.	1942	68520.
1998	5785858.	1979	1911964.	1960	544571.	1941	67730.
1997	5518481.	1978	1757670.	1959	517203.	1940	60184.
1996	5169543.	1977	1634366.	1958	482035.	0	0.
1995	4844788.	1976	1287073.	1957	454475.	0	0.

DISP MEAN SSD IV REI
L2.5 32.2 YRS. 0.7685E+12 36 99.87

SIMULATED BALANCES

YEAR	BALANCES	YEAR	BALANCES	YEAR	BALANCES	YEAR	BALANCES
2013	9159801.	1994	4632357.	1975	1158421.	1956	449621.
2012	9107304.	1993	4397114.	1974	1080953.	1955	422946.
2011	8933871.	1992	4051366.	1973	991171.	1954	401598.
2010	8832644.	1991	3824483.	1972	908936.	1953	371587.
2009	8650229.	1990	3639178.	1971	842362.	1952	349930.
2008	8585762.	1989	3276192.	1970	780050.	1951	332624.
2007	8373807.	1988	3006788.	1969	734861.	1950	313289.
2006	8247987.	1987	2868546.	1968	700846.	1949	298838.
2005	7806481.	1986	2654078.	1967	672656.	1948	255510.
2004	7429477.	1985	2475093.	1966	647527.	1947	149624.
2003	7122532.	1984	2340039.	1965	632998.	1946	106625.
2002	6864921.	1983	2281814.	1964	616347.	1945	93231.
2001	6600775.	1982	2151222.	1963	595318.	1944	84938.
2000	6435811.	1981	2100148.	1962	577664.	1943	83036.
1999	6180150.	1980	1980198.	1961	564686.	1942	68760.
1998	5813310.	1979	1907246.	1960	557622.	1941	67869.
1997	5545541.	1978	1754321.	1959	529132.	1940	60246.
1996	5195520.	1977	1632750.	1958	492792.	0	0.
1995	4869059.	1976	1287538.	1957	464050.	0	0.

DISP MEAN SSD IV REI
R1.5 34.6 YRS. 0.5428E+12 30 100.00

SIMULATED BALANCES

YEAR	BALANCES	YEAR	BALANCES	YEAR	BALANCES	YEAR	BALANCES
2013	9246152.	1994	4577243.	1975	1166074.	1956	432602.
2012	9170882.	1993	4346575.	1974	1085683.	1955	407443.
2011	8977330.	1992	4006003.	1973	992709.	1954	387683.
2010	8858457.	1991	3784692.	1972	907085.	1953	359289.
2009	8660718.	1990	3605503.	1971	837074.	1952	339247.
2008	8583192.	1989	3248554.	1970	771402.	1951	323551.
2007	8360200.	1988	2984656.	1969	723048.	1950	305795.
2006	8225067.	1987	2851726.	1968	686184.	1949	292870.
2005	7775268.	1986	2642291.	1967	655537.	1948	250929.
2004	7390337.	1985	2467792.	1966	628387.	1947	146056.
2003	7076194.	1984	2336741.	1965	612308.	1946	103703.
2002	6812460.	1983	2282217.	1964	594593.	1945	90828.
2001	6543435.	1982	2154917.	1963	572952.	1944	83010.
2000	6375136.	1981	2106654.	1962	555112.	1943	81565.
1999	6117730.	1980	1988982.	1961	542362.	1942	67704.
1998	5750256.	1979	1917674.	1960	535923.	1941	67187.
1997	5482948.	1978	1765649.	1959	508364.	1940	59907.
1996	5134488.	1977	1644127.	1958	473135.	0	0.
1995	4810463.	1976	1297663.	1957	445636.	0	0.

DISP MEAN SSD IV REI
R2.5 31.2 YRS. 0.6285E+12 33 100.00

SIMULATED BALANCES

YEAR	BALANCES	YEAR	BALANCES	YEAR	BALANCES	YEAR	BALANCES
2013	9143998.	1994	4581774.	1975	1170170.	1956	443669.
2012	9091143.	1993	4347021.	1974	1092142.	1955	417415.
2011	8918056.	1992	4002770.	1973	1001346.	1954	396558.
2010	8817614.	1991	3778305.	1972	917722.	1953	367087.
2009	8636123.	1990	3596343.	1971	849498.	1952	345999.
2008	8572449.	1989	3237334.	1970	785373.	1951	329280.
2007	8360849.	1988	2972300.	1969	738304.	1950	310528.
2006	8234689.	1987	2838832.	1968	702438.	1949	296638.
2005	7791832.	1986	2629394.	1967	672501.	1948	253813.
2004	7412286.	1985	2455495.	1966	645781.	1947	148292.
2003	7101852.	1984	2325496.	1965	629859.	1946	105530.
2002	6840106.	1983	2272235.	1964	612043.	1945	92329.
2001	6571455.	1982	2146360.	1963	590084.	1944	84217.
2000	6401960.	1981	2099625.	1962	571742.	1943	82489.
1999	6141999.	1980	1983521.	1961	558317.	1942	68372.
1998	5771174.	1979	1913810.	1960	551037.	1941	67622.
1997	5499989.	1978	1763426.	1959	522522.	1940	60125.
1996	5147341.	1977	1643635.	1958	486292.	0	0.
1995	4819139.	1976	1299286.	1957	457770.	0	0.

S0	36.3 YRS.	0.5947E+12	32	31	100.00
S0.5	34.5 YRS.	0.6420E+12	33	30	100.00
L0	44.3 YRS.	0.4679E+12	28	35	84.63
L0.5	40.3 YRS.	0.5296E+12	30	33	91.03
R1	37.0 YRS.	0.5100E+12	29	34	100.00
R1.5	34.6 YRS.	0.5428E+12	30	33	100.00

SIMULATED PLANT RECORD ANALYSIS
SIMULATED BALANCE METHOD

Shelby Energy Cooperative
August 2, 2014

CARRIERS - 030 Shelby Energy Cooperative
ACCOUNT - 368 Line Transformers

- ACCOUNT CONTROL INFORMATION -

EARLIEST ADDITION = 1939 LATEST ADDITION = 2013
EARLIEST BALANCE = 1940 LATEST BALANCE = 2013
EARLIEST RETIREMENT = 1940 LATEST RETIREMENT = 2013 INPUT = ADD & RET

SIMULATED PLANT RECORD ANALYSIS
SIMULATED BALANCE METHOD

Shelby Energy Cooperative
August 2, 2014

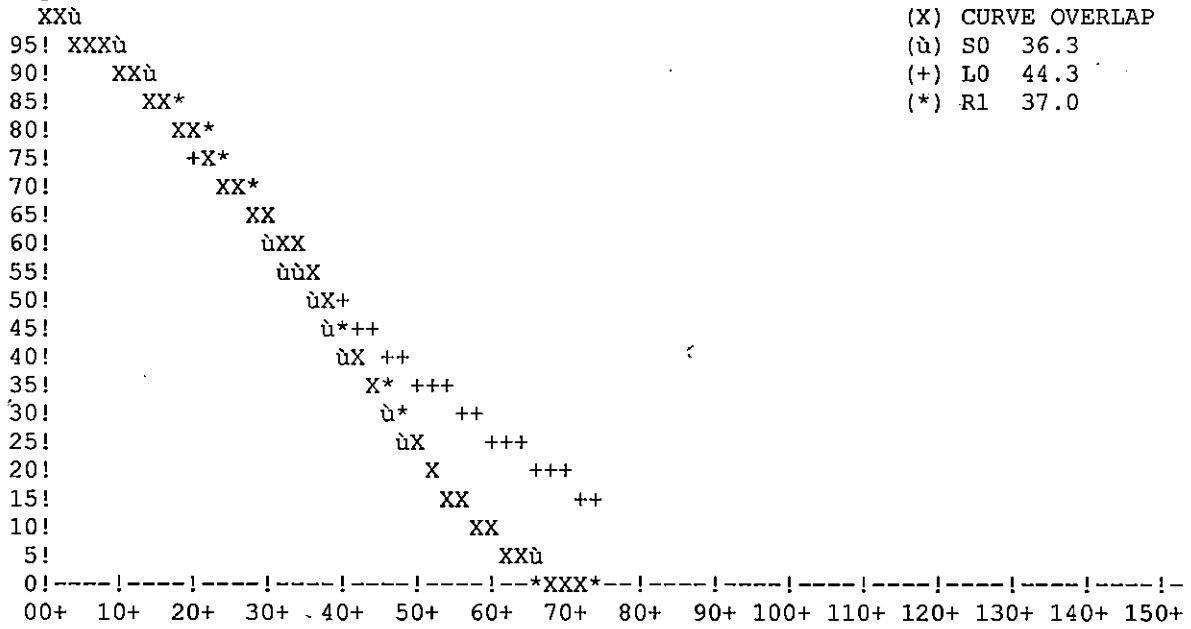
CARRIERS - 030 Shelby Energy Cooperative
ACCOUNT - 368 Line Transformers

ANALYSIS BAND = 1940 THRU 2013

INCREMENT = 1

CURVE	IV	CI	REI
S0 - 36.3	32	31	100.00
S0.5 - 34.5	33	30	100.00
S1 - 32.8	34	29	100.00
S1.5 - 31.8	35	28	100.00
S2 - 30.9	36	27	100.00
S2.5 - 30.1	36	27	100.00
S3 - 29.5	37	27	100.00
S4 - 28.8	40	25	100.00
S5 - 28.3	41	24	100.00
S6 - 28.2	43	23	100.00
SQ - 30.4	65	15	100.00
L0 - 44.3	28	35	84.63
L0.5 - 40.3	30	33	91.03
L1 - 37.5	32	31	95.60
L1.5 - 35.3	34	29	98.08
L2 - 33.5	35	28	99.48
L2.5 - 32.2	36	27	99.87
L3 - 30.9	37	27	100.00
L4 - 29.5	38	26	100.00
L5 - 28.8	40	25	100.00
R1 - 37.0	29	34	100.00
R1.5 - 34.6	30	33	100.00
R2 - 32.8	31	32	100.00
R2.5 - 31.2	33	30	100.00
R3 - 30.2	35	28	100.00
R4 - 29.2	39	25	100.00
R5 - 28.4	41	24	100.00
O1 - 45.1	25	40	82.62
O2 - 50.3	25	40	78.49
O3 - 69.7	24	41	66.63
O4 - 92.3	24	41	62.16

August 2, 2014



SIMULATED PLANT RECORD ANALYSIS
SIMULATED BALANCE METHOD

Shelby Energy Cooperative
August 2, 2014

CARRIERS - 030 Shelby Energy Cooperative
ACCOUNT - 369 Services

- ACCOUNT CONTROL INFORMATION -

EARLIEST ADDITION	= 1939	LATEST ADDITION	= 2013	
EARLIEST BALANCE	= 1941	LATEST BALANCE	= 2013	
EARLIEST RETIREMENT	= 1941	LATEST RETIREMENT	= 2013	INPUT = ADD & RET

SIMULATED PLANT RECORD ANALYSIS
SIMULATED BALANCE METHOD

Shelby Energy Cooperative
August 2, 2014

CARRIERS - 030 Shelby Energy Cooperative
ACCOUNT - 369 Services

ANALYSIS BAND = 1941 THRU 2013

INCREMENT = 1

DISP	MEAN	SSD	IV	REI			
S0	38.4 YRS.	0.2807E+12	28	99.53			
SIMULATED BALANCES							
YEAR	BALANCES	YEAR	BALANCES	YEAR	BALANCES		
2013	10454530.	1994	2695427.	1975	302565.	1956	89881.
2012	10258079.	1993	2349246.	1974	278160.	1955	81862.
2011	10038052.	1992	2067570.	1973	255611.	1954	77156.
2010	9678468.	1991	1832547.	1972	224209.	1953	70882.
2009	9392688.	1990	1617246.	1971	196514.	1952	64895.
2008	8987563.	1989	1404629.	1970	179659.	1951	60393.
2007	8654765.	1988	1209026.	1969	167939.	1950	56508.
2006	8271887.	1987	1067509.	1968	160101.	1949	51791.
2005	7877572.	1986	980435.	1967	149930.	1948	39398.
2004	7364353.	1985	914703.	1966	142876.	1947	26004.
2003	6833305.	1984	845415.	1965	137283.	1946	25567.
2002	6365426.	1983	777000.	1964	131915.	1945	22326.
2001	5935308.	1982	709945.	1963	128006.	1944	21915.
2000	5540566.	1981	636427.	1962	121993.	1943	21295.
1999	5067367.	1980	565226.	1961	116896.	1942	17150.
1998	4589764.	1979	502684.	1960	114176.	1941	16861.
1997	4211793.	1978	446840.	1959	107036.	0	0.
1996	3676143.	1977	392133.	1958	101821.	0	0.
1995	3230826.	1976	336095.	1957	95945.	0	0.

DISP	MEAN	SSD	IV	REI			
S1	31.8 YRS.	0.3321E+12	30	100.00			
SIMULATED BALANCES							
YEAR	BALANCES	YEAR	BALANCES	YEAR	BALANCES		
2013	10420570.	1994	2693175.	1975	299021.	1956	91239.
2012	10244041.	1993	2345732.	1974	275158.	1955	83124.
2011	10039908.	1992	2063106.	1973	253155.	1954	78310.
2010	9692613.	1991	1827393.	1972	222308.	1953	71921.
2009	9415819.	1990	1611640.	1971	195158.	1952	65815.
2008	9016771.	1989	1398787.	1970	178818.	1951	61194.
2007	8687467.	1988	1203102.	1969	167571.	1950	57193.
2006	8305903.	1987	1061558.	1968	160155.	1949	52373.
2005	7911162.	1986	974440.	1967	150354.	1948	39895.
2004	7396227.	1985	908639.	1966	143618.	1947	26431.
2003	6862464.	1984	839290.	1965	138286.	1946	25925.
2002	6391067.	1983	770852.	1964	133125.	1945	22615.
2001	5956843.	1982	703840.	1963	129370.	1944	22136.
2000	5557689.	1981	630452.	1962	123465.	1943	21452.
1999	5080110.	1980	559474.	1961	118430.	1942	17251.
1998	4598381.	1979	497241.	1960	115731.	1941	16915.
1997	4216691.	1978	441785.	1959	108580.	0	0.
1996	3677978.	1977	387538.	1958	103325.	0	0.
1995	3230282.	1976	332014.	1957	97385.	0	0.

DISP	MEAN	SSD	IV	REI			
S2	28.2 YRS.	0.3695E+12	32	100.00			
SIMULATED BALANCES							
YEAR	BALANCES	YEAR	BALANCES	YEAR	BALANCES	YEAR	BALANCES
2013	10377015.	1994	2688853.	1975	293531.	1956	92323.
2012	10219260.	1993	2340601.	1974	270492.	1955	84110.
2011	10029665.	1992	2057227.	1973	249301.	1954	79191.
2010	9693163.	1991	1820811.	1972	219235.	1953	72696.
2009	9423898.	1990	1604394.	1971	192821.	1952	66484.
2008	9029632.	1989	1390911.	1970	177156.	1951	61763.
2007	8702857.	1988	1194634.	1969	166517.	1950	57670.
2006	8322054.	1987	1052554.	1968	159637.	1949	52765.
2005	7926742.	1986	964987.	1967	150298.	1948	40209.
2004	7410280.	1985	898860.	1966	143948.	1947	26674.
2003	6874366.	1984	829333.	1965	138930.	1946	26103.
2002	6400484.	1983	760879.	1964	134013.	1945	22738.
2001	5963704.	1982	694016.	1963	130440.	1944	22214.
2000	5562115.	1981	620934.	1962	124657.	1943	21496.
1999	5082357.	1980	550404.	1961	119693.	1942	17272.
1998	4598763.	1979	488739.	1960	117020.	1941	16923.
1997	4215538.	1978	433950.	1959	109857.	0	0.
1996	3675579.	1977	380443.	1958	104560.	0	0.
1995	3226852.	1976	325708.	1957	98553.	0	0.

DISP	MEAN	SSD	IV	REI			
S3	26.5 YRS.	0.3799E+12	32	100.00			
SIMULATED BALANCES							
YEAR	BALANCES	YEAR	BALANCES	YEAR	BALANCES	YEAR	BALANCES
2013	10400041.	1994	2693536.	1975	289706.	1956	93252.
2012	10248811.	1993	2344150.	1974	267321.	1955	84922.
2011	10062352.	1992	2059503.	1973	246774.	1954	79883.
2010	9726322.	1991	1821726.	1972	217327.	1953	73270.
2009	9455601.	1990	1603918.	1971	191490.	1952	66947.
2008	9058606.	1989	1389080.	1970	176354.	1951	62124.
2007	8728423.	1988	1191539.	1969	166186.	1950	57940.
2006	8344015.	1987	1048342.	1968	159718.	1949	52958.
2005	7945266.	1986	959840.	1967	150727.	1948	40340.
2004	7425785.	1985	892982.	1966	144664.	1947	26757.
2003	6887401.	1984	822937.	1965	139870.	1946	26152.
2002	6411630.	1983	754175.	1964	135118.	1945	22764.
2001	5973483.	1982	687205.	1963	131655.	1944	22227.
2000	5570944.	1981	614199.	1962	125932.	1943	21501.
1999	5090511.	1980	543905.	1961	120985.	1942	17274.
1998	4606373.	1979	482611.	1960	118290.	1941	16923.
1997	4222607.	1978	428300.	1959	111073.	0	0.
1996	3682013.	1977	375354.	1958	105698.	0	0.
1995	3232499.	1976	321236.	1957	99594.	0	0.

DISP	MEAN	SSD	IV	REI			
S4	24.9 YRS.	0.3525E+12	31	100.00			
SIMULATED BALANCES							
YEAR	BALANCES	YEAR	BALANCES	YEAR	BALANCES		
2013	10373330.	1994	2693509.	1975	283723.	1956	94039.
2012	10230679.	1993	2343823.	1974	262132.	1955	85563.
2011	10047651.	1992	2058485.	1973	242359.	1954	80376.
2010	9711483.	1991	1819744.	1972	213634.	1953	73627.
2009	9438584.	1990	1600808.	1971	188451.	1952	67190.
2008	9038697.	1989	1384779.	1970	173892.	1951	62279.
2007	8705930.	1988	1186072.	1969	164230.	1950	58032.
2006	8319917.	1987	1041801.	1968	158208.	1949	53009.
2005	7920883.	1986	952370.	1967	149623.	1948	40366.
2004	7402474.	1985	884762.	1966	143939.	1947	26769.
2003	6866333.	1984	814164.	1965	139508.	1946	26157.
2002	6393647.	1983	745054.	1964	135103.	1945	22766.
2001	5959032.	1982	677935.	1963	131959.	1944	22227.
2000	5560088.	1981	604968.	1962	126513.	1943	21501.
1999	5082983.	1980	534890.	1961	121781.	1942	17274.
1998	4601670.	1979	473973.	1960	119229.	1941	16923.
1997	4220085.	1978	420181.	1959	112075.	0	0.
1996	3680975.	1977	367871.	1958	106685.	0	0.
1995	3232269.	1976	314476.	1957	100503.	0	0.

DISP	MEAN	SSD	IV	REI			
S5	24.3 YRS.	0.3146E+12	30	100.00			
SIMULATED BALANCES							
YEAR	BALANCES	YEAR	BALANCES	YEAR	BALANCES		
2013	10406772.	1994	2697658.	1975	280553.	1956	94513.
2012	10261688.	1993	2347487.	1974	259594.	1955	85846.
2011	10072694.	1992	2061374.	1973	240613.	1954	80528.
2010	9728187.	1991	1821635.	1972	212687.	1953	73701.
2009	9445958.	1990	1601586.	1971	188124.	1952	67222.
2008	9037287.	1989	1384438.	1970	173872.	1951	62291.
2007	8697657.	1988	1184696.	1969	164182.	1950	58036.
2006	8307557.	1987	1039528.	1968	157901.	1949	53010.
2005	7907364.	1986	949370.	1967	149012.	1948	40366.
2004	7390244.	1985	881220.	1966	143166.	1947	26769.
2003	6856962.	1984	810269.	1965	138830.	1946	26157.
2002	6387747.	1983	740980.	1964	134777.	1945	22766.
2001	5956433.	1982	673821.	1963	132137.	1944	22227.
2000	5560152.	1981	600905.	1962	127194.	1943	21501.
1999	5084933.	1980	530908.	1961	122829.	1942	17274.
1998	4604823.	1979	470061.	1960	120433.	1941	16923.
1997	4223947.	1978	416322.	1959	113231.	0	0.
1996	3685207.	1977	364096.	1958	107651.	0	0.
1995	3236599.	1976	310903.	1957	101218.	0	0.

DISP	MEAN	SSD	IV	REI			
S6	24.0 YRS.	0.2915E+12	28	100.00			
SIMULATED BALANCES							
YEAR	BALANCES	YEAR	BALANCES	YEAR	BALANCES		
2013	10413239.	1994	2699528.	1975	277593.	1956	94597.
2012	10273655.	1993	2349396.	1974	256561.	1955	85873.
2011	10086225.	1992	2062697.	1973	238302.	1954	80535.
2010	9736923.	1991	1822204.	1972	211781.	1953	73702.
2009	9445467.	1990	1601488.	1971	188619.	1952	67222.
2008	9027313.	1989	1383775.	1970	175036.	1951	62291.
2007	8681265.	1988	1183532.	1969	165085.	1950	58036.
2006	8288884.	1987	1037922.	1968	157959.	1949	53010.
2005	7889808.	1986	947375.	1967	148129.	1948	40366.
2004	7375769.	1985	878884.	1966	141610.	1947	26769.
2003	6846331.	1984	807661.	1965	137101.	1946	26157.
2002	6381046.	1983	738222.	1964	133493.	1945	22766.
2001	5953202.	1982	671074.	1963	131785.	1944	22227.
2000	5559216.	1981	598321.	1962	127820.	1943	21501.
1999	5084685.	1980	528589.	1961	124015.	1942	17274.
1998	4604183.	1979	468005.	1960	121625.	1941	16923.
1997	4223060.	1978	414389.	1959	114091.	0	0.
1996	3684983.	1977	362022.	1958	108135.	0	0.
1995	3237597.	1976	308415.	1957	101439.	0	0.

DISP	MEAN	SSD	IV	REI			
SQ	26.1 YRS.	0.8967E+12	50	100.00			
SIMULATED BALANCES							
YEAR	BALANCES	YEAR	BALANCES	YEAR	BALANCES		
2013	10825753.	1994	2732603.	1975	287043.	1956	94598.
2012	10597326.	1993	2377505.	1974	272216.	1955	85873.
2011	10330374.	1992	2085981.	1973	260440.	1954	80535.
2010	9933940.	1991	1841551.	1972	227054.	1953	73702.
2009	9616910.	1990	1618291.	1971	200348.	1952	67222.
2008	9185646.	1989	1397727.	1970	181791.	1951	62291.
2007	8839541.	1988	1197533.	1969	168697.	1950	58036.
2006	8447357.	1987	1051540.	1968	163113.	1949	53010.
2005	8041351.	1986	958471.	1967	151440.	1948	40366.
2004	7515939.	1985	891930.	1966	145291.	1947	26769.
2003	6977501.	1984	820628.	1965	143623.	1946	26157.
2002	6509167.	1983	751536.	1964	145444.	1945	22766.
2001	6061401.	1982	684623.	1963	140104.	1944	22227.
2000	5644962.	1981	613785.	1962	132759.	1943	21501.
1999	5153089.	1980	542481.	1961	126425.	1942	17274.
1998	4670227.	1979	481867.	1960	122561.	1941	16923.
1997	4287518.	1978	428075.	1959	114371.	0	0.
1996	3740293.	1977	374295.	1958	108197.	0	0.
1995	3281848.	1976	318877.	1957	101449.	0	0.

DISP	MEAN	SSD	IV	REI			
LO	51.6 YRS.	0.2457E+12	26	76.31			
SIMULATED BALANCES							
YEAR	BALANCES	YEAR	BALANCES	YEAR	BALANCES		
2013	10497377.	1994	2697400.	1975	304039.	1956	89122.
2012	10288091.	1993	2351808.	1974	279414.	1955	81146.
2011	10057386.	1992	2070534.	1973	256654.	1954	76488.
2010	9689011.	1991	1835782.	1972	225035.	1953	70270.
2009	9396201.	1990	1620636.	1971	197108.	1952	64341.
2008	8985625.	1989	1408033.	1970	180021.	1951	59902.
2007	8648839.	1988	1212295.	1969	168083.	1950	56084.
2006	8263311.	1987	1070553.	1968	160048.	1949	51435.
2005	7867497.	1986	983258.	1967	149699.	1948	39097.
2004	7353644.	1985	917367.	1966	142489.	1947	25739.
2003	6822558.	1984	847976.	1965	136763.	1946	25332.
2002	6355195.	1983	779493.	1964	131287.	1945	22122.
2001	5926111.	1982	712390.	1963	127295.	1944	21745.
2000	5532878.	1981	638816.	1962	121221.	1943	21162.
1999	5061464.	1980	567535.	1961	116083.	1942	17053.
1998	4585717.	1979	504884.	1960	113344.	1941	16797.
1997	4209661.	1978	448905.	1959	106202.	0	0.
1996	3675747.	1977	394034.	1958	101000.	0	0.
1995	3231839.	1976	337792.	1957	95150.	0	0.

DISP	MEAN	SSD	IV	REI			
L1	38.5 YRS.	0.3067E+12	29	94.64			
SIMULATED BALANCES							
YEAR	BALANCES	YEAR	BALANCES	YEAR	BALANCES		
2013	10433479.	1994	2695780.	1975	300666.	1956	90291.
2012	10245908.	1993	2349298.	1974	276420.	1955	82255.
2011	10033261.	1992	2067385.	1973	254058.	1954	77523.
2010	9679610.	1991	1832186.	1972	222869.	1953	71219.
2009	9398330.	1990	1616769.	1971	195391.	1952	65196.
2008	8996419.	1989	1404066.	1970	178747.	1951	60657.
2007	8665628.	1988	1208352.	1969	167231.	1950	56737.
2006	8283778.	1987	1066655.	1968	159585.	1949	51993.
2005	7889717.	1986	979337.	1967	149592.	1948	39579.
2004	7376143.	1985	913338.	1966	142697.	1947	26161.
2003	6844194.	1984	843792.	1965	137242.	1946	25693.
2002	6374965.	1983	775146.	1964	131992.	1945	22421.
2001	5943226.	1982	707907.	1963	128182.	1944	21980.
2000	5546794.	1981	634262.	1962	122250.	1943	21333.
1999	5072008.	1980	562987.	1961	117214.	1942	17167.
1998	4592971.	1979	500423.	1960	114539.	1941	16862.
1997	4213834.	1978	444610.	1959	107431.	0	0.
1996	3677376.	1977	389985.	1958	102233.	0	0.
1995	3231519.	1976	334062.	1957	96361.	0	0.

DISP	MEAN	SSD	IV	REI			
L2	32.0 YRS.	0.3569E+12	31	99.78			
SIMULATED BALANCES							
YEAR	BALANCES	YEAR	BALANCES	YEAR	BALANCES		
2013	10412346.	1994	2696855.	1975	296661.	1956	91676.
2012	10243777.	1993	2349034.	1974	273038.	1955	83541.
2011	10045593.	1992	2065939.	1973	251296.	1954	78694.
2010	9702359.	1991	1829680.	1972	220719.	1953	72263.
2009	9427967.	1990	1613325.	1971	193842.	1952	66108.
2008	9029946.	1989	1399838.	1970	177767.	1951	61435.
2007	8700617.	1988	1203508.	1969	166771.	1950	57383.
2006	8318322.	1987	1061331.	1968	159589.	1949	52519.
2005	7922457.	1986	973612.	1967	150001.	1948	40005.
2004	7406244.	1985	907264.	1966	143453.	1947	26512.
2003	6871199.	1984	837435.	1965	138282.	1946	25982.
2002	6398613.	1983	768601.	1964	133256.	1945	22654.
2001	5963364.	1982	701286.	1963	129608.	1944	22161.
2000	5563390.	1981	627692.	1962	123783.	1943	21466.
1999	5085210.	1980	556602.	1961	118805.	1942	17258.
1998	4603069.	1979	494342.	1960	116143.	1941	16918.
1997	4221104.	1978	438935.	1959	109013.	0	0.
1996	3682175.	1977	384801.	1958	103769.	0	0.
1995	3234252.	1976	329445.	1957	97830.	0	0.

DISP	MEAN	SSD	IV	REI			
L3	28.3 YRS.	0.3705E+12	32	100.00			
SIMULATED BALANCES							
YEAR	BALANCES	YEAR	BALANCES	YEAR	BALANCES		
2013	10400951.	1994	2695264.	1975	292036.	1956	92769.
2012	10245220.	1993	2346605.	1974	269158.	1955	84498.
2011	10055487.	1992	2062667.	1973	248149.	1954	79511.
2010	9717189.	1991	1825575.	1972	218278.	1953	72946.
2009	9445059.	1990	1608406.	1971	192057.	1952	66670.
2008	9047394.	1989	1394134.	1970	176579.	1951	61894.
2007	8717179.	1988	1197058.	1969	166112.	1950	57758.
2006	8333253.	1987	1054204.	1968	159386.	1949	52823.
2005	7935386.	1986	965910.	1967	150182.	1948	40246.
2004	7417044.	1985	899128.	1966	143949.	1947	26698.
2003	6879943.	1984	829031.	1965	139034.	1946	26118.
2002	6405492.	1983	760104.	1964	134209.	1945	22747.
2001	5968636.	1982	692867.	1963	130719.	1944	22220.
2000	5567305.	1981	619507.	1962	125011.	1943	21499.
1999	5087974.	1980	548791.	1961	120112.	1942	17274.
1998	4604831.	1979	487024.	1960	117490.	1941	16923.
1997	4221970.	1978	432205.	1959	110356.	0	0.
1996	3682211.	1977	378732.	1958	105066.	0	0.
1995	3233479.	1976	324085.	1957	99041.	0	0.

DISP	MEAN	SSD	IV	REI			
L4	25.9 YRS.	0.3641E+12	32	100.00			
SIMULATED BALANCES							
YEAR	BALANCES	YEAR	BALANCES	YEAR	BALANCES		
2013	10367890.	1994	2691706.	1975	286315.	1956	93492.
2012	10222548.	1993	2342645.	1974	264333.	1955	85101.
2011	10039375.	1992	2058042.	1973	244241.	1954	80017.
2010	9704546.	1991	1820088.	1972	215254.	1953	73371.
2009	9433654.	1990	1601956.	1971	189817.	1952	67024.
2008	9035968.	1989	1386713.	1970	174960.	1951	62182.
2007	8705340.	1988	1188746.	1969	164942.	1950	57982.
2006	8321225.	1987	1045135.	1968	158536.	1949	52987.
2005	7923673.	1986	956262.	1967	149596.	1948	40358.
2004	7406172.	1985	889096.	1966	143638.	1947	26767.
2003	6870270.	1984	818816.	1965	139039.	1946	26157.
2002	6397175.	1983	749899.	1964	134563.	1945	22766.
2001	5961638.	1982	682849.	1963	131417.	1944	22227.
2000	5561466.	1981	609825.	1962	125994.	1943	21501.
1999	5083052.	1980	539567.	1961	121271.	1942	17274.
1998	4600576.	1979	478353.	1960	118696.	1941	16923.
1997	4218167.	1978	424166.	1959	111502.	0	0.
1996	3678686.	1977	371395.	1958	106083.	0	0.
1995	3230053.	1976	317521.	1957	99906.	0	0.

DISP	MEAN	SSD	IV	REI			
L5	24.7 YRS.	0.3358E+12	31	100.00			
SIMULATED BALANCES							
YEAR	BALANCES	YEAR	BALANCES	YEAR	BALANCES		
2013	10376215.	1994	2694477.	1975	281886.	1956	94198.
2012	10236332.	1993	2344889.	1974	260503.	1955	85673.
2011	10053714.	1992	2059381.	1973	241164.	1954	80449.
2010	9715352.	1991	1820319.	1972	213000.	1953	73673.
2009	9438466.	1990	1601021.	1971	188305.	1952	67215.
2008	9034262.	1989	1384635.	1970	173981.	1951	62290.
2007	8698168.	1988	1185586.	1969	164245.	1950	58036.
2006	8310448.	1987	1040988.	1968	157938.	1949	53010.
2005	7911252.	1986	951257.	1967	149036.	1948	40366.
2004	7393785.	1985	883397.	1966	143162.	1947	26769.
2003	6859192.	1984	812615.	1965	138754.	1946	26157.
2002	6388247.	1983	743400.	1964	134582.	1945	22766.
2001	5955254.	1982	676253.	1963	131798.	1944	22227.
2000	5557596.	1981	603314.	1962	126708.	1943	21501.
1999	5081375.	1980	533279.	1961	122212.	1942	17274.
1998	4600650.	1979	472377.	1960	119730.	1941	16923.
1997	4219564.	1978	418541.	1959	112518.	0	0.
1996	3681002.	1977	366129.	1958	107018.	0	0.
1995	3232850.	1976	312635.	1957	100735.	0	0.

DISP	MEAN	SSD	IV	REI			
R1	41.2 YRS.	0.1989E+12	23	97.91			
SIMULATED BALANCES							
YEAR	BALANCES	YEAR	BALANCES	YEAR	BALANCES		
2013	10514515.	1994	2689087.	1975	304794.	1956	89059.
2012	10299989.	1993	2344615.	1974	280281.	1955	81043.
2011	10064361.	1992	2064308.	1973	257623.	1954	76352.
2010	9691374.	1991	1830446.	1972	226082.	1953	70111.
2009	9394263.	1990	1616140.	1971	198180.	1952	64166.
2008	8979850.	1989	1404279.	1970	181067.	1951	59721.
2007	8639674.	1988	1209091.	1969	169077.	1950	55909.
2006	8251442.	1987	1067694.	1968	160974.	1949	51286.
2005	7853647.	1986	980647.	1967	150545.	1948	38979.
2004	7338438.	1985	915021.	1966	143241.	1947	25629.
2003	6806324.	1984	845946.	1965	137414.	1946	25213.
2002	6338223.	1983	777816.	1964	131834.	1945	22001.
2001	5908842.	1982	711098.	1963	127741.	1944	21623.
2000	5515885.	1981	637922.	1962	121572.	1943	21050.
1999	5045300.	1980	567015.	1961	116340.	1942	16956.
1998	4570690.	1979	504706.	1960	113517.	1941	16720.
1997	4196160.	1978	449040.	1959	106304.	0	0.
1996	3664084.	1977	394444.	1958	101037.	0	0.
1995	3221966.	1976	338410.	1957	95132.	0	0.

DISP	MEAN	SSD	IV	REI			
R2	32.2 YRS.	0.2292E+12	25	100.00			
SIMULATED BALANCES							
YEAR	BALANCES	YEAR	BALANCES	YEAR	BALANCES		
2013	10462192.	1994	2681775.	1975	301216.	1956	90516.
2012	10269620.	1993	2335878.	1974	277382.	1955	82395.
2011	10051580.	1992	2054566.	1973	255353.	1954	77592.
2010	9692382.	1991	1820016.	1972	224410.	1953	71232.
2009	9405674.	1990	1605294.	1971	197088.	1952	65167.
2008	8998653.	1989	1393309.	1970	180521.	1951	60599.
2007	8663246.	1988	1198307.	1969	169021.	1950	56662.
2006	8277424.	1987	1057329.	1968	161342.	1949	51914.
2005	7880083.	1986	970786.	1967	151276.	1948	39499.
2004	7363877.	1985	905649.	1966	144276.	1947	26074.
2003	6829829.	1984	837037.	1965	138694.	1946	25600.
2002	6359051.	1983	769368.	1964	133301.	1945	22328.
2001	5926334.	1982	703122.	1963	129340.	1944	21893.
2000	5529489.	1981	630450.	1962	123254.	1943	21259.
1999	5054750.	1980	560103.	1961	118063.	1942	17109.
1998	4576064.	1979	498400.	1960	115241.	1941	16821.
1997	4197565.	1978	443374.	1959	107995.	0	0.
1996	3661893.	1977	389446.	1958	102670.	0	0.
1995	3216822.	1976	334117.	1957	96685.	0	0.

DISP		MEAN		SSD		IV		REI	
R3		28.0 YRS.		0.3130E+12		29		100.00	
SIMULATED BALANCES									
YEAR	BALANCES	YEAR	BALANCES	YEAR	BALANCES	YEAR	BALANCES	YEAR	BALANCES
2013	10422951.	1994	2685736.	1975	294956.	1956	92104.		
2012	10252554.	1993	2337008.	1974	272080.	1955	83848.		
2011	10052151.	1992	2053191.	1973	250994.	1954	78904.		
2010	9706724.	1991	1816428.	1972	220979.	1953	72400.		
2009	9430443.	1990	1599789.	1971	194563.	1952	66193.		
2008	9030939.	1989	1386223.	1970	178854.	1951	61486.		
2007	8700532.	1988	1190000.	1969	168135.	1950	57415.		
2006	8317477.	1987	1048119.	1968	161144.	1949	52538.		
2005	7921019.	1986	960896.	1967	151668.	1948	40011.		
2004	7404232.	1985	895240.	1966	145158.	1947	26503.		
2003	6868535.	1984	826281.	1965	139965.	1946	25960.		
2002	6395216.	1983	758453.	1964	134865.	1945	22624.		
2001	5959167.	1982	692244.	1963	131107.	1944	22128.		
2000	5558337.	1981	619806.	1962	125145.	1943	21435.		
1999	5079226.	1980	549882.	1961	120013.	1942	17233.		
1998	4596070.	1979	488764.	1960	117190.	1941	16900.		
1997	4213069.	1978	434448.	1959	109897.	0	0.		
1996	3673094.	1977	381333.	1958	104491.	0	0.		
1995	3224135.	1976	326905.	1957	98399.	0	0.		

DISP		MEAN		SSD		IV		REI	
R4		25.8 YRS.		0.3594E+12		32		100.00	
SIMULATED BALANCES									
YEAR	BALANCES	YEAR	BALANCES	YEAR	BALANCES	YEAR	BALANCES	YEAR	BALANCES
2013	10380847.	1994	2690013.	1975	288100.	1956	93212.		
2012	10225145.	1993	2340084.	1974	266080.	1955	84844.		
2011	10034813.	1992	2054895.	1973	245785.	1954	79782.		
2010	9696267.	1991	1816635.	1972	216477.	1953	73159.		
2009	9424770.	1990	1598436.	1971	190707.	1952	66836.		
2008	9028695.	1989	1383319.	1970	175634.	1951	62021.		
2007	8700803.	1988	1185623.	1969	165586.	1950	57851.		
2006	8319602.	1987	1042380.	1968	159310.	1949	52885.		
2005	7924520.	1986	953927.	1967	150563.	1948	40283.		
2004	7408764.	1985	887203.	1966	144752.	1947	26715.		
2003	6873864.	1984	817373.	1965	140173.	1946	26123.		
2002	6401149.	1983	748905.	1964	135561.	1945	22745.		
2001	5965534.	1982	682292.	1963	132144.	1944	22214.		
2000	5564980.	1981	609694.	1962	126384.	1943	21494.		
1999	5086012.	1980	539848.	1961	121347.	1942	17270.		
1998	4602862.	1979	479036.	1960	118550.	1941	16921.		
1997	4219637.	1978	425232.	1959	111238.	0	0.		
1996	3679164.	1977	372801.	1958	105779.	0	0.		
1995	3229425.	1976	319181.	1957	99607.	0	0.		

DISP	MEAN	SSD	IV	REI			
R5	24.6 YRS.	0.3315E+12	30	100.00			
SIMULATED BALANCES							
YEAR	BALANCES	YEAR	BALANCES	YEAR	BALANCES		
2013	10415184.	1994	2697967.	1975	282731.	1956	94230.
2012	10264903.	1993	2347407.	1974	261794.	1955	85671.
2011	10072995.	1992	2061105.	1973	242587.	1954	80432.
2010	9727955.	1991	1821391.	1972	214187.	1953	73655.
2009	9447398.	1990	1601544.	1971	189038.	1952	67203.
2008	9041920.	1989	1384702.	1970	174271.	1951	62285.
2007	8705935.	1988	1185308.	1969	164275.	1950	58034.
2006	8318896.	1987	1040495.	1968	157964.	1949	53010.
2005	7920519.	1986	950670.	1967	149291.	1948	40366.
2004	7403727.	1985	882819.	1966	143767.	1947	26769.
2003	6869405.	1984	812123.	1965	139670.	1946	26157.
2002	6398188.	1983	743021.	1964	135644.	1945	22766.
2001	5964508.	1982	675962.	1963	132803.	1944	22227.
2000	5566054.	1981	603049.	1962	127513.	1943	21501.
1999	5089159.	1980	532984.	1961	122780.	1942	17274.
1998	4607871.	1979	472038.	1960	120105.	1941	16923.
1997	4226138.	1978	418216.	1959	112762.	0	0.
1996	3686693.	1977	365996.	1958	107174.	0	0.
1995	3237451.	1976	312930.	1957	100821.	0	0.

DISP	MEAN	SSD	IV	REI			
O1	59.0 YRS.	0.1831E+12	22	63.17			
SIMULATED BALANCES							
YEAR	BALANCES	YEAR	BALANCES	YEAR	BALANCES		
2013	10544537.	1994	2691318.	1975	305417.	1956	88281.
2012	10319585.	1993	2347340.	1974	280713.	1955	80321.
2011	10075481.	1992	2067338.	1973	257883.	1954	75689.
2010	9695693.	1991	1833656.	1972	226177.	1953	69510.
2009	9393270.	1990	1619428.	1971	198099.	1952	63627.
2008	8974882.	1989	1407523.	1970	180814.	1951	59245.
2007	8631908.	1988	1212144.	1969	168665.	1950	55500.
2006	8241983.	1987	1070451.	1968	160426.	1949	50945.
2005	7843437.	1986	983096.	1967	149880.	1948	38697.
2004	7328168.	1985	917215.	1966	142478.	1947	25385.
2003	6796420.	1984	847944.	1965	136573.	1946	24997.
2002	6329044.	1983	779658.	1964	130937.	1945	21814.
2001	5900754.	1982	712815.	1963	126807.	1944	21465.
2000	5509244.	1981	639522.	1962	120619.	1943	20925.
1999	5040323.	1980	568488.	1961	115384.	1942	16862.
1998	4567404.	1979	506038.	1960	112576.	1941	16656.
1997	4194597.	1978	450221.	1959	105390.	0	0.
1996	3664123.	1977	395461.	1958	100160.	0	0.
1995	3223302.	1976	339237.	1957	94301.	0	0.

DISP	MEAN	SSD	IV	REI			
O2	65.8 YRS.	0.1830E+12	22	63.18			
SIMULATED BALANCES							
YEAR	BALANCES	YEAR	BALANCES	YEAR	BALANCES		
2013	10534444.	1994	2689795.	1975	305175.	1956	88239.
2012	10310196.	1993	2345974.	1974	280490.	1955	80284.
2011	10066778.	1992	2066110.	1973	257677.	1954	75657.
2010	9687649.	1991	1832550.	1972	225987.	1953	69482.
2009	9385859.	1990	1618431.	1971	197923.	1952	63604.
2008	8968077.	1989	1406620.	1970	180651.	1951	59225.
2007	8625681.	1988	1211325.	1969	168515.	1950	55484.
2006	8236306.	1987	1069707.	1968	160286.	1949	50932.
2005	7838279.	1986	982418.	1967	149751.	1948	38686.
2004	7323498.	1985	916599.	1966	142359.	1947	25376.
2003	6792201.	1984	847384.	1965	136464.	1946	24990.
2002	6325243.	1983	779150.	1964	130836.	1945	21808.
2001	5897342.	1982	712354.	1963	126716.	1944	21461.
2000	5506191.	1981	639104.	1962	120536.	1943	20921.
1999	5037599.	1980	568109.	1961	115308.	1942	16860.
1998	4564977.	1979	505693.	1960	112508.	1941	16655.
1997	4192440.	1978	449907.	1959	105329.	0	0.
1996	3662207.	1977	395174.	1958	100106.	0	0.
1995	3221597.	1976	338974.	1957	94253.	0	0.

DISP	MEAN	SSD	IV	REI			
O3	94.9 YRS.	0.1813E+12	22	54.99			
SIMULATED BALANCES							
YEAR	BALANCES	YEAR	BALANCES	YEAR	BALANCES		
2013	10537927.	1994	2689996.	1975	305186.	1956	88152.
2012	10312544.	1993	2346213.	1974	280484.	1955	80205.
2011	10068202.	1992	2066368.	1973	257657.	1954	75584.
2010	9688335.	1991	1832817.	1972	225952.	1953	69417.
2009	9385969.	1990	1618699.	1971	197873.	1952	63546.
2008	8967756.	1989	1406879.	1970	180586.	1951	59175.
2007	8625055.	1988	1211562.	1969	168436.	1950	55441.
2006	8235492.	1987	1069913.	1968	160196.	1949	50896.
2005	7837375.	1986	982594.	1967	149652.	1948	38657.
2004	7322576.	1985	916750.	1966	142252.	1947	25350.
2003	6791307.	1984	847517.	1965	136352.	1946	24968.
2002	6324414.	1983	779270.	1964	130722.	1945	21789.
2001	5896613.	1982	712463.	1963	126600.	1944	21445.
2000	5505596.	1981	639203.	1962	120420.	1943	20909.
1999	5037158.	1980	568196.	1961	115195.	1942	16851.
1998	4564691.	1979	505768.	1960	112398.	1941	16649.
1997	4192311.	1978	449968.	1959	105224.	0	0.
1996	3662221.	1977	395221.	1958	100006.	0	0.
1995	3221724.	1976	339003.	1957	94159.	0	0.

DISP	MEAN	SSD	IV	REI			
O4	128.3 YRS.	0.1805E+12	22	51.96			
SIMULATED BALANCES							
YEAR	BALANCES	YEAR	BALANCES	YEAR	BALANCES		
2013	10543810.	1994	2690750.	1975	305312.	1956	88131.
2012	10317592.	1993	2346919.	1974	280593.	1955	80184.
2011	10072526.	1992	2067027.	1973	257749.	1954	75565.
2010	9692032.	1991	1833430.	1972	226029.	1953	69399.
2009	9389130.	1990	1619268.	1971	197936.	1952	63529.
2008	8970460.	1989	1407404.	1970	180635.	1951	59160.
2007	8627374.	1988	1212042.	1969	168473.	1950	55428.
2006	8237492.	1987	1070349.	1968	160222.	1949	50885.
2005	7839117.	1986	982988.	1967	149669.	1948	38648.
2004	7324108.	1985	917107.	1966	142260.	1947	25343.
2003	6792664.	1984	847842.	1965	136352.	1946	24961.
2002	6325627.	1983	779566.	1964	130716.	1945	21782.
2001	5897713.	1982	712733.	1963	126589.	1944	21440.
2000	5506612.	1981	639450.	1962	120406.	1943	20905.
1999	5038110.	1980	568421.	1961	115177.	1942	16847.
1998	4565593.	1979	505971.	1960	112378.	1941	16646.
1997	4193173.	1978	450151.	1959	105203.	0	0.
1996	3663050.	1977	395384.	1958	99984.	0	0.
1995	3222518.	1976	339148.	1957	94138.	0	0.

DISP	MEAN	SSD	IV	REI			
S0.5	35.0 YRS.	0.2954E+12	29	100.00			
SIMULATED BALANCES							
YEAR	BALANCES	YEAR	BALANCES	YEAR	BALANCES		
2013	10451892.	1994	2695072.	1975	301474.	1956	90512.
2012	10262641.	1993	2348305.	1974	277287.	1955	82442.
2011	10048150.	1992	2066187.	1973	254954.	1954	77680.
2010	9692629.	1991	1830842.	1972	223770.	1953	71351.
2009	9409584.	1990	1615326.	1971	196287.	1952	65306.
2008	9006040.	1989	1402593.	1970	179629.	1951	60749.
2007	8673825.	1988	1206943.	1969	168088.	1950	56810.
2006	8290698.	1987	1065407.	1968	160406.	1949	52047.
2005	7895493.	1986	978309.	1967	150368.	1948	39614.
2004	7380929.	1985	912548.	1966	143426.	1947	26188.
2003	6848199.	1984	843236.	1965	137920.	1946	25720.
2002	6378384.	1983	774815.	1964	132617.	1945	22449.
2001	5946158.	1982	707783.	1963	128753.	1944	22009.
2000	5549250.	1981	634324.	1962	122765.	1943	21361.
1999	5073960.	1980	563221.	1961	117675.	1942	17193.
1998	4594421.	1979	500810.	1960	114946.	1941	16883.
1997	4214732.	1978	445129.	1959	107785.	0	0.
1996	3677672.	1977	390613.	1958	102539.	0	0.
1995	3231263.	1976	334786.	1957	96622.	0	0.

DISP	MEAN	SSD	IV	REI			
S1.5	30.1 YRS.	0.3416E+12	31	100.00			
SIMULATED BALANCES							
YEAR	BALANCES	YEAR	BALANCES	YEAR	BALANCES		
2013	10417058.	1994	2691766.	1975	297097.	1956	91760.
2012	10247056.	1993	2343816.	1974	273594.	1955	83591.
2011	10047693.	1992	2060743.	1973	251939.	1954	78721.
2010	9703632.	1991	1824634.	1972	221419.	1953	72278.
2009	9428762.	1990	1608531.	1971	194572.	1952	66119.
2008	9030556.	1989	1395370.	1970	178503.	1951	61450.
2007	8701234.	1988	1199418.	1969	167494.	1950	57405.
2006	8319000.	1987	1057652.	1968	160282.	1949	52545.
2005	7923125.	1986	970366.	1967	150652.	1948	40031.
2004	7406748.	1985	904464.	1966	144052.	1947	26536.
2003	6871370.	1984	835086.	1965	138825.	1946	26001.
2002	6398304.	1983	766694.	1964	133740.	1945	22667.
2001	5962456.	1982	699801.	1963	130034.	1944	22169.
2000	5561797.	1981	626597.	1962	124154.	1943	21470.
1999	5082880.	1980	555862.	1961	119124.	1942	17260.
1998	4599997.	1979	493918.	1960	116413.	1941	16918.
1997	4217340.	1978	438786.	1959	109235.	0	0.
1996	3677822.	1977	384887.	1958	103943.	0	0.
1995	3229452.	1976	329725.	1957	97957.	0	0.

DISP	MEAN	SSD	IV	REI			
S2.5	27.4 YRS.	0.3717E+12	32	100.00			
SIMULATED BALANCES							
YEAR	BALANCES	YEAR	BALANCES	YEAR	BALANCES		
2013	10400642.	1994	2691926.	1975	292156.	1956	92777.
2012	10244211.	1993	2342948.	1974	269419.	1955	84501.
2011	10054589.	1992	2058818.	1973	248520.	1954	79520.
2010	9717024.	1991	1821640.	1972	218729.	1953	72965.
2009	9446006.	1990	1604480.	1971	192566.	1952	66699.
2008	9049577.	1989	1390302.	1970	177127.	1951	61928.
2007	8720477.	1988	1193398.	1969	166684.	1950	57792.
2006	8337383.	1987	1050781.	1968	159970.	1949	52852.
2005	7939954.	1986	962779.	1967	150765.	1948	40267.
2004	7421639.	1985	896325.	1966	144520.	1947	26711.
2003	6884172.	1984	826578.	1965	139578.	1946	26125.
2002	6409036.	1983	758009.	1964	134710.	1945	22750.
2001	5971260.	1982	691126.	1963	131160.	1944	22220.
2000	5568882.	1981	618109.	1962	125380.	1943	21498.
1999	5088470.	1980	547716.	1961	120399.	1942	17273.
1998	4604296.	1979	486248.	1960	117694.	1941	16923.
1997	4220508.	1978	431701.	1959	110487.	0	0.
1996	3679963.	1977	378469.	1958	105137.	0	0.
1995	3230606.	1976	324030.	1957	99071.	0	0.

DISP	MEAN	SSD	IV	REI			
L0.5	44.4 YRS.	0.2627E+12	27	86.40			
SIMULATED BALANCES							
YEAR	BALANCES	YEAR	BALANCES	YEAR	BALANCES		
2013	10476276.	1994	2696399.	1975	302813.	1956	89608.
2012	10274997.	1993	2350474.	1974	278358.	1955	81601.
2011	10050827.	1992	2068961.	1973	255771.	1954	76907.
2010	9687660.	1991	1834044.	1972	224333.	1953	70650.
2009	9398826.	1990	1618800.	1971	196589.	1952	64680.
2008	8991138.	1989	1406167.	1970	179677.	1951	60199.
2007	8656250.	1988	1210445.	1969	167903.	1950	56338.
2006	8271778.	1987	1068730.	1968	160016.	1949	51651.
2005	7876335.	1986	981441.	1967	149799.	1948	39282.
2004	7362343.	1985	915531.	1966	142704.	1947	25899.
2003	6830731.	1984	846110.	1965	137074.	1946	25467.
2002	6362501.	1983	777599.	1964	131677.	1945	22233.
2001	5932299.	1982	710483.	1963	127745.	1944	21831.
2000	5537779.	1981	636923.	1962	121716.	1943	21224.
1999	5065048.	1980	565686.	1961	116606.	1942	17094.
1998	4588038.	1979	503108.	1960	113881.	1941	16820.
1997	4210817.	1978	447231.	1959	106741.	0	0.
1996	3675952.	1977	392490.	1958	101530.	0	0.
1995	3231321.	1976	336402.	1957	95661.	0	0.

DISP	MEAN	SSD	IV	REI			
L1.5	35.0 YRS.	0.3203E+12	30	98.22			
SIMULATED BALANCES							
YEAR	BALANCES	YEAR	BALANCES	YEAR	BALANCES		
2013	10431806.	1994	2695973.	1975	299310.	1956	90896.
2012	10250900.	1993	2348831.	1974	275334.	1955	82808.
2011	10043125.	1992	2066355.	1973	253233.	1954	78019.
2010	9692807.	1991	1830675.	1972	222294.	1953	71655.
2009	9413575.	1990	1614857.	1971	195056.	1952	65573.
2008	9012643.	1989	1401844.	1970	178634.	1951	60976.
2007	8682003.	1988	1205912.	1969	167317.	1950	57002.
2006	8299649.	1987	1064071.	1968	159844.	1949	52209.
2005	7904616.	1986	976652.	1967	149998.	1948	39755.
2004	7389781.	1985	910580.	1966	143226.	1947	26307.
2003	6856411.	1984	840993.	1965	137866.	1946	25815.
2002	6385673.	1983	772345.	1964	132686.	1945	22520.
2001	5952365.	1982	705150.	1963	128920.	1944	22057.
2000	5554345.	1981	631595.	1962	123010.	1943	21390.
1999	5078017.	1980	560459.	1961	117977.	1942	17206.
1998	4597540.	1979	498075.	1960	115290.	1941	16886.
1997	4217062.	1978	442476.	1959	108157.	0	0.
1996	3679407.	1977	388091.	1958	102926.	0	0.
1995	3232535.	1976	332432.	1957	97013.	0	0.

DISP		MEAN		SSD		IV		REI	
L2.5		30.1 YRS.		0.3598E+12		32		99.98	
SIMULATED BALANCES									
YEAR	BALANCES	YEAR	BALANCES	YEAR	BALANCES	YEAR	BALANCES	YEAR	BALANCES
2013	10416108.	1994	2696158.	1975	295004.	1956	92152.		
2012	10251402.	1993	2347845.	1974	271712.	1955	83950.		
2011	10055500.	1992	2064290.	1973	250286.	1954	79039.		
2010	9713363.	1991	1827607.	1972	220006.	1953	72551.		
2009	9439199.	1990	1610866.	1971	193399.	1952	66346.		
2008	9040814.	1989	1397030.	1970	177563.	1951	61631.		
2007	8710751.	1988	1200392.	1969	166774.	1950	57545.		
2006	8327502.	1987	1057957.	1968	159767.	1949	52650.		
2005	7930573.	1986	970042.	1967	150323.	1948	40108.		
2004	7413262.	1985	903571.	1966	143890.	1947	26591.		
2003	6877148.	1984	833698.	1965	138810.	1946	26040.		
2002	6403557.	1983	764896.	1964	133851.	1945	22693.		
2001	5967380.	1982	697685.	1963	130252.	1944	22185.		
2000	5566552.	1981	624257.	1962	124455.	1943	21479.		
1999	5087584.	1980	553389.	1961	119487.	1942	17264.		
1998	4604716.	1979	491395.	1960	116816.	1941	16920.		
1997	4222088.	1978	436287.	1959	109658.	0	0.		
1996	3682556.	1977	382475.	1958	104368.	0	0.		
1995	3234077.	1976	327453.	1957	98372.	0	0.		

DISP		MEAN		SSD		IV		REI	
R1.5		36.3 YRS.		0.2044E+12		24		100.00	
SIMULATED BALANCES									
YEAR	BALANCES	YEAR	BALANCES	YEAR	BALANCES	YEAR	BALANCES	YEAR	BALANCES
2013	10500109.	1994	2685829.	1975	303824.	1956	89696.		
2012	10293517.	1993	2340880.	1974	279553.	1955	81631.		
2011	10064095.	1992	2060272.	1973	257115.	1954	76888.		
2010	9695834.	1991	1826236.	1972	225782.	1953	70593.		
2009	9402144.	1990	1611863.	1971	198081.	1952	64595.		
2008	8990007.	1989	1400046.	1970	181157.	1951	60095.		
2007	8651124.	1988	1205021.	1969	169334.	1950	56230.		
2006	8263307.	1987	1063874.	1968	161374.	1949	51552.		
2005	7865214.	1986	977100.	1967	151065.	1948	39199.		
2004	7349197.	1985	911727.	1966	143859.	1947	25816.		
2003	6815977.	1984	842881.	1965	138107.	1946	25376.		
2002	6346545.	1983	774967.	1964	132583.	1945	22138.		
2001	5915633.	1982	708456.	1963	128524.	1944	21736.		
2000	5520978.	1981	635490.	1962	122371.	1943	21138.		
1999	5048641.	1980	564806.	1961	117140.	1942	17020.		
1998	4572358.	1979	502731.	1960	114304.	1941	16762.		
1997	4196234.	1978	447306.	1959	107065.	0	0.		
1996	3662745.	1977	392956.	1958	101763.	0	0.		
1995	3219498.	1976	337180.	1957	95816.	0	0.		

DISP	MEAN	SSD	IV	REI			
R2.5	29.8 YRS.	0.2590E+12	27	100.00			
SIMULATED BALANCES							
YEAR	BALANCES	YEAR	BALANCES	YEAR	BALANCES		
2013	10434791.	1994	2680482.	1975	298264.	1956	91216.
2012	10253365.	1993	2333418.	1974	274927.	1955	83037.
2011	10044334.	1992	2051110.	1973	253376.	1954	78172.
2010	9692301.	1991	1815715.	1972	222889.	1953	71749.
2009	9411121.	1990	1600299.	1971	196000.	1952	65621.
2008	9008184.	1989	1387784.	1970	179833.	1951	60992.
2007	8675596.	1988	1192425.	1969	168687.	1950	56996.
2006	8291456.	1987	1051243.	1968	161313.	1949	52191.
2005	7894832.	1986	964602.	1967	151502.	1948	39726.
2004	7378581.	1985	899443.	1966	144711.	1947	26265.
2003	6843923.	1984	830880.	1965	139290.	1946	25760.
2002	6372071.	1983	763334.	1964	134017.	1945	22460.
2001	5937881.	1982	697282.	1963	130138.	1944	21998.
2000	5539245.	1981	624876.	1962	124099.	1943	21338.
1999	5062532.	1980	554861.	1961	118930.	1942	17165.
1998	4581832.	1979	493547.	1960	116104.	1941	16857.
1997	4201313.	1978	438952.	1959	108835.	0	0.
1996	3663730.	1977	385490.	1958	103473.	0	0.
1995	3216959.	1976	330657.	1957	97441.	0	0.

S0	38.4 YRS.	0.2807E+12	28	35	99.53
S0.5	35.0 YRS.	0.2954E+12	29	34	100.00
L0	51.6 YRS.	0.2457E+12	26	38	76.31
L0.5	44.4 YRS.	0.2627E+12	27	37	86.40
R1	41.2 YRS.	0.1989E+12	23	43	97.91
R1.5	36.3 YRS.	0.2044E+12	24	41	100.00

SIMULATED PLANT RECORD ANALYSIS
SIMULATED BALANCE METHOD

Shelby Energy Cooperative
August 2, 2014

CARRIERS - 030 Shelby Energy Cooperative
ACCOUNT - 369 Services

- ACCOUNT CONTROL INFORMATION -

EARLIEST ADDITION = 1939 LATEST ADDITION = 2013
EARLIEST BALANCE = 1941 LATEST BALANCE = 2013
EARLIEST RETIREMENT = 1941 LATEST RETIREMENT = 2013 INPUT = ADD & RET

SIMULATED PLANT RECORD ANALYSIS
SIMULATED BALANCE METHOD

Shelby Energy Cooperative
August 2, 2014

CARRIERS - 030 Shelby Energy Cooperative
ACCOUNT - 369 Services

ANALYSIS BAND = 1941 THRU 2013

INCREMENT = 1

CURVE	IV	CI	REI
S0 - 38.4	28	35	99.53
S0.5 - 35.0	29	34	100.00
S1 - 31.8	30	33	100.00
S1.5 - 30.1	31	32	100.00
S2 - 28.2	32	31	100.00
S2.5 - 27.4	32	31	100.00
S3 - 26.5	32	31	100.00
S4 - 24.9	31	32	100.00
S5 - 24.3	30	33	100.00
S6 - 24.0	28	35	100.00
SQ - 26.1	50	20	100.00
L0 - 51.6	26	38	76.31
L0.5 - 44.4	27	37	86.40
L1 - 38.5	29	34	94.64
L1.5 - 35.0	30	33	98.22
L2 - 32.0	31	32	99.78
L2.5 - 30.1	32	31	99.98
L3 - 28.3	32	31	100.00
L4 - 25.9	32	31	100.00
L5 - 24.7	31	32	100.00
R1 - 41.2	23	43	97.91
R1.5 - 36.3	24	41	100.00
R2 - 32.2	25	40	100.00
R2.5 - 29.8	27	37	100.00
R3 - 28.0	29	34	100.00
R4 - 25.8	32	31	100.00
R5 - 24.6	30	33	100.00
O1 - 59.0	22	45	63.17
O2 - 65.8	22	45	63.18
O3 - 94.9	22	45	54.99
O4 - 128.3	22	45	51.96

August 2, 2014

```
XXX  
95! *XXù  
90!   XXX  
85!     XX*  
80!       XX*  
75!         XX*  
70!           ùXX  
65!             ùXX  
60!               ù XX  
55!                 ùù X++  
50!                   ù * ++  
45!                     ùù** ++  
40!                       ù * +++  
35!                         ù * ++  
30!                           ùù** +++  
25!                             ù * +++  
20!                               ùù**  
15!                                 ùù*  
10!                                  ùX*  
5!                                    ùXX*
```

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(X) CURVE OVERLAP  
(ù) S0 38.4  
(+) L0 51.6  
(*) R1 41.2
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0!-----!-----!-----!-----!-----!-----!ùX-----!-----!-----!-----!-----!-----!-----!-----!-----!-----!-----!-----!  
00+ 10+ 20+ 30+ 40+ 50+ 60+ 70+ 80+ 90+ 100+ 110+ 120+ 130+ 140+ 150+
```

SIMULATED PLANT RECORD ANALYSIS
SIMULATED BALANCE METHOD

Shelby Energy Cooperative
August 2, 2014

CARRIERS - 030 Shelby Energy Cooperative
ACCOUNT - 370 Meters

- ACCOUNT CONTROL INFORMATION -

EARLIEST ADDITION	= 1939	LATEST ADDITION	= 2013	
EARLIEST BALANCE	= 1941	LATEST BALANCE	= 2013	
EARLIEST RETIREMENT	= 1941	LATEST RETIREMENT	= 2013	INPUT = ADD & RET

SIMULATED PLANT RECORD ANALYSIS
SIMULATED BALANCE METHOD

Shelby Energy Cooperative
August 2, 2014

CARRIERS - 030 Shelby Energy Cooperative
ACCOUNT - 370 Meters

ANALYSIS BAND = 1941 THRU 2013

INCREMENT = 1

DISP	MEAN	SSD	IV	REI			
S0	28.6 YRS.	0.9410E+12	198	100.00			
SIMULATED BALANCES							
YEAR	BALANCES	YEAR	BALANCES	YEAR	BALANCES		
2013	4158314.	1994	669229.	1975	218424.	1956	69740.
2012	3875364.	1993	654610.	1974	204844.	1955	69123.
2011	3820392.	1992	635128.	1973	181504.	1954	65383.
2010	3034039.	1991	615618.	1972	157904.	1953	62556.
2009	1186192.	1990	564493.	1971	134772.	1952	59480.
2008	1178311.	1989	543478.	1970	125730.	1951	58308.
2007	1163584.	1988	527953.	1969	119906.	1950	55712.
2006	1120964.	1987	515831.	1968	114836.	1949	53269.
2005	1087616.	1986	490434.	1967	106602.	1948	47971.
2004	1056016.	1985	476242.	1966	98797.	1947	39049.
2003	998380.	1984	453239.	1965	96431.	1946	27825.
2002	973845.	1983	428720.	1964	91305.	1945	21816.
2001	927220.	1982	404411.	1963	85930.	1944	20446.
2000	902589.	1981	389323.	1962	82837.	1943	19629.
1999	851382.	1980	348038.	1961	80993.	1942	19013.
1998	823100.	1979	310340.	1960	76586.	1941	18585.
1997	791333.	1978	281483.	1959	74142.	0	0.
1996	740579.	1977	264016.	1958	70551.	0	0.
1995	699657.	1976	230778.	1957	69582.	0	0.

DISP	MEAN	SSD	IV	REI			
S1	26.8 YRS.	0.9509E+12	199	100.00			
SIMULATED BALANCES							
YEAR	BALANCES	YEAR	BALANCES	YEAR	BALANCES		
2013	4173832.	1994	678399.	1975	218404.	1956	72308.
2012	3879852.	1993	663751.	1974	204851.	1955	71531.
2011	3816713.	1992	644076.	1973	181632.	1954	67606.
2010	3026651.	1991	624251.	1972	158235.	1953	64571.
2009	1179722.	1990	572732.	1971	135363.	1952	61270.
2008	1173632.	1989	551201.	1970	126597.	1951	59861.
2007	1160573.	1988	535037.	1969	121046.	1950	57028.
2006	1119547.	1987	522174.	1968	116244.	1949	54357.
2005	1087716.	1986	495978.	1967	108274.	1948	48856.
2004	1057544.	1985	480949.	1966	100720.	1947	39764.
2003	1001252.	1984	457108.	1965	98579.	1946	28402.
2002	977914.	1983	431781.	1964	93652.	1945	22273.
2001	932355.	1982	406719.	1963	88445.	1944	20788.
2000	908649.	1981	390957.	1962	85485.	1943	19864.
1999	858263.	1980	349128.	1961	83733.	1942	19153.
1998	830683.	1979	311017.	1960	79379.	1941	18651.
1997	799506.	1978	281851.	1959	76946.	0	0.
1996	749237.	1977	264165.	1958	73323.	0	0.
1995	708662.	1976	230805.	1957	72275.	0	0.

DISP	MEAN	SSD	IV	REI			
S2	26.2 YRS.	0.9352E+12	197	100.00			
SIMULATED BALANCES							
YEAR	BALANCES	YEAR	BALANCES	YEAR	BALANCES		
2013	4180724.	1994	692710.	1975	218310.	1956	74537.
2012	3883186.	1993	677645.	1974	204927.	1955	73513.
2011	3818610.	1992	657337.	1973	181954.	1954	69334.
2010	3028568.	1991	636683.	1972	158856.	1953	66048.
2009	1182279.	1990	584162.	1971	136313.	1952	62507.
2008	1176964.	1989	561490.	1970	127887.	1951	60875.
2007	1164794.	1988	544089.	1969	122676.	1950	57841.
2006	1124765.	1987	529944.	1968	118201.	1949	54997.
2005	1094017.	1986	502468.	1967	110530.	1948	49348.
2004	1064989.	1985	486203.	1966	103237.	1947	40131.
2003	1009868.	1984	461208.	1965	101311.	1946	28664.
2002	987691.	1983	434841.	1964	96547.	1945	22448.
2001	943247.	1982	408873.	1963	91445.	1944	20895.
2000	920574.	1981	392356.	1962	88529.	1943	19922.
1999	871095.	1980	349927.	1961	86763.	1942	19179.
1998	844257.	1979	311366.	1960	82337.	1941	18660.
1997	813622.	1978	281894.	1959	79780.	0	0.
1996	763666.	1977	264039.	1958	75988.	0	0.
1995	723156.	1976	230639.	1957	74735.	0	0.

DISP	MEAN	SSD	IV	REI			
S3	25.8 YRS.	0.9235E+12	196	100.00			
SIMULATED BALANCES							
YEAR	BALANCES	YEAR	BALANCES	YEAR	BALANCES		
2013	4181038.	1994	704628.	1975	217304.	1956	76022.
2012	3882652.	1993	689057.	1974	204175.	1955	74761.
2011	3817650.	1992	668031.	1973	181533.	1954	70357.
2010	3027487.	1991	646485.	1972	158823.	1953	66865.
2009	1181357.	1990	592943.	1971	136701.	1952	63142.
2008	1176492.	1989	569166.	1970	128709.	1951	61354.
2007	1165055.	1988	550617.	1969	123920.	1950	58189.
2006	1126018.	1987	535320.	1968	119835.	1949	55240.
2005	1096476.	1986	506721.	1967	112506.	1948	49508.
2004	1068809.	1985	489392.	1966	105491.	1947	40230.
2003	1015135.	1984	463415.	1965	103770.	1946	28721.
2002	994416.	1983	436169.	1964	99133.	1945	22477.
2001	951369.	1982	409440.	1963	94081.	1944	20909.
2000	929962.	1981	392290.	1962	91140.	1943	19927.
1999	881560.	1980	349366.	1961	89282.	1942	19180.
1998	855561.	1979	310450.	1960	84710.	1941	18660.
1997	825499.	1978	280763.	1959	81963.	0	0.
1996	775834.	1977	262830.	1958	77952.	0	0.
1995	735334.	1976	229475.	1957	76462.	0	0.

DISP	MEAN	SSD	IV	REI			
S4	25.6 YRS.	0.9179E+12	195	100.00			
SIMULATED BALANCES							
YEAR	BALANCES	YEAR	BALANCES	YEAR	BALANCES		
2013	4185898.	1994	717629.	1975	216197.	1956	77120.
2012	3885921.	1993	701064.	1974	203448.	1955	75587.
2011	3819631.	1992	678905.	1973	181286.	1954	70952.
2010	3028603.	1991	656153.	1972	159115.	1953	67274.
2009	1182116.	1990	601385.	1971	137550.	1952	63408.
2008	1177441.	1989	576406.	1970	130092.	1951	61517.
2007	1166729.	1988	556708.	1969	125786.	1950	58284.
2006	1128885.	1987	540329.	1968	122109.	1949	55290.
2005	1100897.	1986	510717.	1967	115099.	1948	49533.
2004	1075010.	1985	492441.	1966	108307.	1947	40241.
2003	1023195.	1984	465580.	1965	106713.	1946	28725.
2002	1004274.	1983	437511.	1964	102109.	1945	22479.
2001	962837.	1982	410029.	1963	97002.	1944	20909.
2000	942752.	1981	392212.	1962	93929.	1943	19927.
1999	895313.	1980	348729.	1961	91870.	1942	19180.
1998	869886.	1979	309387.	1960	87042.	1941	18660.
1997	840002.	1978	279432.	1959	83999.	0	0.
1996	790144.	1977	261401.	1958	79671.	0	0.
1995	749124.	1976	228126.	1957	77862.	0	0.

DISP	MEAN	SSD	IV	REI			
S5	25.8 YRS.	0.9172E+12	195	100.00			
SIMULATED BALANCES							
YEAR	BALANCES	YEAR	BALANCES	YEAR	BALANCES		
2013	4194808.	1994	727903.	1975	215628.	1956	77460.
2012	3892874.	1993	710036.	1974	203455.	1955	75773.
2011	3824799.	1992	686551.	1973	181991.	1954	71046.
2010	3032438.	1991	662577.	1972	160493.	1953	67317.
2009	1185319.	1990	606772.	1971	139442.	1952	63426.
2008	1180838.	1989	580960.	1970	132271.	1951	61524.
2007	1171111.	1988	560610.	1969	128044.	1950	58286.
2006	1134839.	1987	543705.	1968	124329.	1949	55291.
2005	1108691.	1986	513637.	1967	117274.	1948	49533.
2004	1084575.	1985	494919.	1966	110501.	1947	40241.
2003	1034204.	1984	467596.	1965	108989.	1946	28725.
2002	1016292.	1983	439029.	1964	104473.	1945	22479.
2001	975460.	1982	411020.	1963	99380.	1944	20909.
2000	955688.	1981	392666.	1962	96190.	1943	19927.
1999	908374.	1980	348666.	1961	93876.	1942	19180.
1998	882913.	1979	308870.	1960	88690.	1941	18660.
1997	852786.	1978	278579.	1959	85252.	0	0.
1996	802402.	1977	260395.	1958	80550.	0	0.
1995	760531.	1976	227206.	1957	78431.	0	0.

DISP	MEAN	SSD	IV	REI			
S6	25.9 YRS.	0.9186E+12	195	100.00			
SIMULATED BALANCES							
YEAR	BALANCES	YEAR	BALANCES	YEAR	BALANCES		
2013	4201928.	1994	733992.	1975	214566.	1956	77480.
2012	3897851.	1993	714723.	1974	203092.	1955	75779.
2011	3827946.	1992	690243.	1973	182844.	1954	71047.
2010	3034299.	1991	665632.	1972	162563.	1953	67317.
2009	1186468.	1990	609403.	1971	142125.	1952	63426.
2008	1182053.	1989	583276.	1970	134698.	1951	61524.
2007	1173466.	1988	562683.	1969	129610.	1950	58286.
2006	1139368.	1987	545610.	1968	125042.	1949	55291.
2005	1115765.	1986	515438.	1967	117673.	1948	49533.
2004	1093595.	1985	496610.	1966	111244.	1947	40241.
2003	1043901.	1984	469057.	1965	110416.	1946	28725.
2002	1025431.	1983	440097.	1964	106447.	1945	22479.
2001	983485.	1982	411625.	1963	101464.	1944	20909.
2000	962958.	1981	392903.	1962	97957.	1943	19927.
1999	915800.	1980	348699.	1961	95116.	1942	19180.
1998	891179.	1979	308761.	1960	89425.	1941	18660.
1997	861744.	1978	278220.	1959	85625.	0	0.
1996	811174.	1977	259635.	1958	80713.	0	0.
1995	768174.	1976	226094.	1957	78494.	0	0.

DISP	MEAN	SSD	IV	REI			
SQ	28.2 YRS.	0.9719E+12	201	100.00			
SIMULATED BALANCES							
YEAR	BALANCES	YEAR	BALANCES	YEAR	BALANCES		
2013	4259575.	1994	755555.	1975	226675.	1956	77480.
2012	3957474.	1993	731412.	1974	220964.	1955	75779.
2011	3890678.	1992	705744.	1973	200517.	1954	71047.
2010	3098863.	1991	680889.	1972	175398.	1953	67317.
2009	1242181.	1990	622744.	1971	150380.	1952	63426.
2008	1253253.	1989	593996.	1970	139388.	1951	61524.
2007	1254508.	1988	573806.	1969	131536.	1950	58286.
2006	1219753.	1987	555561.	1968	133534.	1949	55291.
2005	1183628.	1986	525707.	1967	125969.	1948	49533.
2004	1165762.	1985	504944.	1966	122280.	1947	40241.
2003	1101747.	1984	474752.	1965	117891.	1946	28725.
2002	1072763.	1983	444312.	1964	110855.	1945	22479.
2001	1032150.	1982	417675.	1963	103677.	1944	20909.
2000	1014487.	1981	399801.	1962	98881.	1943	19927.
1999	970520.	1980	356440.	1961	95429.	1942	19180.
1998	936128.	1979	315180.	1960	89509.	1941	18660.
1997	895769.	1978	284535.	1959	85642.	0	0.
1996	836382.	1977	265428.	1958	80716.	0	0.
1995	790640.	1976	233683.	1957	78494.	0	0.

DISP	MEAN	SSD	IV	REI			
L0	32.9 YRS.	0.9110E+12	195	96.11			
SIMULATED BALANCES							
YEAR	BALANCES	YEAR	BALANCES	YEAR	BALANCES		
2013	4137886.	1994	664461.	1975	216661.	1956	67568.
2012	3864631.	1993	649599.	1974	203154.	1955	67083.
2011	3818939.	1992	629978.	1973	179843.	1954	63492.
2010	3039489.	1991	610410.	1972	156210.	1953	60823.
2009	1192799.	1990	559237.	1971	132986.	1952	57917.
2008	1183263.	1989	538205.	1970	123828.	1951	56927.
2007	1167161.	1988	522756.	1969	117897.	1950	54522.
2006	1123355.	1987	510811.	1968	112733.	1949	52272.
2005	1088978.	1986	485659.	1967	104411.	1948	47159.
2004	1056495.	1985	471775.	1966	96521.	1947	38394.
2003	998043.	1984	449129.	1965	94084.	1946	27290.
2002	972767.	1983	424987.	1964	88906.	1945	21375.
2001	925475.	1982	401065.	1963	83490.	1944	20091.
2000	900261.	1981	386378.	1962	80374.	1943	19361.
1999	848530.	1980	345444.	1961	78530.	1942	18831.
1998	819792.	1979	308009.	1960	74141.	1941	18486.
1997	787648.	1978	279351.	1959	71732.	0	0.
1996	736523.	1977	262053.	1958	68196.	0	0.
1995	695227.	1976	228930.	1957	67304.	0	0.

DISP	MEAN	SSD	IV	REI			
L1	29.5 YRS.	0.9540E+12	199	99.72			
SIMULATED BALANCES							
YEAR	BALANCES	YEAR	BALANCES	YEAR	BALANCES		
2013	4168687.	1994	671483.	1975	217928.	1956	70207.
2012	3880024.	1993	657136.	1974	204185.	1955	69626.
2011	3821334.	1992	637891.	1973	180739.	1954	65902.
2010	3034109.	1991	618586.	1972	157080.	1953	63068.
2009	1186877.	1990	567621.	1971	133921.	1952	59965.
2008	1178790.	1989	546665.	1970	124868.	1951	58748.
2007	1163900.	1988	531107.	1969	119054.	1950	56099.
2006	1121176.	1987	518864.	1968	114020.	1949	53601.
2005	1087769.	1986	493271.	1967	105851.	1948	48254.
2004	1056163.	1985	478810.	1966	98131.	1947	39293.
2003	998565.	1984	455489.	1965	95868.	1946	28032.
2002	974073.	1983	430617.	1964	90866.	1945	21981.
2001	927532.	1982	405934.	1963	85627.	1944	20564.
2000	903027.	1981	390480.	1962	82675.	1943	19701.
1999	852016.	1980	348866.	1961	80972.	1942	19045.
1998	823984.	1979	310858.	1960	76698.	1941	18593.
1997	792540.	1978	281705.	1959	74374.	0	0.
1996	742153.	1977	263968.	1958	70885.	0	0.
1995	701592.	1976	230494.	1957	69994.	0	0.

DISP	MEAN	SSD	IV	REI			
L2	27.7 YRS.	0.9703E+12	201	100.00			
SIMULATED BALANCES							
YEAR	BALANCES	YEAR	BALANCES	YEAR	BALANCES	YEAR	BALANCES
2013	4188825.	1994	684618.	1975	218399.	1956	73038.
2012	3892151.	1993	670324.	1974	204597.	1955	72223.
2011	3826954.	1992	650876.	1973	181190.	1954	68247.
2010	3035343.	1991	631137.	1972	157670.	1953	65150.
2009	1187121.	1990	579565.	1971	134734.	1952	61775.
2008	1179830.	1989	557854.	1970	125962.	1951	60284.
2007	1165695.	1988	541399.	1969	120459.	1950	57366.
2006	1123760.	1987	528151.	1968	115753.	1949	54617.
2005	1091213.	1986	501491.	1967	107916.	1948	49048.
2004	1060542.	1985	485933.	1966	100522.	1947	39901.
2003	1003965.	1984	461517.	1965	98555.	1946	28497.
2002	980546.	1983	435588.	1964	93804.	1945	22336.
2001	935098.	1982	409922.	1963	88766.	1944	20826.
2000	911679.	1981	393575.	1962	85955.	1943	19885.
1999	861729.	1980	351197.	1961	84326.	1942	19162.
1998	834692.	1979	312577.	1960	80062.	1941	18654.
1997	804112.	1978	282944.	1959	77684.	0	0.
1996	754441.	1977	264838.	1958	74083.	0	0.
1995	714415.	1976	231111.	1957	73030.	0	0.

DISP	MEAN	SSD	IV	REI			
L3	26.5 YRS.	0.9563E+12	199	100.00			
SIMULATED BALANCES							
YEAR	BALANCES	YEAR	BALANCES	YEAR	BALANCES	YEAR	BALANCES
2013	4187601.	1994	696181.	1975	217492.	1956	75116.
2012	3888582.	1993	681474.	1974	203892.	1955	74020.
2011	3822563.	1992	661403.	1973	180787.	1954	69756.
2010	3031111.	1991	640871.	1972	157648.	1953	66382.
2009	1183464.	1990	588364.	1971	135147.	1952	62757.
2008	1176915.	1989	565609.	1970	126837.	1951	61053.
2007	1163706.	1988	548041.	1969	121800.	1950	57961.
2006	1122892.	1987	533662.	1968	117536.	1949	55075.
2005	1091649.	1986	505898.	1967	110094.	1948	49396.
2004	1062430.	1985	489306.	1966	103029.	1947	40160.
2003	1007414.	1984	463952.	1965	101316.	1946	28682.
2002	985610.	1983	437203.	1964	96738.	1945	22459.
2001	941753.	1982	410833.	1963	91791.	1944	20901.
2000	919816.	1981	393896.	1962	88998.	1943	19925.
1999	871153.	1980	351033.	1961	87323.	1942	19180.
1998	845145.	1979	312034.	1960	82959.	1941	18660.
1997	815300.	1978	282133.	1959	80434.	0	0.
1996	766052.	1977	263876.	1958	76644.	0	0.
1995	726144.	1976	230117.	1957	75365.	0	0.

DISP	MEAN	SSD	IV	REI			
L4	25.8 YRS.	0.9325E+12	197	100.00			
SIMULATED BALANCES							
YEAR	BALANCES	YEAR	BALANCES	YEAR	BALANCES		
2013	4185874.	1994	709716.	1975	216486.	1956	76462.
2012	3886474.	1993	693884.	1974	203380.	1955	75082.
2011	3820311.	1992	672447.	1973	180886.	1954	70588.
2010	3028974.	1991	650429.	1972	158427.	1953	67030.
2009	1181819.	1990	596428.	1971	136613.	1952	63258.
2008	1176227.	1989	572244.	1970	128916.	1951	61434.
2007	1164456.	1988	553351.	1969	124351.	1950	58243.
2006	1125496.	1987	537766.	1968	120393.	1949	55274.
2005	1096395.	1986	508915.	1967	113119.	1948	49527.
2004	1069447.	1985	491346.	1966	106143.	1947	40240.
2003	1016629.	1984	465123.	1965	104491.	1946	28725.
2002	996751.	1983	437606.	1964	99971.	1945	22479.
2001	954418.	1982	410572.	1963	95053.	1944	20909.
2000	933577.	1981	393084.	1962	92215.	1943	19927.
1999	885617.	1980	349799.	1961	90386.	1942	19180.
1998	859986.	1979	310525.	1960	85754.	1941	18660.
1997	830250.	1978	280510.	1959	82880.	0	0.
1996	780848.	1977	262303.	1958	78705.	0	0.
1995	740481.	1976	228753.	1957	77049.	0	0.

DISP	MEAN	SSD	IV	REI			
L5	25.7 YRS.	0.9250E+12	196	100.00			
SIMULATED BALANCES							
YEAR	BALANCES	YEAR	BALANCES	YEAR	BALANCES		
2013	4190055.	1994	721174.	1975	215451.	1956	77273.
2012	3889169.	1993	704099.	1974	202782.	1955	75686.
2011	3821739.	1992	681413.	1973	180924.	1954	71012.
2010	3029601.	1991	658226.	1972	159192.	1953	67307.
2009	1182231.	1990	603137.	1971	138033.	1952	63424.
2008	1177029.	1989	577923.	1970	130785.	1951	61524.
2007	1166237.	1988	558049.	1969	126440.	1950	58286.
2006	1128784.	1987	541544.	1968	122563.	1949	55291.
2005	1101557.	1986	511848.	1967	115366.	1948	49533.
2004	1076567.	1985	493513.	1966	108543.	1947	40241.
2003	1025503.	1984	466585.	1965	107101.	1946	28725.
2002	1006997.	1983	438410.	1964	102742.	1945	22479.
2001	965656.	1982	410768.	1963	97839.	1944	20909.
2000	945546.	1981	392749.	1962	94835.	1943	19927.
1999	898190.	1980	349045.	1961	92701.	1942	19180.
1998	873051.	1979	309478.	1960	87709.	1941	18660.
1997	843564.	1978	279286.	1959	84488.	0	0.
1996	794000.	1977	261004.	1958	80009.	0	0.
1995	752985.	1976	227500.	1957	78092.	0	0.

DISP	MEAN	SSD	IV	REI			
R1	28.7 YRS.	0.8572E+12	189	100.00			
SIMULATED BALANCES							
YEAR	BALANCES	YEAR	BALANCES	YEAR	BALANCES		
2013	4120350.	1994	669106.	1975	218327.	1956	69069.
2012	3847210.	1993	653811.	1974	205073.	1955	68365.
2011	3804745.	1992	633760.	1973	182039.	1954	64564.
2010	3032216.	1991	613793.	1972	158662.	1953	61694.
2009	1191173.	1990	562217.	1971	135639.	1952	58596.
2008	1182976.	1989	540702.	1970	126617.	1951	57433.
2007	1168090.	1988	524776.	1969	120785.	1950	54883.
2006	1125368.	1987	512401.	1968	115694.	1949	52521.
2005	1091889.	1986	486880.	1967	107418.	1948	47334.
2004	1060178.	1985	472680.	1966	99530.	1947	38524.
2003	1002350.	1984	449810.	1965	97058.	1946	27381.
2002	977526.	1983	425521.	1964	91818.	1945	21415.
2001	930577.	1982	401528.	1963	86306.	1944	20080.
2000	905583.	1981	386880.	1962	83061.	1943	19313.
1999	853978.	1980	346099.	1961	81065.	1942	18764.
1998	825235.	1979	308839.	1960	76504.	1941	18428.
1997	793037.	1978	280362.	1959	73902.	0	0.
1996	741789.	1977	263274.	1958	70154.	0	0.
1995	700240.	1976	230382.	1957	69035.	0	0.

DISP	MEAN	SSD	IV	REI			
R2	26.7 YRS.	0.8823E+12	191	100.00			
SIMULATED BALANCES							
YEAR	BALANCES	YEAR	BALANCES	YEAR	BALANCES		
2013	4144350.	1994	680343.	1975	218234.	1956	71894.
2012	3859447.	1993	664786.	1974	205134.	1955	71007.
2011	3805831.	1992	644245.	1973	182314.	1954	67002.
2010	3024198.	1991	623603.	1972	159232.	1953	63916.
2009	1181013.	1990	571278.	1971	136575.	1952	60594.
2008	1175520.	1989	548978.	1970	127946.	1951	59195.
2007	1163159.	1988	532166.	1969	122481.	1950	56402.
2006	1122837.	1987	518815.	1968	117718.	1949	53796.
2005	1091649.	1986	492289.	1967	109732.	1948	48372.
2004	1062050.	1985	477095.	1966	102105.	1947	39353.
2003	1006186.	1984	453257.	1965	99850.	1946	28048.
2002	983128.	1983	428077.	1964	94775.	1945	21961.
2001	937706.	1982	403289.	1963	89389.	1944	20520.
2000	913991.	1981	387927.	1962	86227.	1943	19650.
1999	863426.	1980	346566.	1961	84266.	1942	18999.
1998	835494.	1979	308927.	1960	79699.	1941	18562.
1997	803828.	1978	280238.	1959	77056.	0	0.
1996	752902.	1977	263048.	1958	73234.	0	0.
1995	711511.	1976	230174.	1957	72007.	0	0.

DISP	MEAN	SSD	IV	REI			
R3	26.0 YRS.	0.8986E+12	193	100.00			
SIMULATED BALANCES							
YEAR	BALANCES	YEAR	BALANCES	YEAR	BALANCES		
2013	4171613.	1994	697786.	1975	218275.	1956	74473.
2012	3877168.	1993	681745.	1974	205348.	1955	73344.
2011	3815354.	1992	660468.	1973	182795.	1954	69094.
2010	3027604.	1991	638874.	1972	160064.	1953	65765.
2009	1182785.	1990	585458.	1971	137825.	1952	62206.
2008	1178587.	1989	561960.	1970	129637.	1951	60578.
2007	1167661.	1988	543829.	1969	124593.	1950	57563.
2006	1128909.	1987	529066.	1968	120211.	1949	54748.
2005	1099386.	1986	501087.	1967	112557.	1948	49133.
2004	1071462.	1985	484435.	1966	105206.	1947	39951.
2003	1017256.	1984	459169.	1965	103157.	1946	28518.
2002	995766.	1983	432640.	1964	98215.	1945	22333.
2001	951750.	1982	406623.	1963	92894.	1944	20809.
2000	929237.	1981	390173.	1962	89733.	1943	19862.
1999	879652.	1980	347919.	1961	87712.	1942	19141.
1998	852458.	1979	309630.	1960	83036.	1941	18640.
1997	821257.	1978	280514.	1959	80245.	0	0.
1996	770559.	1977	263081.	1958	76243.	0	0.
1995	729178.	1976	230138.	1957	74813.	0	0.

DISP	MEAN	SSD	IV	REI			
R4	25.6 YRS.	0.9029E+12	194	100.00			
SIMULATED BALANCES							
YEAR	BALANCES	YEAR	BALANCES	YEAR	BALANCES		
2013	4177839.	1994	709883.	1975	216836.	1956	76121.
2012	3879115.	1993	693456.	1974	204217.	1955	74777.
2011	3814136.	1992	671653.	1973	182062.	1954	70319.
2010	3024418.	1991	649411.	1972	159756.	1953	66796.
2009	1179131.	1990	595247.	1971	137925.	1952	63059.
2008	1175483.	1989	570912.	1970	130121.	1951	61270.
2007	1165554.	1988	551862.	1969	125462.	1950	58113.
2006	1128150.	1987	536097.	1968	121488.	1949	55176.
2005	1100189.	1986	507041.	1967	114263.	1948	49458.
2004	1073905.	1985	489254.	1966	107323.	1947	40193.
2003	1021338.	1984	462826.	1965	105606.	1946	28695.
2002	1001452.	1983	435159.	1964	100877.	1945	22461.
2001	959003.	1982	408079.	1963	95638.	1944	20898.
2000	937978.	1981	390687.	1962	92447.	1943	19921.
1999	889720.	1980	347648.	1961	90319.	1942	19177.
1998	863599.	1979	308747.	1960	85489.	1941	18659.
1997	833137.	1978	279200.	1959	82517.	0	0.
1996	782815.	1977	261525.	1958	78317.	0	0.
1995	741481.	1976	228543.	1957	76676.	0	0.

DISP	MEAN	SSD	IV	REI			
R5	25.8 YRS.	0.9102E+12	195	100.00			
SIMULATED BALANCES							
YEAR	BALANCES	YEAR	BALANCES	YEAR	BALANCES		
2013	4192178.	1994	724853.	1975	216307.	1956	77282.
2012	3890689.	1993	707229.	1974	204193.	1955	75676.
2011	3823215.	1992	684111.	1973	182590.	1954	70998.
2010	3031599.	1991	660547.	1972	160767.	1953	67296.
2009	1185301.	1990	605129.	1971	139318.	1952	63418.
2008	1181510.	1989	579641.	1970	131826.	1951	61522.
2007	1172142.	1988	559539.	1969	127457.	1950	58285.
2006	1135801.	1987	542807.	1968	123781.	1949	55291.
2005	1109151.	1986	512841.	1967	116854.	1948	49533.
2004	1084232.	1985	494181.	1966	110184.	1947	40241.
2003	1033005.	1984	466912.	1965	108676.	1946	28725.
2002	1014435.	1983	438428.	1964	104064.	1945	22479.
2001	973257.	1982	410536.	1963	98829.	1944	20909.
2000	953370.	1981	392318.	1962	95520.	1943	19927.
1999	905991.	1980	348455.	1961	93160.	1942	19180.
1998	880379.	1979	308795.	1960	88015.	1941	18660.
1997	850019.	1978	278651.	1959	84685.	0	0.
1996	799409.	1977	260655.	1958	80122.	0	0.
1995	757421.	1976	227692.	1957	78142.	0	0.

DISP	MEAN	SSD	IV	REI			
O1	32.8 YRS.	0.8219E+12	185	100.00			
SIMULATED BALANCES							
YEAR	BALANCES	YEAR	BALANCES	YEAR	BALANCES		
2013	4094693.	1994	664218.	1975	216503.	1956	66399.
2012	3832111.	1993	648858.	1974	203216.	1955	65866.
2011	3800774.	1992	628859.	1973	180128.	1954	62254.
2010	3038249.	1991	609037.	1972	156637.	1953	59579.
2009	1200042.	1990	557583.	1971	133433.	1952	56686.
2008	1189355.	1989	536145.	1970	124202.	1951	55736.
2007	1172356.	1988	520352.	1969	118185.	1950	53412.
2006	1127800.	1987	508189.	1968	112944.	1949	51283.
2005	1092825.	1986	482924.	1967	104542.	1948	46325.
2004	1059891.	1985	469013.	1966	96541.	1947	37718.
2003	1001064.	1984	446468.	1965	93983.	1946	26727.
2002	975377.	1983	422506.	1964	88692.	1945	20872.
2001	927730.	1982	398830.	1963	83150.	1944	19633.
2000	902184.	1981	384516.	1962	79899.	1943	18962.
1999	850152.	1980	344029.	1961	77929.	1942	18514.
1998	821070.	1979	306942.	1960	73419.	1941	18282.
1997	788665.	1978	278546.	1959	70888.	0	0.
1996	737247.	1977	261505.	1958	67231.	0	0.
1995	695512.	1976	228608.	1957	66223.	0	0.

DISP	MEAN	SSD	IV	REI			
O2	36.2 YRS.	0.8236E+12	185	90.90			
SIMULATED BALANCES							
YEAR	BALANCES	YEAR	BALANCES	YEAR	BALANCES		
2013	4093830.	1994	662293.	1975	215647.	1956	66207.
2012	3831845.	1993	646901.	1974	202422.	1955	65696.
2011	3800948.	1992	626891.	1973	179392.	1954	62103.
2010	3038717.	1991	607077.	1972	155953.	1953	59447.
2009	1200515.	1990	555644.	1971	132795.	1952	56570.
2008	1189653.	1989	534237.	1970	123606.	1951	55638.
2007	1172521.	1988	518490.	1969	117629.	1950	53329.
2006	1127859.	1987	506386.	1968	112427.	1949	51215.
2005	1092678.	1986	481189.	1967	104061.	1948	46271.
2004	1059525.	1985	467355.	1966	96093.	1947	37675.
2003	1000423.	1984	444894.	1965	93568.	1946	26694.
2002	974490.	1983	421017.	1964	88307.	1945	20845.
2001	926625.	1982	397430.	1963	82793.	1944	19612.
2000	900892.	1981	383205.	1962	79569.	1943	18946.
1999	848697.	1980	342805.	1961	77625.	1942	18503.
1998	819477.	1979	305800.	1960	73140.	1941	18276.
1997	786959.	1978	277482.	1959	70632.	0	0.
1996	735449.	1977	260514.	1958	66997.	0	0.
1995	693640.	1976	227686.	1957	66011.	0	0.

DISP	MEAN	SSD	IV	REI			
O3	48.0 YRS.	0.8188E+12	184	78.83			
SIMULATED BALANCES							
YEAR	BALANCES	YEAR	BALANCES	YEAR	BALANCES		
2013	4087481.	1994	659429.	1975	214069.	1956	65242.
2012	3828569.	1993	643979.	1974	200887.	1955	64807.
2011	3800763.	1992	623954.	1973	177894.	1954	61294.
2010	3041179.	1991	604160.	1972	154475.	1953	58718.
2009	1203520.	1990	552749.	1971	131318.	1952	55921.
2008	1191715.	1989	531362.	1970	122122.	1951	55069.
2007	1173785.	1988	515659.	1969	116145.	1950	52842.
2006	1128434.	1987	503631.	1968	110951.	1949	50808.
2005	1092651.	1986	478530.	1967	102599.	1948	45941.
2004	1058986.	1985	464807.	1966	94649.	1947	37413.
2003	999433.	1984	442472.	1965	92147.	1946	26483.
2002	973109.	1983	418725.	1964	86917.	1945	20673.
2001	924918.	1982	395269.	1963	81438.	1944	19472.
2000	898914.	1981	381182.	1962	78254.	1943	18839.
1999	846495.	1980	340911.	1961	76357.	1942	18428.
1998	817086.	1979	304001.	1960	71925.	1941	18233.
1997	784426.	1978	275754.	1959	69473.	0	0.
1996	732795.	1977	258849.	1958	65897.	0	0.
1995	690872.	1976	226071.	1957	64975.	0	0.

DISP	MEAN	SSD	IV	REI			
O4	62.3 YRS.	0.8155E+12	184	72.35			
SIMULATED BALANCES							
YEAR	BALANCES	YEAR	BALANCES	YEAR	BALANCES		
2013	4087183.	1994	658868.	1975	213678.	1956	64834.
2012	3829621.	1993	643323.	1974	200505.	1955	64427.
2011	3803204.	1992	623231.	1973	177516.	1954	60943.
2010	3044792.	1991	603394.	1972	154091.	1953	58397.
2009	1207296.	1990	551949.	1971	130918.	1952	55632.
2008	1194942.	1989	530532.	1970	121702.	1951	54814.
2007	1176526.	1988	514820.	1969	115706.	1950	52621.
2006	1130738.	1987	502801.	1968	110497.	1949	50623.
2005	1094556.	1986	477725.	1967	102133.	1948	45790.
2004	1060533.	1985	464038.	1966	94171.	1947	37292.
2003	1000650.	1984	441750.	1965	91661.	1946	26386.
2002	974026.	1983	418056.	1964	86427.	1945	20593.
2001	925567.	1982	394654.	1963	80947.	1944	19407.
2000	899324.	1981	380626.	1962	77764.	1943	18789.
1999	846692.	1980	340409.	1961	75872.	1942	18392.
1998	817092.	1979	303538.	1960	71449.	1941	18212.
1997	784269.	1978	275318.	1959	69009.	0	0.
1996	732492.	1977	258436.	1958	65449.	0	0.
1995	690432.	1976	225672.	1957	64544.	0	0.

DISP	MEAN	SSD	IV	REI			
S0.5	27.7 YRS.	0.9440E+12	198	100.00			
SIMULATED BALANCES							
YEAR	BALANCES	YEAR	BALANCES	YEAR	BALANCES		
2013	4167817.	1994	674374.	1975	218722.	1956	71029.
2012	3879594.	1993	659658.	1974	205149.	1955	70325.
2011	3820702.	1992	640015.	1973	181860.	1954	66487.
2010	3032577.	1991	620295.	1972	158349.	1953	63552.
2009	1185139.	1990	568933.	1971	135332.	1952	60361.
2008	1178073.	1989	547630.	1970	126410.	1951	59070.
2007	1164096.	1988	531766.	1969	120704.	1950	56355.
2006	1122183.	1987	519262.	1968	115749.	1949	53800.
2005	1089496.	1986	493461.	1967	107627.	1948	48402.
2004	1058503.	1985	478852.	1966	99927.	1947	39396.
2003	1001413.	1984	455435.	1965	97653.	1946	28104.
2002	977337.	1983	430520.	1964	92606.	1945	22036.
2001	931103.	1982	405845.	1963	87295.	1944	20610.
2000	906805.	1981	390430.	1962	84250.	1943	19742.
1999	855891.	1980	348882.	1961	82434.	1942	19080.
1998	827855.	1979	310984.	1960	78037.	1941	18617.
1997	796284.	1978	281976.	1959	75583.	0	0.
1996	745668.	1977	264402.	1958	71963.	0	0.
1995	704816.	1976	231102.	1957	70943.	0	0.

DISP	MEAN	SSD	IV	REI			
S1.5	26.5 YRS.	0.9415E+12	198	100.00			
SIMULATED BALANCES							
YEAR	BALANCES	YEAR	BALANCES	YEAR	BALANCES		
2013	4176965.	1994	685449.	1975	218383.	1956	73402.
2012	3881323.	1993	670570.	1974	204923.	1955	72502.
2011	3817544.	1992	650561.	1973	181831.	1954	68451.
2010	3027543.	1991	630307.	1972	158587.	1953	65292.
2009	1180973.	1990	578277.	1971	135879.	1952	61873.
2008	1175304.	1989	556172.	1970	127282.	1951	60355.
2007	1162718.	1988	539390.	1969	121898.	1950	57424.
2006	1122214.	1987	525892.	1968	117255.	1949	54668.
2005	1090941.	1986	499067.	1967	109429.	1948	49095.
2004	1061350.	1985	483434.	1966	101999.	1947	39942.
2003	1005645.	1984	459032.	1965	99959.	1946	28529.
2002	982883.	1983	433204.	1964	95107.	1945	22358.
2001	937871.	1982	407709.	1963	89946.	1944	20840.
2000	914667.	1981	391590.	1962	87002.	1943	19892.
1999	864713.	1980	349481.	1961	85238.	1942	19165.
1998	837477.	1979	311163.	1960	80845.	1941	18655.
1997	806541.	1978	281861.	1959	78346.	0	0.
1996	756399.	1977	264105.	1958	74637.	0	0.
1995	715828.	1976	230738.	1957	73485.	0	0.

DISP	MEAN	SSD	IV	REI			
S2.5	25.8 YRS.	0.9284E+12	196	100.00			
SIMULATED BALANCES							
YEAR	BALANCES	YEAR	BALANCES	YEAR	BALANCES		
2013	4176051.	1994	697062.	1975	217281.	1956	75217.
2012	3878261.	1993	681879.	1974	204048.	1955	74087.
2011	3813637.	1992	661337.	1973	181263.	1954	69807.
2010	3023700.	1991	640350.	1972	158384.	1953	66427.
2009	1177657.	1990	587421.	1971	136076.	1952	62802.
2008	1172736.	1989	564287.	1970	127894.	1951	61098.
2007	1161106.	1988	546392.	1969	122922.	1950	58004.
2006	1121748.	1987	531740.	1968	118670.	1949	55111.
2005	1091778.	1986	503761.	1967	111198.	1948	49423.
2004	1063607.	1985	487013.	1966	104073.	1947	40177.
2003	1009386.	1984	461569.	1965	102278.	1946	28691.
2002	988117.	1983	434798.	1964	97605.	1945	22462.
2001	944550.	1982	408480.	1963	92555.	1944	20902.
2000	922688.	1981	391673.	1962	89653.	1943	19924.
1999	873922.	1980	349020.	1961	87865.	1942	19179.
1998	847675.	1979	310301.	1960	83389.	1941	18660.
1997	817493.	1978	280742.	1959	80758.	0	0.
1996	767844.	1977	262867.	1958	76875.	0	0.
1995	727493.	1976	229511.	1957	75521.	0	0.

DISP	MEAN	SSD	IV	REI			
LO.5	31.1 YRS.	0.9288E+12	196	98.37			
SIMULATED BALANCES							
YEAR	BALANCES	YEAR	BALANCES	YEAR	BALANCES		
2013	4152364.	1994	668260.	1975	217385.	1956	68860.
2012	3872070.	1993	653609.	1974	203770.	1955	68320.
2011	3820454.	1992	634131.	1973	180398.	1954	64656.
2010	3037496.	1991	614652.	1972	156756.	1953	61901.
2009	1190586.	1990	563540.	1971	133563.	1952	58894.
2008	1181732.	1989	542505.	1970	124455.	1951	57792.
2007	1166199.	1988	526967.	1969	118579.	1950	55267.
2006	1122901.	1987	514847.	1968	113477.	1949	52898.
2005	1088979.	1986	489456.	1967	105226.	1948	47673.
2004	1056909.	1985	475275.	1966	97415.	1947	38814.
2003	998859.	1984	452290.	1965	95058.	1946	27635.
2002	973953.	1983	427788.	1964	89958.	1945	21655.
2001	927015.	1982	403496.	1963	84619.	1944	20308.
2000	902136.	1981	388441.	1962	81572.	1943	19517.
1999	850742.	1980	347182.	1961	79784.	1942	18929.
1998	822333.	1979	309474.	1960	75438.	1941	18535.
1997	790510.	1978	280582.	1959	73058.	0	0.
1996	739717.	1977	263078.	1958	69533.	0	0.
1995	698744.	1976	229791.	1957	68631.	0	0.

DISP	MEAN	SSD	IV	REI			
L1.5	28.4 YRS.	0.9597E+12	200	99.93			
SIMULATED BALANCES							
YEAR	BALANCES	YEAR	BALANCES	YEAR	BALANCES		
2013	4173822.	1994	676440.	1975	217807.	1956	71503.
2012	3881659.	1993	662178.	1974	204072.	1955	70816.
2011	3820120.	1992	642891.	1973	180680.	1954	66976.
2010	3031031.	1991	623434.	1972	157120.	1953	64022.
2009	1183533.	1990	572233.	1971	134098.	1952	60794.
2008	1176035.	1989	550971.	1970	125206.	1951	59451.
2007	1161711.	1988	535039.	1969	119565.	1950	56678.
2006	1119565.	1987	522372.	1968	114708.	1949	54066.
2005	1086766.	1986	496325.	1967	106715.	1948	48618.
2004	1055792.	1985	481395.	1966	99164.	1947	39572.
2003	998857.	1984	457604.	1965	97053.	1946	28247.
2002	975040.	1983	432281.	1964	92178.	1945	22146.
2001	929169.	1982	407180.	1963	87040.	1944	20686.
2000	905317.	1981	391352.	1962	84161.	1943	19787.
1999	854933.	1980	349421.	1961	82497.	1942	19100.
1998	827480.	1979	311167.	1960	78232.	1941	18622.
1997	796539.	1978	281829.	1959	75886.	0	0.
1996	746571.	1977	263958.	1958	72347.	0	0.
1995	706337.	1976	230404.	1957	71383.	0	0.

DISP		MEAN		SSD		IV		REI	
L2.5		27.1 YRS.		0.9617E+12		200		100.00	
SIMULATED BALANCES									
YEAR	BALANCES	YEAR	BALANCES	YEAR	BALANCES	YEAR	BALANCES	YEAR	BALANCES
2013	4189466.	1994	690789.	1975	218164.	1956	74048.		
2012	3891666.	1993	676207.	1974	204477.	1955	73089.		
2011	3826088.	1992	656378.	1973	181231.	1954	68970.		
2010	3034565.	1991	636185.	1972	157905.	1953	65737.		
2009	1186636.	1990	584101.	1971	135184.	1952	62242.		
2008	1179726.	1989	561836.	1970	126634.	1951	60650.		
2007	1166066.	1988	544803.	1969	121348.	1950	57650.		
2006	1124694.	1987	530979.	1968	116843.	1949	54836.		
2005	1092789.	1986	503766.	1967	109179.	1948	49214.		
2004	1062820.	1985	487695.	1966	101924.	1947	40025.		
2003	1006984.	1984	462819.	1965	100057.	1946	28585.		
2002	984310.	1983	436490.	1964	95366.	1945	22394.		
2001	939575.	1982	410482.	1963	90350.	1944	20862.		
2000	916798.	1981	393852.	1962	87527.	1943	19904.		
1999	867378.	1980	351245.	1961	85856.	1942	19170.		
1998	840736.	1979	312451.	1960	81525.	1941	18657.		
1997	810406.	1978	282702.	1959	79059.	0	0.		
1996	760835.	1977	264539.	1958	75352.	0	0.		
1995	720763.	1976	230815.	1957	74175.	0	0.		

DISP		MEAN		SSD		IV		REI	
R1.5		27.5 YRS.		0.8666E+12		190		100.00	
SIMULATED BALANCES									
YEAR	BALANCES	YEAR	BALANCES	YEAR	BALANCES	YEAR	BALANCES	YEAR	BALANCES
2013	4128643.	1994	673512.	1975	218177.	1956	70406.		
2012	3850255.	1993	658095.	1974	205024.	1955	69615.		
2011	3802795.	1992	637817.	1973	182116.	1954	65718.		
2010	3026216.	1991	617542.	1972	158896.	1953	62745.		
2009	1184398.	1990	565628.	1971	136061.	1952	59542.		
2008	1177701.	1989	543766.	1970	127235.	1951	58267.		
2007	1164207.	1988	527457.	1969	121583.	1950	55602.		
2006	1122792.	1987	514666.	1968	116652.	1949	53125.		
2005	1090542.	1986	488725.	1967	108516.	1948	47825.		
2004	1059946.	1985	474115.	1966	100753.	1947	38917.		
2003	1003134.	1984	450850.	1965	98384.	1946	27696.		
2002	979205.	1983	426205.	1964	93222.	1945	21673.		
2001	933018.	1982	401901.	1963	87769.	1944	20288.		
2000	908653.	1981	386979.	1962	84563.	1943	19472.		
1999	857555.	1980	345983.	1961	82582.	1942	18875.		
1998	829201.	1979	308600.	1960	78018.	1941	18492.		
1997	797253.	1978	280075.	1959	75396.	0	0.		
1996	746149.	1977	262985.	1958	71612.	0	0.		
1995	704666.	1976	230142.	1957	70442.	0	0.		

DISP	MEAN	SSD	IV	REI			
R2.5	26.3 YRS.	0.8876E+12	192	100.00			
SIMULATED BALANCES							
YEAR	BALANCES	YEAR	BALANCES	YEAR	BALANCES	YEAR	BALANCES
2013	4155871.	1994	688519.	1975	218117.	1956	73149.
2012	3866424.	1993	672733.	1974	205122.	1955	72145.
2011	3808919.	1992	651834.	1973	182452.	1954	68021.
2010	3024411.	1991	630727.	1972	159560.	1953	64817.
2009	1180549.	1990	577868.	1971	137123.	1952	61380.
2008	1175812.	1989	554982.	1970	128722.	1951	59870.
2007	1164271.	1988	537526.	1969	123474.	1950	56969.
2006	1124827.	1987	523487.	1968	118904.	1949	54261.
2005	1094554.	1986	496252.	1967	111087.	1948	48744.
2004	1065864.	1985	480348.	1966	103599.	1947	39646.
2003	1010891.	1984	455817.	1965	101447.	1946	28278.
2002	988670.	1983	429987.	1964	96439.	1945	22143.
2001	943997.	1982	404613.	1963	91086.	1944	20662.
2000	920921.	1981	388739.	1962	87926.	1943	19754.
1999	870879.	1980	346966.	1961	85937.	1942	19068.
1998	843344.	1979	309035.	1960	81318.	1941	18600.
1997	811937.	1978	280164.	1959	78604.	0	0.
1996	761149.	1977	262881.	1958	74696.	0	0.
1995	719783.	1976	229997.	1957	73371.	0	0.

S4	25.6 YRS.	0.9179E+12	195	5	100.00
S5	25.8 YRS.	0.9172E+12	195	5	100.00
S6	25.9 YRS.	0.9186E+12	195	5	100.00
L0	32.9 YRS.	0.9110E+12	195	5	96.11
L0.5	31.1 YRS.	0.9288E+12	196	5	98.37
R1	28.7 YRS.	0.8572E+12	189	5	100.00
R1.5	27.5 YRS.	0.8666E+12	190	5	100.00

SIMULATED PLANT RECORD ANALYSIS
SIMULATED BALANCE METHOD

Shelby Energy Cooperative
August 2, 2014

CARRIERS - 030 Shelby Energy Cooperative
ACCOUNT - 370 Meters

- ACCOUNT CONTROL INFORMATION -

EARLIEST ADDITION = 1939 LATEST ADDITION = 2013
EARLIEST BALANCE = 1941 LATEST BALANCE = 2013
EARLIEST RETIREMENT = 1941 LATEST RETIREMENT = 2013 INPUT = ADD & RET

SIMULATED PLANT RECORD ANALYSIS
SIMULATED BALANCE METHOD

Shelby Energy Cooperative
August 2, 2014

CARRIERS - 030 Shelby Energy Cooperative
ACCOUNT - 370 Meters

ANALYSIS BAND = 1941 THRU 2013

INCREMENT = 1

CURVE	IV	CI	REI
S0 - 28.6	198	5	100.00
S0.5 - 27.7	198	5	100.00
S1 - 26.8	199	5	100.00
S1.5 - 26.5	198	5	100.00
S2 - 26.2	197	5	100.00
S2.5 - 25.8	196	5	100.00
S3 - 25.8	196	5	100.00
S4 - 25.6	195	5	100.00
S5 - 25.8	195	5	100.00
S6 - 25.9	195	5	100.00
SQ - 28.2	201	4	100.00
L0 - 32.9	195	5	96.11
L0.5 - 31.1	196	5	98.37
L1 - 29.5	199	5	99.72
L1.5 - 28.4	200	5	99.93
L2 - 27.7	201	4	100.00
L2.5 - 27.1	200	5	100.00
L3 - 26.5	199	5	100.00
L4 - 25.8	197	5	100.00
L5 - 25.7	196	5	100.00
R1 - 28.7	189	5	100.00
R1.5 - 27.5	190	5	100.00
R2 - 26.7	191	5	100.00
R2.5 - 26.3	192	5	100.00
R3 - 26.0	193	5	100.00
R4 - 25.6	194	5	100.00
R5 - 25.8	195	5	100.00
O1 - 32.8	185	5	100.00
O2 - 36.2	185	5	90.90
O3 - 48.0	184	5	78.83
O4 - 62.3	184	5	72.35

SIMULATED PLANT RECORD ANALYSIS
SIMULATED BALANCE METHOD

Shelby Energy Cooperative
August 2, 2014

CARRIERS - 030 Shelby Energy Cooperative
ACCOUNT - 371 Installations on Customers' Premises

- ACCOUNT CONTROL INFORMATION -

EARLIEST ADDITION = 1958 LATEST ADDITION = 2013
EARLIEST BALANCE = 1958 LATEST BALANCE = 2013
EARLIEST RETIREMENT = 1958 LATEST RETIREMENT = 2013 INPUT = ADD & RET

SIMULATED PLANT RECORD ANALYSIS
SIMULATED BALANCE METHOD

Shelby Energy Cooperative
August 2, 2014

CARRIERS - 030 Shelby Energy Cooperative
ACCOUNT - 371 Installations on Customers' Premises

ANALYSIS BAND = 1958 THRU 2013 INCREMENT = 1

DISP	MEAN	SSD	IV	REI			
S0	28.0 YRS.	0.1728E+12	86	99.95			
SIMULATED BALANCES							
YEAR	BALANCES	YEAR	BALANCES	YEAR	BALANCES		
2013	2209093.	1999	945960.	1985	511582.	1971	261942.
2012	2087818.	1998	881980.	1984	494593.	1970	234170.
2011	1901862.	1997	837614.	1983	472800.	1969	199510.
2010	1678194.	1996	793044.	1982	464347.	1968	164443.
2009	1608578.	1995	757702.	1981	445967.	1967	133120.
2008	1537964.	1994	693085.	1980	430125.	1966	112524.
2007	1453887.	1993	675438.	1979	415426.	1965	93901.
2006	1359959.	1992	639222.	1978	406160.	1964	79521.
2005	1310585.	1991	620032.	1977	391629.	1963	63029.
2004	1257058.	1990	605016.	1976	370580.	1962	52389.
2003	1192692.	1989	588198.	1975	349525.	1961	35833.
2002	1148611.	1988	574458.	1974	332376.	1960	18817.
2001	1056633.	1987	546190.	1973	306580.	1959	16967.
2000	1007478.	1986	526504.	1972	280552.	1958	12618.

DISP	MEAN	SSD	IV	REI			
S1	26.6 YRS.	0.2247E+12	98	100.00			
SIMULATED BALANCES							
YEAR	BALANCES	YEAR	BALANCES	YEAR	BALANCES		
2013	2213831.	1999	942073.	1985	528242.	1971	267812.
2012	2089606.	1998	879615.	1984	511576.	1970	238984.
2011	1901296.	1997	836929.	1983	489880.	1969	203401.
2010	1675839.	1996	794161.	1982	481286.	1968	167546.
2009	1604700.	1995	760703.	1981	462545.	1967	135556.
2008	1532806.	1994	698031.	1980	446132.	1966	114386.
2007	1447742.	1993	682281.	1979	430665.	1965	95276.
2006	1353125.	1992	647883.	1978	420452.	1964	80490.
2005	1303304.	1991	630376.	1977	404838.	1963	63674.
2004	1249585.	1990	616878.	1976	382612.	1962	52785.
2003	1185324.	1989	601401.	1975	360317.	1961	36060.
2002	1141646.	1988	588818.	1974	341896.	1960	18939.
2001	1050421.	1987	561528.	1973	314836.	1959	17016.
2000	1002298.	1986	542616.	1972	287585.	1958	12626.

DISP		MEAN		SSD		IV		REI	
S2		25.4 YRS.		0.2710E+12		107		100.00	
SIMULATED BALANCES									
YEAR	BALANCES	YEAR	BALANCES	YEAR	BALANCES	YEAR	BALANCES	YEAR	BALANCES
2013	2211764.	1999	926478.	1985	540975.	1971	271096.		
2012	2085235.	1998	865866.	1984	524774.	1970	241568.		
2011	1894621.	1997	825316.	1983	503222.	1969	205391.		
2010	1666869.	1996	784909.	1982	494471.	1968	169040.		
2009	1593496.	1995	753963.	1981	475308.	1967	136640.		
2008	1519513.	1994	693878.	1980	458243.	1966	115142.		
2007	1432586.	1993	680716.	1979	441940.	1965	95778.		
2006	1336405.	1992	648843.	1978	430758.	1964	80803.		
2005	1285385.	1991	633740.	1977	414088.	1963	63856.		
2004	1230895.	1990	622473.	1976	390765.	1962	52882.		
2003	1166328.	1989	609005.	1975	367373.	1961	36106.		
2002	1122824.	1988	598170.	1974	347890.	1960	18956.		
2001	1032244.	1987	572333.	1973	319835.	1959	17020.		
2000	985210.	1986	554550.	1972	291675.	1958	12626.		

DISP		MEAN		SSD		IV		REI	
S3		24.8 YRS.		0.3081E+12		115		100.00	
SIMULATED BALANCES									
YEAR	BALANCES	YEAR	BALANCES	YEAR	BALANCES	YEAR	BALANCES	YEAR	BALANCES
2013	2217067.	1999	913262.	1985	552326.	1971	272666.		
2012	2088591.	1998	853808.	1984	536252.	1970	242700.		
2011	1895852.	1997	814805.	1983	514504.	1969	206177.		
2010	1665865.	1996	776283.	1982	505281.	1968	169562.		
2009	1590223.	1995	747489.	1981	485425.	1967	136970.		
2008	1514015.	1994	689745.	1980	467503.	1966	115339.		
2007	1424981.	1993	679022.	1979	450237.	1965	95887.		
2006	1326884.	1992	649590.	1978	438037.	1964	80859.		
2005	1274204.	1991	636836.	1977	420345.	1963	63882.		
2004	1218369.	1990	627737.	1976	396031.	1962	52893.		
2003	1152819.	1989	616180.	1975	371712.	1961	36109.		
2002	1108735.	1988	606941.	1974	351386.	1960	18957.		
2001	1018003.	1987	582340.	1973	322585.	1959	17020.		
2000	971260.	1986	565418.	1972	293783.	1958	12626.		

DISP		MEAN		SSD		IV		REI	
S4		24.4 YRS.		0.3443E+12		121		100.00	
SIMULATED BALANCES									
YEAR	BALANCES	YEAR	BALANCES	YEAR	BALANCES	YEAR	BALANCES	YEAR	BALANCES
2013	2226114.	1999	901337.	1985	564266.	1971	273294.		
2012	2095490.	1998	842507.	1984	547919.	1970	243080.		
2011	1900670.	1997	804757.	1983	525611.	1969	206393.		
2010	1668715.	1996	768068.	1982	515598.	1968	169678.		
2009	1591220.	1995	741586.	1981	494776.	1967	137027.		
2008	1513246.	1994	686485.	1980	475771.	1966	115365.		
2007	1422495.	1993	678565.	1979	457355.	1965	95898.		
2006	1322695.	1992	651916.	1978	443995.	1964	80863.		
2005	1268326.	1991	641758.	1977	425182.	1963	63883.		
2004	1210842.	1990	634936.	1976	399831.	1962	52893.		
2003	1143754.	1989	625242.	1975	374592.	1961	36109.		
2002	1098342.	1988	617401.	1974	353487.	1960	18957.		
2001	1006614.	1987	593726.	1973	324056.	1959	17020.		
2000	959326.	1986	577283.	1972	294768.	1958	12626.		

DISP	MEAN	SSD	IV	REI			
S5	24.0 YRS.	0.3682E+12	125	100.00			
SIMULATED BALANCES							
YEAR	BALANCES	YEAR	BALANCES	YEAR	BALANCES		
2013	2224597.	1999	888053.	1985	569440.	1971	273352.
2012	2092592.	1998	828938.	1984	553304.	1970	243102.
2011	1896894.	1997	791482.	1983	531104.	1969	206401.
2010	1664520.	1996	755773.	1982	521013.	1968	169680.
2009	1586890.	1995	731006.	1981	499871.	1967	137028.
2008	1508834.	1994	678284.	1980	480306.	1966	115365.
2007	1417842.	1993	673176.	1979	461150.	1965	95898.
2006	1317509.	1992	649416.	1978	446966.	1964	80863.
2005	1262263.	1991	641843.	1977	427347.	1963	63883.
2004	1203595.	1990	637026.	1976	401295.	1962	52893.
2003	1135119.	1989	628676.	1975	375506.	1961	36109.
2002	1088262.	1988	621619.	1974	354012.	1960	18957.
2001	995187.	1987	598377.	1973	324332.	1959	17020.
2000	946792.	1986	582213.	1972	294900.	1958	12626.

DISP	MEAN	SSD	IV	REI			
S6	23.9 YRS.	0.3822E+12	128	100.00			
SIMULATED BALANCES							
YEAR	BALANCES	YEAR	BALANCES	YEAR	BALANCES		
2013	2224296.	1999	882481.	1985	572382.	1971	273352.
2012	2091138.	1998	823286.	1984	556724.	1970	243102.
2011	1895449.	1997	785627.	1983	534748.	1969	206401.
2010	1663661.	1996	749670.	1982	524625.	1968	169680.
2009	1586567.	1995	725089.	1981	503284.	1967	137028.
2008	1508733.	1994	673617.	1980	483305.	1966	115365.
2007	1417700.	1993	671004.	1979	463465.	1965	95898.
2006	1317159.	1992	650305.	1978	448473.	1964	80863.
2005	1261533.	1991	645198.	1977	428167.	1963	63883.
2004	1202185.	1990	641460.	1976	401669.	1962	52893.
2003	1132642.	1989	632861.	1975	375650.	1961	36109.
2002	1084512.	1988	624927.	1974	354059.	1960	18957.
2001	990376.	1987	600987.	1973	324345.	1959	17020.
2000	941402.	1986	584739.	1972	294903.	1958	12626.

DISP	MEAN	SSD	IV	REI			
SQ	26.0 YRS.	0.4631E+12	141	100.00			
SIMULATED BALANCES							
YEAR	BALANCES	YEAR	BALANCES	YEAR	BALANCES		
2013	2294389.	1999	936554.	1985	595706.	1971	273352.
2012	2160630.	1998	881307.	1984	573023.	1970	243102.
2011	1959376.	1997	838814.	1983	554370.	1969	206401.
2010	1724207.	1996	805793.	1982	537007.	1968	169680.
2009	1649192.	1995	789372.	1981	510298.	1967	137028.
2008	1561039.	1994	744586.	1980	486697.	1966	115365.
2007	1470501.	1993	743478.	1979	464797.	1965	95898.
2006	1368655.	1992	713563.	1978	448881.	1964	80863.
2005	1311182.	1991	699180.	1977	428260.	1963	63883.
2004	1245045.	1990	685219.	1976	401684.	1962	52893.
2003	1174226.	1989	672075.	1975	375652.	1961	36109.
2002	1131040.	1988	656690.	1974	354059.	1960	18957.
2001	1040797.	1987	633244.	1973	324345.	1959	17020.
2000	990197.	1986	619391.	1972	294903.	1958	12626.

DISP	MEAN	SSD	IV	REI			
L0	32.0 YRS.	0.1221E+12	72	86.17			
SIMULATED BALANCES							
YEAR	BALANCES	YEAR	BALANCES	YEAR	BALANCES		
2013	2218190.	1999	941126.	1985	495829.	1971	256487.
2012	2096970.	1998	875934.	1984	478944.	1970	229652.
2011	1910655.	1997	830358.	1983	457375.	1969	195827.
2010	1686057.	1996	784613.	1982	449280.	1968	161472.
2009	1615278.	1995	748138.	1981	431386.	1967	130743.
2008	1543526.	1994	682383.	1980	416139.	1966	110653.
2007	1458284.	1993	663660.	1979	402146.	1965	92468.
2006	1363121.	1992	626469.	1978	393701.	1964	78465.
2005	1312537.	1991	606418.	1977	380089.	1963	62288.
2004	1257872.	1990	590697.	1976	360017.	1962	51906.
2003	1192399.	1989	573327.	1975	339975.	1961	35543.
2002	1147246.	1988	559187.	1974	323869.	1960	18647.
2001	1054141.	1987	530636.	1973	299117.	1959	16881.
2000	1003818.	1986	510782.	1972	274106.	1958	12596.

DISP	MEAN	SSD	IV	REI			
L1	28.6 YRS.	0.1610E+12	83	94.78			
SIMULATED BALANCES							
YEAR	BALANCES	YEAR	BALANCES	YEAR	BALANCES		
2013	2214150.	1999	937824.	1985	508816.	1971	263396.
2012	2091905.	1998	873481.	1984	492682.	1970	235425.
2011	1905110.	1997	828891.	1983	471707.	1969	200580.
2010	1680597.	1996	784251.	1982	464003.	1968	165339.
2009	1609981.	1995	748990.	1981	446293.	1967	133850.
2008	1538318.	1994	684595.	1980	431015.	1966	113090.
2007	1453164.	1993	667260.	1979	416762.	1965	94318.
2006	1358119.	1992	631466.	1978	407822.	1964	79806.
2005	1307586.	1991	612775.	1977	393511.	1963	63208.
2004	1252928.	1990	598340.	1976	372579.	1962	52489.
2003	1187503.	1989	582184.	1975	351543.	1961	35886.
2002	1142470.	1988	569185.	1974	334331.	1960	18840.
2001	1049692.	1987	541725.	1973	308411.	1959	16967.
2000	999858.	1986	522881.	1972	282209.	1958	12613.

DISP	MEAN	SSD	IV	REI			
L2	26.6 YRS.	0.2080E+12	94	98.72			
SIMULATED BALANCES							
YEAR	BALANCES	YEAR	BALANCES	YEAR	BALANCES		
2013	2213953.	1999	928589.	1985	524456.	1971	268824.
2012	2089940.	1998	865457.	1984	509047.	1970	239799.
2011	1901495.	1997	822317.	1983	488461.	1969	204035.
2010	1675561.	1996	779337.	1982	480805.	1968	168021.
2009	1603640.	1995	745925.	1981	462820.	1967	135895.
2008	1530710.	1994	683563.	1980	446979.	1966	114618.
2007	1444411.	1993	668381.	1979	431912.	1965	95427.
2006	1348420.	1992	634794.	1978	421953.	1964	80583.
2005	1297147.	1991	618315.	1977	406474.	1963	63728.
2004	1241961.	1990	606028.	1976	384288.	1962	52814.
2003	1176279.	1989	591899.	1975	361956.	1961	36074.
2002	1131275.	1988	580752.	1974	343434.	1960	18944.
2001	1038852.	1987	554929.	1973	316226.	1959	17017.
2000	989684.	1986	537460.	1972	288793.	1958	12626.

DISP	MEAN	SSD	IV	REI			
L3	25.4 YRS.	0.2587E+12	105	99.97			
SIMULATED BALANCES							
YEAR	BALANCES	YEAR	BALANCES	YEAR	BALANCES		
2013	2216903.	1999	919560.	1985	540439.	1971	271631.
2012	2090622.	1998	857745.	1984	525052.	1970	241939.
2011	1899996.	1997	816245.	1983	504140.	1969	205637.
2010	1672004.	1996	775203.	1982	495865.	1968	169197.
2009	1598195.	1995	743974.	1981	477029.	1967	136736.
2008	1523608.	1994	683974.	1980	460161.	1966	115199.
2007	1435922.	1993	671252.	1979	443939.	1965	95811.
2006	1338833.	1992	640135.	1978	432737.	1964	80821.
2005	1286758.	1991	626042.	1977	415961.	1963	63866.
2004	1231069.	1990	615966.	1976	392463.	1962	52888.
2003	1165172.	1989	603788.	1975	368847.	1961	36108.
2002	1120238.	1988	594261.	1974	349115.	1960	18957.
2001	1028173.	1987	569674.	1973	320808.	1959	17020.
2000	979669.	1986	553030.	1972	292414.	1958	12626.

DISP	MEAN	SSD	IV	REI			
L4	24.6 YRS.	0.3144E+12	116	100.00			
SIMULATED BALANCES							
YEAR	BALANCES	YEAR	BALANCES	YEAR	BALANCES		
2013	2217205.	1999	905586.	1985	554478.	1971	272929.
2012	2088118.	1998	845607.	1984	538766.	1970	242875.
2011	1894898.	1997	806372.	1983	517310.	1969	206289.
2010	1664618.	1996	767956.	1982	508262.	1968	169631.
2009	1588829.	1995	739646.	1981	488426.	1967	137010.
2008	1512514.	1994	682761.	1980	470377.	1966	115360.
2007	1423308.	1993	673234.	1979	452851.	1965	95897.
2006	1324896.	1992	645237.	1978	440293.	1964	80863.
2005	1271716.	1991	633995.	1977	422190.	1963	63883.
2004	1215188.	1990	626304.	1976	397470.	1962	52893.
2003	1148785.	1989	615914.	1975	372789.	1961	36109.
2002	1103740.	1988	607554.	1974	352167.	1960	18957.
2001	1012017.	1987	583593.	1973	323139.	1959	17020.
2000	964348.	1986	567159.	1972	294169.	1958	12626.

DISP	MEAN	SSD	IV	REI			
L5	24.2 YRS.	0.3493E+12	122	100.00			
SIMULATED BALANCES							
YEAR	BALANCES	YEAR	BALANCES	YEAR	BALANCES		
2013	2222710.	1999	894779.	1985	564499.	1971	273336.
2012	2091589.	1998	835439.	1984	548628.	1970	243099.
2011	1896639.	1997	797276.	1983	526732.	1969	206401.
2010	1664861.	1996	760360.	1982	516994.	1968	169680.
2009	1587676.	1995	734001.	1981	496295.	1967	137028.
2008	1509987.	1994	679526.	1980	477271.	1966	115365.
2007	1419419.	1993	672756.	1979	458704.	1965	95898.
2006	1319679.	1992	647591.	1978	445092.	1964	80863.
2005	1265215.	1991	638903.	1977	425989.	1963	63883.
2004	1207446.	1990	633211.	1976	400380.	1962	52893.
2003	1139867.	1989	624188.	1975	374947.	1961	36109.
2002	1093799.	1988	616678.	1974	353710.	1960	18957.
2001	1001346.	1987	593229.	1973	324192.	1959	17020.
2000	953369.	1986	577089.	1972	294847.	1958	12626.

DISP	MEAN	SSD	IV	REI			
R1	28.3 YRS.	0.1816E+12	88	99.90			
SIMULATED BALANCES							
YEAR	BALANCES	YEAR	BALANCES	YEAR	BALANCES		
2013	2204472.	1999	952750.	1985	513473.	1971	258342.
2012	2084321.	1998	889380.	1984	495566.	1970	231001.
2011	1899558.	1997	845436.	1983	472850.	1969	196794.
2010	1676546.	1996	801151.	1982	463508.	1968	162141.
2009	1607220.	1995	765959.	1981	444317.	1967	131166.
2008	1537135.	1994	701253.	1980	427724.	1966	110872.
2007	1453735.	1993	683272.	1979	412361.	1965	92535.
2006	1360469.	1992	646595.	1978	402566.	1964	78430.
2005	1311790.	1991	626781.	1977	387670.	1963	62199.
2004	1259135.	1990	611072.	1976	366389.	1962	51802.
2003	1195738.	1989	593511.	1975	345216.	1961	35461.
2002	1152715.	1988	579003.	1974	328084.	1960	18582.
2001	1061762.	1987	549913.	1973	302429.	1959	16821.
2000	1013471.	1986	529322.	1972	276624.	1958	12568.

DISP	MEAN	SSD	IV	REI			
R2	26.6 YRS.	0.2472E+12	103	100.00			
SIMULATED BALANCES							
YEAR	BALANCES	YEAR	BALANCES	YEAR	BALANCES		
2013	2208247.	1999	946431.	1985	533003.	1971	265123.
2012	2083820.	1998	885423.	1984	515179.	1970	236612.
2011	1895326.	1997	844012.	1983	492319.	1969	201356.
2010	1669511.	1996	802325.	1982	482603.	1968	165807.
2009	1598074.	1995	769721.	1981	462822.	1967	134087.
2008	1526221.	1994	707604.	1980	445466.	1966	113167.
2007	1441499.	1993	692125.	1979	429185.	1965	94294.
2006	1347470.	1992	657751.	1978	418317.	1964	79732.
2005	1298522.	1991	640022.	1977	402218.	1963	63119.
2004	1245996.	1990	626101.	1976	379661.	1962	52409.
2003	1183164.	1989	610019.	1975	357176.	1961	35827.
2002	1141100.	1988	596673.	1974	338708.	1960	18798.
2001	1051543.	1987	568465.	1973	311723.	1959	16939.
2000	1005061.	1986	548501.	1972	284640.	1958	12603.

DISP	MEAN	SSD	IV	REI			
R3	25.4 YRS.	0.2992E+12	113	100.00			
SIMULATED BALANCES							
YEAR	BALANCES	YEAR	BALANCES	YEAR	BALANCES		
2013	2216214.	1999	928437.	1985	548929.	1971	269999.
2012	2088147.	1998	869572.	1984	531468.	1970	240586.
2011	1896030.	1997	830788.	1983	508634.	1969	204541.
2010	1666828.	1996	792071.	1982	498636.	1968	168326.
2009	1592153.	1995	762651.	1981	478307.	1967	136057.
2008	1517101.	1994	703846.	1980	460195.	1966	114683.
2007	1429374.	1993	691672.	1979	442989.	1965	95431.
2006	1332689.	1992	660465.	1978	431064.	1964	80554.
2005	1281498.	1991	645690.	1977	413816.	1963	63687.
2004	1227191.	1990	634420.	1976	390070.	1962	52776.
2003	1163154.	1989	620635.	1975	366395.	1961	36045.
2002	1120523.	1988	609199.	1974	346753.	1960	18923.
2001	1031123.	1987	582513.	1973	318641.	1959	17004.
2000	985529.	1986	563686.	1972	290500.	1958	12622.

DISP		MEAN		SSD		IV		REI	
R4		24.5 YRS.		0.3331E+12		119		100.00	
SIMULATED BALANCES									
YEAR	BALANCES	YEAR	BALANCES	YEAR	BALANCES	YEAR	BALANCES	YEAR	BALANCES
2013	2216167.	1999	905284.	1985	558255.	1971	272377.		
2012	2086879.	1998	847255.	1984	541605.	1970	242445.		
2011	1893420.	1997	810026.	1983	519153.	1969	205966.		
2010	1662711.	1996	773527.	1982	509148.	1968	169398.		
2009	1586285.	1995	746867.	1981	488490.	1967	136849.		
2008	1509213.	1994	691185.	1980	469794.	1966	115254.		
2007	1419246.	1993	682273.	1979	451820.	1965	95831.		
2006	1320162.	1992	654265.	1978	439024.	1964	80824.		
2005	1266495.	1991	642498.	1977	420866.	1963	63861.		
2004	1209763.	1990	633999.	1976	396211.	1962	52881.		
2003	1143530.	1989	622751.	1975	371657.	1961	36103.		
2002	1099100.	1988	613606.	1974	351185.	1960	18954.		
2001	1008455.	1987	588928.	1973	322308.	1959	17019.		
2000	962269.	1986	571762.	1972	293482.	1958	12626.		

DISP		MEAN		SSD		IV		REI	
R5		24.1 YRS.		0.3623E+12		124		100.00	
SIMULATED BALANCES									
YEAR	BALANCES	YEAR	BALANCES	YEAR	BALANCES	YEAR	BALANCES	YEAR	BALANCES
2013	2224211.	1999	891737.	1985	568228.	1971	273319.		
2012	2093047.	1998	832982.	1984	551995.	1970	243091.		
2011	1898019.	1997	795841.	1983	529636.	1969	206398.		
2010	1666022.	1996	760419.	1982	519365.	1968	169679.		
2009	1588485.	1995	735805.	1981	498092.	1967	137028.		
2008	1510351.	1994	682910.	1980	478508.	1966	115365.		
2007	1419225.	1993	677160.	1979	459471.	1965	95898.		
2006	1318766.	1992	652343.	1978	445525.	1964	80863.		
2005	1263475.	1991	643505.	1977	426213.	1963	63883.		
2004	1204938.	1990	637479.	1976	400481.	1962	52893.		
2003	1136792.	1989	628238.	1975	374975.	1961	36109.		
2002	1090406.	1988	620706.	1974	353698.	1960	18957.		
2001	997878.	1987	597276.	1973	324166.	1959	17020.		
2000	950023.	1986	581049.	1972	294822.	1958	12626.		

DISP		MEAN		SSD		IV		REI	
O1		31.6 YRS.		0.1116E+12		69		87.71	
SIMULATED BALANCES									
YEAR	BALANCES	YEAR	BALANCES	YEAR	BALANCES	YEAR	BALANCES	YEAR	BALANCES
2013	2219386.	1999	947926.	1985	492681.	1971	251441.		
2012	2100158.	1998	882495.	1984	475073.	1970	225271.		
2011	1915722.	1997	836533.	1983	452802.	1969	192122.		
2010	1692052.	1996	790338.	1982	444063.	1968	158373.		
2009	1621422.	1995	753372.	1981	425630.	1967	128144.		
2008	1549896.	1994	686958.	1980	409907.	1966	108476.		
2007	1464879.	1993	667380.	1979	395525.	1965	90678.		
2006	1369744.	1992	629309.	1978	386829.	1964	77040.		
2005	1319065.	1991	608292.	1977	373138.	1963	61204.		
2004	1264430.	1990	591631.	1976	353120.	1962	51136.		
2003	1199037.	1989	573376.	1975	333231.	1961	35056.		
2002	1154049.	1988	558423.	1974	317404.	1960	18339.		
2001	1061077.	1987	529089.	1973	293050.	1959	16686.		
2000	1010698.	1986	508417.	1972	268501.	1958	12526.		

DISP		MEAN		SSD		IV		REI	
O2		35.3 YRS.		0.1087E+12		68		81.36	
SIMULATED BALANCES									
YEAR	BALANCES	YEAR	BALANCES	YEAR	BALANCES	YEAR	BALANCES	YEAR	BALANCES
2013	2221326.	1999	945961.	1985	491818.	1971	251291.		
2012	2101262.	1998	880589.	1984	474279.	1970	225150.		
2011	1916118.	1997	834697.	1983	452074.	1969	192026.		
2010	1691847.	1996	788579.	1982	443398.	1968	158297.		
2009	1620719.	1995	751696.	1981	425025.	1967	128085.		
2008	1548794.	1994	685366.	1980	409360.	1966	108430.		
2007	1463464.	1993	665873.	1979	395033.	1965	90644.		
2006	1368091.	1992	627888.	1978	386390.	1964	77015.		
2005	1317238.	1991	606956.	1977	372750.	1963	61186.		
2004	1262488.	1990	590380.	1976	352780.	1962	51125.		
2003	1197027.	1989	572207.	1975	332935.	1961	35049.		
2002	1152009.	1988	557335.	1974	317149.	1960	18335.		
2001	1059040.	1987	528079.	1973	292834.	1959	16684.		
2000	1008687.	1986	507482.	1972	268320.	1958	12526.		

DISP		MEAN		SSD		IV		REI	
O3		46.8 YRS.		0.8683E+11		61		70.32	
SIMULATED BALANCES									
YEAR	BALANCES	YEAR	BALANCES	YEAR	BALANCES	YEAR	BALANCES	YEAR	BALANCES
2013	2228244.	1999	940599.	1985	484023.	1971	249131.		
2012	2107390.	1998	874659.	1984	466748.	1970	223369.		
2011	1921381.	1997	828250.	1983	444842.	1969	190581.		
2010	1696069.	1996	781679.	1982	436502.	1968	157139.		
2009	1623820.	1995	744409.	1981	418500.	1967	127164.		
2008	1550831.	1994	677734.	1980	403229.	1966	107706.		
2007	1464478.	1993	657948.	1979	389319.	1965	90088.		
2006	1368098.	1992	619743.	1978	381116.	1964	76603.		
2005	1316285.	1991	598655.	1977	367937.	1963	60894.		
2004	1260655.	1990	582003.	1976	348433.	1962	50932.		
2003	1194380.	1989	563830.	1975	329049.	1961	34932.		
2002	1148620.	1988	549029.	1974	313720.	1960	18265.		
2001	1054951.	1987	519898.	1973	289851.	1959	16646.		
2000	1003933.	1986	499469.	1972	265758.	1958	12514.		

DISP		MEAN		SSD		IV		REI	
O4		60.1 YRS.		0.7861E+11		58		65.93	
SIMULATED BALANCES									
YEAR	BALANCES	YEAR	BALANCES	YEAR	BALANCES	YEAR	BALANCES	YEAR	BALANCES
2013	2227846.	1999	937643.	1985	480003.	1971	247912.		
2012	2106942.	1998	871526.	1984	462832.	1970	222360.		
2011	1920841.	1997	824942.	1983	441049.	1969	189761.		
2010	1695330.	1996	778208.	1982	432855.	1968	156479.		
2009	1622828.	1995	740789.	1981	415021.	1967	126637.		
2008	1549609.	1994	673967.	1980	399935.	1966	107291.		
2007	1463036.	1993	654044.	1979	386226.	1965	89768.		
2006	1366429.	1992	615727.	1978	378242.	1964	76365.		
2005	1314395.	1991	594548.	1977	365297.	1963	60725.		
2004	1258569.	1990	577838.	1976	346034.	1962	50820.		
2003	1192112.	1989	559640.	1975	326893.	1961	34864.		
2002	1146184.	1988	544846.	1974	311808.	1960	18225.		
2001	1052345.	1987	515747.	1973	288179.	1959	16624.		
2000	1001149.	1986	495371.	1972	264317.	1958	12507.		

DISP		MEAN		SSD		IV		REI	
S0.5		27.2 YRS.		0.1987E+12		92		100.00	
SIMULATED BALANCES									
YEAR	BALANCES	YEAR	BALANCES	YEAR	BALANCES	YEAR	BALANCES	YEAR	BALANCES
2013	2208744.	1999	943578.	1985	519650.	1971	264753.		
2012	2086175.	1998	880433.	1984	502812.	1970	236474.		
2011	1899223.	1997	836965.	1983	481060.	1969	201371.		
2010	1674848.	1996	793342.	1982	472531.	1968	165926.		
2009	1604664.	1995	758974.	1981	453969.	1967	134283.		
2008	1533608.	1994	695349.	1980	437844.	1966	113413.		
2007	1449231.	1993	678662.	1979	422767.	1965	94557.		
2006	1355144.	1992	643359.	1978	413039.	1964	79983.		
2005	1305725.	1991	625008.	1977	397981.	1963	63336.		
2004	1252270.	1990	610746.	1976	376362.	1962	52578.		
2003	1188111.	1989	594588.	1975	354707.	1961	35941.		
2002	1144372.	1988	581416.	1974	336943.	1960	18875.		
2001	1052893.	1987	553624.	1973	310538.	1959	16990.		
2000	1004360.	1986	534311.	1972	283921.	1958	12622.		

DISP		MEAN		SSD		IV		REI	
S1.5		26.0 YRS.		0.2479E+12		103		100.00	
SIMULATED BALANCES									
YEAR	BALANCES	YEAR	BALANCES	YEAR	BALANCES	YEAR	BALANCES	YEAR	BALANCES
2013	2212483.	1999	935025.	1985	534834.	1971	269387.		
2012	2087074.	1998	873552.	1984	518327.	1970	240220.		
2011	1897604.	1997	831977.	1983	496638.	1969	204350.		
2010	1671020.	1996	790412.	1982	487909.	1968	168257.		
2009	1598810.	1995	758212.	1981	468911.	1967	136071.		
2008	1525941.	1994	696816.	1980	452136.	1966	114744.		
2007	1440035.	1993	682326.	1979	436224.	1965	95513.		
2006	1344742.	1992	649141.	1978	425509.	1964	80638.		
2005	1294438.	1991	632773.	1977	409358.	1963	63760.		
2004	1240457.	1990	620317.	1976	386581.	1962	52831.		
2003	1176167.	1989	605764.	1975	363740.	1961	36081.		
2002	1132696.	1988	593971.	1974	344794.	1960	18947.		
2001	1041904.	1987	567321.	1973	317246.	1959	17018.		
2000	994422.	1986	548889.	1972	289551.	1958	12626.		

DISP		MEAN		SSD		IV		REI	
S2.5		25.1 YRS.		0.2895E+12		111		100.00	
SIMULATED BALANCES									
YEAR	BALANCES	YEAR	BALANCES	YEAR	BALANCES	YEAR	BALANCES	YEAR	BALANCES
2013	2214331.	1999	920144.	1985	546756.	1971	271850.		
2012	2086781.	1998	860165.	1984	530581.	1970	242111.		
2011	1895074.	1997	820449.	1983	508882.	1969	205767.		
2010	1666187.	1996	781030.	1982	499865.	1968	169289.		
2009	1591658.	1995	751187.	1981	480330.	1967	136797.		
2008	1516573.	1994	692281.	1980	462821.	1966	115236.		
2007	1428605.	1993	680327.	1979	446025.	1965	95830.		
2006	1331492.	1992	649657.	1978	434328.	1964	80830.		
2005	1279676.	1991	635696.	1977	417146.	1963	63868.		
2004	1224567.	1990	625474.	1976	393331.	1962	52887.		
2003	1159572.	1989	612910.	1975	369481.	1961	36107.		
2002	1115843.	1988	602827.	1974	349583.	1960	18957.		
2001	1025253.	1987	577554.	1973	321163.	1959	17020.		
2000	978441.	1986	560137.	1972	292690.	1958	12626.		

DISP		MEAN		SSD		IV		REI	
L0.5		30.2 YRS.		0.1409E+12		77		90.75	
SIMULATED BALANCES									
YEAR	BALANCES	YEAR	BALANCES	YEAR	BALANCES	YEAR	BALANCES	YEAR	BALANCES
2013	2217239.	1999	940556.	1985	502695.	1971	259767.		
2012	2095540.	1998	875774.	1984	486106.	1970	232383.		
2011	1908991.	1997	830670.	1983	464752.	1969	198067.		
2010	1684418.	1996	785449.	1982	456774.	1968	163288.		
2009	1613700.	1995	749545.	1981	438898.	1967	132196.		
2008	1541978.	1994	684426.	1980	423568.	1966	111788.		
2007	1456768.	1993	666347.	1979	409387.	1965	93326.		
2006	1361657.	1992	629801.	1978	400647.	1964	79084.		
2005	1311100.	1991	610373.	1977	386649.	1963	62712.		
2004	1256448.	1990	595236.	1976	366120.	1962	52174.		
2003	1191013.	1989	578412.	1975	345565.	1961	35700.		
2002	1145933.	1988	564777.	1974	328900.	1960	18735.		
2001	1053000.	1987	536703.	1973	303565.	1959	16920.		
2000	1002924.	1986	517280.	1972	277968.	1958	12604.		

DISP		MEAN		SSD		IV		REI	
L1.5		27.6 YRS.		0.1844E+12		89		97.05	
SIMULATED BALANCES									
YEAR	BALANCES	YEAR	BALANCES	YEAR	BALANCES	YEAR	BALANCES	YEAR	BALANCES
2013	2213401.	1999	933672.	1985	516848.	1971	265952.		
2012	2090296.	1998	870007.	1984	500982.	1970	237480.		
2011	1902708.	1997	826204.	1983	480113.	1969	202200.		
2010	1677533.	1996	782446.	1982	472355.	1968	166596.		
2009	1606327.	1995	748150.	1981	454442.	1967	134808.		
2008	1534109.	1994	684795.	1980	438830.	1966	113807.		
2007	1448473.	1993	668543.	1979	424133.	1965	94839.		
2006	1353054.	1992	633842.	1978	414660.	1964	80172.		
2005	1302255.	1991	616227.	1977	399753.	1963	63453.		
2004	1247440.	1990	602820.	1976	378193.	1962	52643.		
2003	1181993.	1989	587614.	1975	356516.	1961	35975.		
2002	1137077.	1988	575463.	1974	338661.	1960	18890.		
2001	1044571.	1987	548733.	1973	312114.	1959	16991.		
2000	995158.	1986	530480.	1972	285319.	1958	12619.		

DISP		MEAN		SSD		IV		REI	
L2.5		26.2 YRS.		0.2331E+12		100		99.45	
SIMULATED BALANCES									
YEAR	BALANCES	YEAR	BALANCES	YEAR	BALANCES	YEAR	BALANCES	YEAR	BALANCES
2013	2220168.	1999	927578.	1985	533810.	1971	270206.		
2012	2094779.	1998	865090.	1984	518185.	1970	240849.		
2011	1905044.	1997	822745.	1983	497230.	1969	204819.		
2010	1677921.	1996	780693.	1982	489080.	1968	168595.		
2009	1604928.	1995	748310.	1981	470507.	1967	136305.		
2008	1531067.	1994	687039.	1980	454011.	1966	114900.		
2007	1443990.	1993	672966.	1979	438245.	1965	95613.		
2006	1347380.	1992	640460.	1978	427563.	1964	80698.		
2005	1295645.	1991	624989.	1977	411353.	1963	63794.		
2004	1240154.	1990	613594.	1976	388448.	1962	52849.		
2003	1174320.	1989	600205.	1975	365430.	1961	36090.		
2002	1129315.	1988	589619.	1974	346276.	1960	18950.		
2001	1037047.	1987	564159.	1973	318503.	1959	17019.		
2000	988193.	1986	546849.	1972	290582.	1958	12626.		

DISP		MEAN		SSD		IV		REI	
R1.5		27.5 YRS.		0.2147E+12		96		100.00	
SIMULATED BALANCES									
YEAR	BALANCES	YEAR	BALANCES	YEAR	BALANCES	YEAR	BALANCES	YEAR	BALANCES
2013	2209684.	1999	953338.	1985	524096.	1971	261711.		
2012	2087368.	1998	891016.	1984	506079.	1970	233783.		
2011	1900755.	1997	848174.	1983	483156.	1969	199053.		
2010	1676388.	1996	804998.	1982	473509.	1968	163953.		
2009	1606082.	1995	770890.	1981	453922.	1967	132607.		
2008	1535205.	1994	707251.	1980	436861.	1966	112002.		
2007	1451245.	1993	690283.	1979	420968.	1965	93400.		
2006	1357698.	1992	654515.	1978	410578.	1964	79070.		
2005	1308974.	1991	635501.	1977	395033.	1963	62651.		
2004	1256453.	1990	620448.	1976	373078.	1962	52099.		
2003	1193380.	1989	603398.	1975	351221.	1961	35640.		
2002	1150846.	1988	589255.	1974	333401.	1960	18688.		
2001	1060564.	1987	560404.	1973	307067.	1959	16879.		
2000	1013114.	1986	539939.	1972	280615.	1958	12585.		

DISP		MEAN		SSD		IV		REI	
R2.5		25.9 YRS.		0.2736E+12		108		100.00	
SIMULATED BALANCES									
YEAR	BALANCES	YEAR	BALANCES	YEAR	BALANCES	YEAR	BALANCES	YEAR	BALANCES
2013	2208623.	1999	935944.	1985	540520.	1971	267461.		
2012	2082412.	1998	876210.	1984	522887.	1970	238519.		
2011	1892147.	1997	836290.	1983	500053.	1969	202886.		
2010	1664692.	1996	796240.	1982	490213.	1968	167017.		
2009	1591711.	1995	765353.	1981	470180.	1967	135034.		
2008	1518358.	1994	704994.	1980	452472.	1966	113896.		
2007	1432260.	1993	691247.	1979	435756.	1965	94842.		
2006	1337055.	1992	658519.	1978	424391.	1964	80128.		
2005	1287164.	1991	642314.	1977	407750.	1963	63393.		
2004	1233948.	1990	629752.	1976	384630.	1962	52586.		
2003	1170735.	1989	614842.	1975	361582.	1961	35932.		
2002	1128624.	1988	602466.	1974	342556.	1960	18858.		
2001	1039386.	1987	575029.	1973	315035.	1959	16971.		
2000	993583.	1986	555640.	1972	287448.	1958	12612.		

S0	28.0 YRS.	0.1728E+12	86	11	99.95
S0.5	27.2 YRS.	0.1987E+12	92	10	100.00
L0	32.0 YRS.	0.1221E+12	72	13	86.17
L0.5	30.2 YRS.	0.1409E+12	77	12	90.75
R1	28.3 YRS.	0.1816E+12	88	11	99.90
R1.5	27.5 YRS.	0.2147E+12	96	10	100.00

SIMULATED PLANT RECORD ANALYSIS
SIMULATED BALANCE METHOD

Shelby Energy Cooperative
August 2, 2014

CARRIERS - 030 Shelby Energy Cooperative
ACCOUNT - 371 Installations on Customers' Premises

- ACCOUNT CONTROL INFORMATION -

EARLIEST ADDITION = 1958 LATEST ADDITION = 2013
EARLIEST BALANCE = 1958 LATEST BALANCE = 2013
EARLIEST RETIREMENT = 1958 LATEST RETIREMENT = 2013 INPUT = ADD & RET

SIMULATED PLANT RECORD ANALYSIS
SIMULATED BALANCE METHOD

Shelby Energy Cooperative
August 2, 2014

CARRIERS - 030 Shelby Energy Cooperative
ACCOUNT - 371 Installations on Customers' Premises

ANALYSIS BAND = 1958 THRU 2013 INCREMENT = 1

CURVE	IV	CI	REI
S0 - 28.0	86	11	99.95
S0.5 - 27.2	92	10	100.00
S1 - 26.6	98	10	100.00
S1.5 - 26.0	103	9	100.00
S2 - 25.4	107	9	100.00
S2.5 - 25.1	111	9	100.00
S3 - 24.8	115	8	100.00
S4 - 24.4	121	8	100.00
S5 - 24.0	125	8	100.00
S6 - 23.9	128	7	100.00
SQ - 26.0	141	7	100.00
L0 - 32.0	72	13	86.17
L0.5 - 30.2	77	12	90.75
L1 - 28.6	83	12	94.78
L1.5 - 27.6	89	11	97.05
L2 - 26.6	94	10	98.72
L2.5 - 26.2	100	10	99.45
L3 - 25.4	105	9	99.97
L4 - 24.6	116	8	100.00
L5 - 24.2	122	8	100.00
R1 - 28.3	88	11	99.90
R1.5 - 27.5	96	10	100.00
R2 - 26.6	103	9	100.00
R2.5 - 25.9	108	9	100.00
R3 - 25.4	113	8	100.00
R4 - 24.5	119	8	100.00
R5 - 24.1	124	8	100.00
O1 - 31.6	69	14	87.71
O2 - 35.3	68	14	81.36
O3 - 46.8	61	16	70.32
O4 - 60.1	58	17	65.93

August 2, 2014

XXXù	(X) CURVE OVERLAP
95! XXXXù	(ù) S0 28.0
90! .+XXXX	(+) L0 32.0
85! ++XXX	(*) R1 28.3
80! ++XX*	
75! +XXX*	
70! ++XX*	
65! +XX*	
60! +XX*	
55! XXX	
50! ùXX	
45! ùXX+	
40! ùXX++	
35! ùX*++++	
30! ùX* +++	
25! ùXù ++++	
20! *XX +++++	
15! XXù ++++	
10! *XXù	
5! *XXXù	
0!-----!-----!-----!-----!-----!-----!-----!-----!-----!-----!*XXXX-----!-----!-----!-----!-----!	
00+ 05+ 10+ 15+ 20+ 25+ 30+ 35+ 40+ 45+ 50+ 55+ 60+ 65+ 70+ 75+	

SIMULATED PLANT RECORD ANALYSIS
SIMULATED BALANCE METHOD

Shelby Energy Cooperative
August 2, 2014

CARRIERS - 030 Shelby Energy Cooperative
ACCOUNT - 373 Street Lighting & Signal Systems

- ACCOUNT CONTROL INFORMATION -

EARLIEST ADDITION	= 1953	LATEST ADDITION	= 2013	
EARLIEST BALANCE	= 2001	LATEST BALANCE	= 2013	
EARLIEST RETIREMENT	= 2001	LATEST RETIREMENT	= 2012	INPUT = ADD & RET

SIMULATED PLANT RECORD ANALYSIS
SIMULATED BALANCE METHOD

Shelby Energy Cooperative
August 2, 2014

CARRIERS - 030 Shelby Energy Cooperative
ACCOUNT - 373 Street Lighting & Signal Systems

ANALYSIS BAND = 2001 THRU 2013 INCREMENT = 1

DISP	MEAN		SSD		IV		REI
S0	9.6 YRS.		0.2723E+10		340		100.00
SIMULATED BALANCES							
YEAR	BALANCES	YEAR	BALANCES	YEAR	BALANCES	YEAR	BALANCES
2013	49076.	2009	60906.	2005	46417.	2001	30666.
2012	51296.	2008	65393.	2004	40363.	0	0.
2011	53815.	2007	53973.	2003	36740.	0	0.
2010	59060.	2006	45840.	2002	28887.	0	0.

DISP	MEAN		SSD		IV		REI
S1	9.4 YRS.		0.3030E+10		359		100.00
SIMULATED BALANCES							
YEAR	BALANCES	YEAR	BALANCES	YEAR	BALANCES	YEAR	BALANCES
2013	47814.	2009	61880.	2005	47645.	2001	31123.
2012	50696.	2008	66566.	2004	41455.	0	0.
2011	53865.	2007	55244.	2003	37658.	0	0.
2010	59642.	2006	47151.	2002	29615.	0	0.

DISP	MEAN		SSD		IV		REI
S2	9.2 YRS.		0.3312E+10		375		100.00
SIMULATED BALANCES							
YEAR	BALANCES	YEAR	BALANCES	YEAR	BALANCES	YEAR	BALANCES
2013	47282.	2009	62318.	2005	49082.	2001	31050.
2012	50411.	2008	67413.	2004	42635.	0	0.
2011	53776.	2007	56494.	2003	38422.	0	0.
2010	59772.	2006	48620.	2002	29914.	0	0.

DISP	MEAN		SSD		IV		REI
S3	9.1 YRS.		0.3530E+10		387		100.00
SIMULATED BALANCES							
YEAR	BALANCES	YEAR	BALANCES	YEAR	BALANCES	YEAR	BALANCES
2013	47113.	2009	61866.	2005	50502.	2001	30565.
2012	50175.	2008	67586.	2004	43708.	0	0.
2011	53246.	2007	57281.	2003	38863.	0	0.
2010	59120.	2006	49927.	2002	29755.	0	0.

DISP	MEAN		SSD		IV		REI
S4	8.9 YRS.		0.3735E+10		399		100.00
SIMULATED BALANCES							
YEAR	BALANCES	YEAR	BALANCES	YEAR	BALANCES	YEAR	BALANCES
2013	47047.	2009	60392.	2005	52175.	2001	29906.
2012	50177.	2008	66734.	2004	44657.	0	0.
2011	52943.	2007	57967.	2003	39104.	0	0.
2010	58053.	2006	51653.	2002	29481.	0	0.

DISP	MEAN	SSD	IV	REI			
S5	8.9 YRS.	0.3894E+10	407	100.00			
SIMULATED BALANCES							
YEAR	BALANCES	YEAR	BALANCES	YEAR	BALANCES		
2013	46849.	2009	58681.	2005	53274.	2001	29603.
2012	50473.	2008	65325.	2004	44869.	0	0.
2011	53656.	2007	59052.	2003	39157.	0	0.
2010	57899.	2006	53814.	2002	29486.	0	0.

DISP	MEAN	SSD	IV	REI			
S6	8.9 YRS.	0.4017E+10	413	100.00			
SIMULATED BALANCES							
YEAR	BALANCES	YEAR	BALANCES	YEAR	BALANCES		
2013	46353.	2009	57586.	2005	53473.	2001	29566.
2012	50271.	2008	62718.	2004	44774.	0	0.
2011	54477.	2007	60440.	2003	39205.	0	0.
2010	58035.	2006	55575.	2002	29548.	0	0.

DISP	MEAN	SSD	IV	REI			
SQ	9.6 YRS.	0.4495E+10	437	100.00			
SIMULATED BALANCES							
YEAR	BALANCES	YEAR	BALANCES	YEAR	BALANCES		
2013	54009.	2009	58681.	2005	53471.	2001	29566.
2012	60495.	2008	83190.	2004	45499.	0	0.
2011	57539.	2007	67771.	2003	39466.	0	0.
2010	61724.	2006	56089.	2002	29566.	0	0.

DISP	MEAN	SSD	IV	REI			
L0	10.4 YRS.	0.2479E+10	325	100.00			
SIMULATED BALANCES							
YEAR	BALANCES	YEAR	BALANCES	YEAR	BALANCES		
2013	50046.	2009	59781.	2005	45304.	2001	29925.
2012	51431.	2008	64310.	2004	39303.	0	0.
2011	53284.	2007	52910.	2003	35766.	0	0.
2010	58103.	2006	44726.	2002	28000.	0	0.

DISP	MEAN	SSD	IV	REI			
L1	9.8 YRS.	0.2767E+10	343	100.00			
SIMULATED BALANCES							
YEAR	BALANCES	YEAR	BALANCES	YEAR	BALANCES		
2013	48623.	2009	60589.	2005	46338.	2001	30820.
2012	50784.	2008	65142.	2004	40388.	0	0.
2011	53349.	2007	53794.	2003	36905.	0	0.
2010	58662.	2006	45722.	2002	29130.	0	0.

DISP	MEAN	SSD	IV	REI			
L2	9.4 YRS.	0.3078E+10	362	100.00			
SIMULATED BALANCES							
YEAR	BALANCES	YEAR	BALANCES	YEAR	BALANCES		
2013	47199.	2009	60789.	2005	47580.	2001	31055.
2012	50089.	2008	65491.	2004	41791.	0	0.
2011	53112.	2007	54356.	2003	38113.	0	0.
2010	58677.	2006	46617.	2002	29859.	0	0.

DISP	MEAN	SSD	IV	REI			
L3	9.2 YRS.	0.3338E+10	377	100.00			
SIMULATED BALANCES							
YEAR	BALANCES	YEAR	BALANCES	YEAR	BALANCES		
2013	46857.	2009	61063.	2005	49366.	2001	30927.
2012	50057.	2008	65861.	2004	43226.	0	0.
2011	53284.	2007	55188.	2003	38855.	0	0.
2010	58968.	2006	48102.	2002	30063.	0	0.

DISP	MEAN	SSD	IV	REI			
L4	9.0 YRS.	0.3597E+10	391	100.00			
SIMULATED BALANCES							
YEAR	BALANCES	YEAR	BALANCES	YEAR	BALANCES		
2013	46703.	2009	60844.	2005	51171.	2001	30443.
2012	50019.	2008	66178.	2004	44034.	0	0.
2011	53374.	2007	56871.	2003	39055.	0	0.
2010	58927.	2006	50635.	2002	29851.	0	0.

DISP	MEAN	SSD	IV	REI			
L5	8.9 YRS.	0.3785E+10	401	100.00			
SIMULATED BALANCES							
YEAR	BALANCES	YEAR	BALANCES	YEAR	BALANCES		
2013	46439.	2009	59573.	2005	52494.	2001	29920.
2012	49786.	2008	65106.	2004	44726.	0	0.
2011	53110.	2007	57626.	2003	39137.	0	0.
2010	58173.	2006	52389.	2002	29560.	0	0.

DISP	MEAN	SSD	IV	REI			
R1	9.6 YRS.	0.2660E+10	336	100.00			
SIMULATED BALANCES							
YEAR	BALANCES	YEAR	BALANCES	YEAR	BALANCES		
2013	49678.	2009	61304.	2005	46366.	2001	30279.
2012	51911.	2008	65765.	2004	40184.	0	0.
2011	54373.	2007	54309.	2003	36464.	0	0.
2010	59528.	2006	45994.	2002	28537.	0	0.

DISP	MEAN	SSD	IV	REI			
R2	9.5 YRS.	0.3027E+10	359	100.00			
SIMULATED BALANCES							
YEAR	BALANCES	YEAR	BALANCES	YEAR	BALANCES		
2013	48954.	2009	62973.	2005	48105.	2001	30821.
2012	51670.	2008	67803.	2004	41521.	0	0.
2011	54750.	2007	56442.	2003	37429.	0	0.
2010	60587.	2006	48029.	2002	29247.	0	0.

DISP	MEAN	SSD	IV	REI			
R3	9.2 YRS.	0.3379E+10	379	100.00			
SIMULATED BALANCES							
YEAR	BALANCES	YEAR	BALANCES	YEAR	BALANCES		
2013	47947.	2009	62806.	2005	49772.	2001	30587.
2012	50624.	2008	68578.	2004	42719.	0	0.
2011	53614.	2007	57937.	2003	38036.	0	0.
2010	59676.	2006	49837.	2002	29324.	0	0.

DISP	MEAN	SSD	IV	REI			
R4	9.1 YRS.	0.3628E+10	393	100.00			
SIMULATED BALANCES							
YEAR	BALANCES	YEAR	BALANCES	YEAR	BALANCES		
2013	47847.	2009	61543.	2005	51166.	2001	30036.
2012	50763.	2008	68537.	2004	43876.	0	0.
2011	53125.	2007	59114.	2003	38714.	0	0.
2010	58369.	2006	51285.	2002	29329.	0	0.

DISP	MEAN	SSD	IV	REI			
R5	8.9 YRS.	0.3848E+10	405	100.00			
SIMULATED BALANCES							
YEAR	BALANCES	YEAR	BALANCES	YEAR	BALANCES		
2013	46613.	2009	58471.	2005	52607.	2001	29560.
2012	50338.	2008	65874.	2004	44726.	0	0.
2011	53253.	2007	59106.	2003	39149.	0	0.
2010	57388.	2006	52902.	2002	29453.	0	0.

DISP	MEAN	SSD	IV	REI			
O1	10.0 YRS.	0.2363E+10	317	100.00			
SIMULATED BALANCES							
YEAR	BALANCES	YEAR	BALANCES	YEAR	BALANCES		
2013	50614.	2009	59044.	2005	44813.	2001	29406.
2012	51788.	2008	63633.	2004	38851.	0	0.
2011	53260.	2007	52418.	2003	35329.	0	0.
2010	57614.	2006	44262.	2002	27541.	0	0.

DISP	MEAN	SSD	IV	REI			
O2	11.2 YRS.	0.2320E+10	314	100.00			
SIMULATED BALANCES							
YEAR	BALANCES	YEAR	BALANCES	YEAR	BALANCES		
2013	51479.	2009	59800.	2005	44916.	2001	29362.
2012	52540.	2008	64175.	2004	38878.	0	0.
2011	54007.	2007	52780.	2003	35311.	0	0.
2010	58435.	2006	44477.	2002	27502.	0	0.

DISP	MEAN	SSD	IV	REI			
O3	13.7 YRS.	0.2163E+10	303	100.00			
SIMULATED BALANCES							
YEAR	BALANCES	YEAR	BALANCES	YEAR	BALANCES		
2013	51780.	2009	58632.	2005	43926.	2001	28780.
2012	52287.	2008	62994.	2004	38002.	0	0.
2011	53305.	2007	51659.	2003	34544.	0	0.
2010	57425.	2006	43404.	2002	26826.	0	0.

DISP		MEAN		SSD		IV		REI	
O4		16.8 YRS.		0.2085E+10		298		94.84	
SIMULATED BALANCES									
YEAR	BALANCES	YEAR	BALANCES	YEAR	BALANCES	YEAR	BALANCES	YEAR	BALANCES
2013	52043.	2009	58116.	2005	43430.	2001	28522.		
2012	52262.	2008	62461.	2004	37554.	0	0.		
2011	53046.	2007	51140.	2003	34157.	0	0.		
2010	57001.	2006	42886.	2002	26498.	0	0.		

DISP		MEAN		SSD		IV		REI	
S0.5		9.5 YRS.		0.2871E+10		349		100.00	
SIMULATED BALANCES									
YEAR	BALANCES	YEAR	BALANCES	YEAR	BALANCES	YEAR	BALANCES	YEAR	BALANCES
2013	48590.	2009	61503.	2005	47069.	2001	30917.		
2012	51140.	2008	66063.	2004	40941.	0	0.		
2011	53977.	2007	54671.	2003	37226.	0	0.		
2010	59476.	2006	46544.	2002	29275.	0	0.		

DISP		MEAN		SSD		IV		REI	
S1.5		9.3 YRS.		0.3168E+10		367		100.00	
SIMULATED BALANCES									
YEAR	BALANCES	YEAR	BALANCES	YEAR	BALANCES	YEAR	BALANCES	YEAR	BALANCES
2013	47372.	2009	61994.	2005	48301.	2001	31058.		
2012	50389.	2008	66903.	2004	41988.	0	0.		
2011	53673.	2007	55794.	2003	37992.	0	0.		
2010	59581.	2006	47817.	2002	29726.	0	0.		

DISP		MEAN		SSD		IV		REI	
S2.5		9.1 YRS.		0.3419E+10		381		100.00	
SIMULATED BALANCES									
YEAR	BALANCES	YEAR	BALANCES	YEAR	BALANCES	YEAR	BALANCES	YEAR	BALANCES
2013	47010.	2009	61966.	2005	49734.	2001	30777.		
2012	50101.	2008	67367.	2004	43119.	0	0.		
2011	53341.	2007	56804.	2003	38598.	0	0.		
2010	59291.	2006	49205.	2002	29798.	0	0.		

DISP		MEAN		SSD		IV		REI	
L0.5		10.1 YRS.		0.2618E+10		334		100.00	
SIMULATED BALANCES									
YEAR	BALANCES	YEAR	BALANCES	YEAR	BALANCES	YEAR	BALANCES	YEAR	BALANCES
2013	49236.	2009	60102.	2005	45776.	2001	30337.		
2012	51014.	2008	64656.	2004	39809.	0	0.		
2011	53223.	2007	53290.	2003	36299.	0	0.		
2010	58292.	2006	45170.	2002	28526.	0	0.		

DISP		MEAN		SSD		IV		REI	
L1.5		9.6 YRS.		0.2918E+10		352		100.00	
SIMULATED BALANCES									
YEAR	BALANCES	YEAR	BALANCES	YEAR	BALANCES	YEAR	BALANCES	YEAR	BALANCES
2013	48180.	2009	60870.	2005	47070.	2001	30962.		
2012	50677.	2008	65486.	2004	41157.	0	0.		
2011	53444.	2007	54234.	2003	37540.	0	0.		
2010	58865.	2006	46311.	2002	29512.	0	0.		

DISP	MEAN	SSD	IV	REI			
L2.5	9.3 YRS.	0.3204E+10	369	100.00			
SIMULATED BALANCES							
YEAR	BALANCES	YEAR	BALANCES	YEAR	BALANCES		
2013	47274.	2009	61094.	2005	48557.	2001	31018.
2012	50299.	2008	65849.	2004	42545.	0	0.
2011	53404.	2007	54947.	2003	38505.	0	0.
2010	59005.	2006	47502.	2002	29984.	0	0.

DISP	MEAN	SSD	IV	REI			
R1.5	9.5 YRS.	0.2836E+10	347	100.00			
SIMULATED BALANCES							
YEAR	BALANCES	YEAR	BALANCES	YEAR	BALANCES		
2013	49298.	2009	62152.	2005	47218.	2001	30551.
2012	51785.	2008	66788.	2004	40837.	0	0.
2011	54568.	2007	55369.	2003	36937.	0	0.
2010	60071.	2006	46996.	2002	28889.	0	0.

DISP	MEAN	SSD	IV	REI			
R2.5	9.3 YRS.	0.3199E+10	369	100.00			
SIMULATED BALANCES							
YEAR	BALANCES	YEAR	BALANCES	YEAR	BALANCES		
2013	48116.	2009	62694.	2005	48841.	2001	30643.
2012	50818.	2008	68037.	2004	42027.	0	0.
2011	53880.	2007	57065.	2003	37645.	0	0.
2010	59881.	2006	48828.	2002	29208.	0	0.

S0	9.6 YRS.	0.2723E+10	340	2	100.00
S0.5	9.5 YRS.	0.2871E+10	349	2	100.00
L0	10.4 YRS.	0.2479E+10	325	3	100.00
L0.5	10.1 YRS.	0.2618E+10	334	2	100.00
R1	9.6 YRS.	0.2660E+10	336	2	100.00
R1.5	9.5 YRS.	0.2836E+10	347	2	100.00

SIMULATED PLANT RECORD ANALYSIS
SIMULATED BALANCE METHOD

Shelby Energy Cooperative
August 2, 2014

CARRIERS - 030 Shelby Energy Cooperative
ACCOUNT - 373 Street Lighting & Signal Systems

- ACCOUNT CONTROL INFORMATION -

EARLIEST ADDITION = 1953 LATEST ADDITION = 2013
EARLIEST BALANCE = 2001 LATEST BALANCE = 2013
EARLIEST RETIREMENT = 2001 LATEST RETIREMENT = 2012 INPUT = ADD & RET

SIMULATED PLANT RECORD ANALYSIS
SIMULATED BALANCE METHOD

Shelby Energy Cooperative
August 2, 2014

CARRIERS - 030 Shelby Energy Cooperative
ACCOUNT - 373 Street Lighting & Signal Systems

ANALYSIS BAND = 2001 THRU 2013 INCREMENT = 1

CURVE	IV	CI	REI
S0 - 9.6	340	2	100.00
S0.5 - 9.5	349	2	100.00
S1 - 9.4	359	2	100.00
S1.5 - 9.3	367	2	100.00
S2 - 9.2	375	2	100.00
S2.5 - 9.1	381	2	100.00
S3 - 9.1	387	2	100.00
S4 - 8.9	399	2	100.00
S5 - 8.9	407	2	100.00
S6 - 8.9	413	2	100.00
SQ - 9.6	437	2	100.00
L0 - 10.4	325	3	100.00
L0.5 - 10.1	334	2	100.00
L1 - 9.8	343	2	100.00
L1.5 - 9.6	352	2	100.00
L2 - 9.4	362	2	100.00
L2.5 - 9.3	369	2	100.00
L3 - 9.2	377	2	100.00
L4 - 9.0	391	2	100.00
L5 - 8.9	401	2	100.00
R1 - 9.6	336	2	100.00
R1.5 - 9.5	347	2	100.00
R2 - 9.5	359	2	100.00
R2.5 - 9.3	369	2	100.00
R3 - 9.2	379	2	100.00
R4 - 9.1	393	2	100.00
R5 - 8.9	405	2	100.00
O1 - 10.0	317	3	100.00
O2 - 11.2	314	3	100.00
O3 - 13.7	303	3	100.00
O4 - 16.8	298	3	94.84

Year	Account:	364 Poles, Towers & Fixtures		
	Beginning Balance	Additions	Retirements	Ending Balance
1938				0
1939	-	67,437		67,437
1940	67,437	52,800		120,237
1941	120,237	6,138		126,375
1942	126,375	14,549		140,924
1943	140,924	14,548		155,472
1944	155,472	2,691	11	158,152
1945	158,152	4,920		163,072
1946	163,072	20,086	154	183,004
1947	183,004	3,125	133	185,996
1948	185,996	66,503	1,467	251,032
1949	251,032	244,830	15,089	480,773
1950	480,773	29,000	3,796	505,977
1951	505,977	28,414	6,524	527,867
1952	527,867	37,653	9,246	556,274
1953	556,274	43,695	18,414	581,555
1954	581,555	37,916	15,371	604,100
1955	604,100	32,183	9,367	626,916
1956	626,916	33,210	8,287	651,839
1957	651,839	34,823	10,868	675,794
1958	675,794	45,072	7,474	713,392
1959	713,392	43,888	6,929	750,351
1960	750,351	45,908	15,221	781,038
1961	781,038	51,624	15,383	817,279
1962	817,279	59,177	14,407	862,049
1963	862,049	51,665	12,182	901,532
1964	901,532	53,968	7,043	948,457
1965	948,457	39,377	8,705	979,129
1966	979,129	57,878	6,347	1,030,660
1967	1,030,660	44,761	4,603	1,070,818
1968	1,070,818	156,748	26,901	1,200,665
1969	1,200,665	215,364	19,429	1,396,600
1970	1,396,600	122,227	20,313	1,498,514
1971	1,498,514	174,923	41,802	1,631,635
1972	1,631,635	128,936	22,425	1,738,146
1973	1,738,146	184,298	36,348	1,886,096
1974	1,886,096	195,197	36,432	2,044,861
1975	2,044,861	178,344	28,311	2,194,894
1976	2,194,894	259,105	47,327	2,406,672
1977	2,406,672	242,057	42,032	2,606,697
1978	2,606,697	217,038	29,616	2,794,119
1979	2,794,119	218,473	30,201	2,982,391
1980	2,982,391	414,471	92,465	3,304,397
1981	3,304,397	262,678	60,573	3,506,502
1982	3,506,502	261,844	46,239	3,722,107
1983	3,722,107	223,950	61,041	3,885,016

Year	Account:	364 Poles, Towers & Fixtures		
	Beginning Balance	Additions	Retirements	Ending Balance
1984	3,885,016	272,557	52,959	4,104,614
1985	4,104,614	379,462	59,391	4,424,685
1986	4,424,685	283,514	64,422	4,643,777
1987	4,643,777	334,864	77,265	4,901,376
1988	4,901,376	341,580	91,365	5,151,591
1989	5,151,591	318,662	42,273	5,427,980
1990	5,427,980	549,761	115,084	5,862,657
1991	5,862,657	682,000	244,265	6,300,392
1992	6,300,392	579,212	106,471	6,773,133
1993	6,773,133	589,921	121,463	7,241,591
1994	7,241,591	607,336	83,654	7,765,273
1995	7,765,273	1,085,171	213,178	8,637,266
1996	8,637,266	865,479	138,486	9,364,259
1997	9,364,259	1,116,984	271,360	10,209,883
1998	10,209,883	894,487	248,608	10,855,762
1999	10,855,762	688,333	115,315	11,428,780
2000	11,428,780	793,841	268,727	11,953,894
2001	11,953,894	836,709	206,443	12,584,160
2002	12,584,160	1,181,018	289,907	13,475,271
2003	13,475,271	1,088,869	260,250	14,303,890
2004	14,303,890	945,813	225,725	15,023,978
2005	15,023,978	1,090,540	287,390	15,827,128
2006	15,827,128	1,018,623	278,923	16,566,828
2007	16,566,828	1,015,500	255,346	17,326,982
2008	17,326,982	886,640	155,090	18,058,532
2009	18,058,532	818,627	115,072	18,762,087
2010	18,762,087	830,698	113,405	19,479,380
2011	19,479,380	1,629,475	401,066	20,707,789
2012	20,707,789	1,602,188	446,100	21,863,877
2013	21,863,877	794,019	225,233	22,432,663

Year	Account:	365		Overhead Conductors & Devices	
	Beginning Balance	Additions	Retirements	Ending Balance	
1938		0	0		
1939	-	0	0		0
1940	-	0	0		0
1941	-	95,242	0		95,242
1942	95,242	124	0		95,365
1943	95,365	30,005	0		125,370
1944	125,370	1,542	0		126,913
1945	126,913	2,594	0		129,506
1946	129,506	14,745	119		144,132
1947	144,132	1,948	96		145,983
1948	145,983	54,438	2,264		198,158
1949	198,158	285,003	13,434		469,727
1950	469,727	19,274	2,348		486,654
1951	486,654	21,061	6,152		501,563
1952	501,563	30,438	4,401		527,600
1953	527,600	33,781	16,880		544,501
1954	544,501	39,124	17,130		566,495
1955	566,495	45,557	12,638		599,415
1956	599,415	39,745	13,955		625,205
1957	625,205	49,818	18,724		656,299
1958	656,299	51,036	8,810		698,525
1959	698,525	47,978	16,016		730,487
1960	730,487	81,045	14,453		797,078
1961	797,078	94,530	14,561		877,047
1962	877,047	31,980	6,961		902,065
1963	902,065	30,445	6,917		925,593
1964	925,593	44,053	6,464		963,182
1965	963,182	25,533	4,943		983,772
1966	983,772	80,880	5,054		1,059,598
1967	1,059,598	52,123	3,096		1,108,624
1968	1,108,624	196,192	28,304		1,276,512
1969	1,276,512	114,725	19,775		1,371,462
1970	1,371,462	130,270	18,029		1,483,702
1971	1,483,702	202,067	31,641		1,654,128
1972	1,654,128	105,684	12,911		1,746,901
1973	1,746,901	192,028	33,860		1,905,069
1974	1,905,069	153,452	23,735		2,034,786
1975	2,034,786	113,585	13,913		2,134,458
1976	2,134,458	201,943	34,989		2,301,411
1977	2,301,411	206,437	24,818		2,483,030
1978	2,483,030	229,835	24,995		2,687,870
1979	2,687,870	201,282	43,642		2,845,511
1980	2,845,511	368,471	76,305		3,137,677
1981	3,137,677	211,974	34,398		3,315,253
1982	3,315,253	175,205	26,143		3,464,315
1983	3,464,315	136,843	48,868		3,552,289

Account: 365 Overhead Conductors & Devices				
Year	Beginning Balance	Additions	Retirements	Ending Balance
1984	3,552,289	182,083	39,020	3,695,352
1985	3,695,352	203,438	41,922	3,856,868
1986	3,856,868	165,987	26,151	3,996,705
1987	3,996,705	211,299	58,921	4,149,082
1988	4,149,082	192,290	51,482	4,289,889
1989	4,289,889	205,552	26,408	4,469,034
1990	4,469,034	426,471	65,715	4,829,790
1991	4,829,790	468,062	98,080	5,199,772
1992	5,199,772	362,504	67,315	5,494,961
1993	5,494,961	350,461	59,819	5,785,603
1994	5,785,603	354,869	33,911	6,106,562
1995	6,106,562	797,131	133,052	6,770,641
1996	6,770,641	698,967	136,162	7,333,446
1997	7,333,446	985,337	167,746	8,151,037
1998	8,151,037	1,124,550	153,291	9,122,296
1999	9,122,296	575,350	86,122	9,611,524
2000	9,611,524	838,201	184,135	10,265,590
2001	10,265,590	735,465	159,573	10,841,482
2002	10,841,482	1,265,829	251,250	11,856,061
2003	11,856,061	1,115,763	195,912	12,775,912
2004	12,775,912	866,004	134,960	13,506,956
2005	13,506,956	1,130,993	274,879	14,363,070
2006	14,363,070	1,116,387	174,372	15,305,085
2007	15,305,085	990,652	213,037	16,082,700
2008	16,082,700	836,580	96,233	16,823,047
2009	16,823,047	462,757	68,109	17,217,695
2010	17,217,695	672,547	61,785	17,828,457
2011	17,828,457	1,854,886	298,275	19,385,068
2012	19,385,068	1,749,685	395,442	20,739,311
2013	20,739,311	756,057	256,745	21,238,623

Account: 366		Underground Conduit		
Year	Beginning Balance	Additions	Retirements	Ending Balance
1938				
1939				0
1940				0
1941				0
1942				0
1943				0
1944				0
1945				0
1946				0
1947				0
1948				0
1949				0
1950				0
1951				0
1952				0
1953				0
1954				0
1955				0
1956				0
1957				0
1958				0
1959				0
1960				0
1961				0
1962				0
1963				0
1964				0
1965				0
1966				0
1967				0
1968				0
1969	-			0
1970	-			0
1971	-			278
1972	278	629		906
1973	906	2,288		3,194
1974	3,194	1,296		4,490
1975	4,490	1,309		5,799
1976	5,799	3,864		9,663
1977	9,663	2,127		11,790
1978	11,790	2,459	141	14,108
1979	14,108	1,529		15,638
1980	15,638	5,086		20,723
1981	20,723	10,096		30,819
1982	30,819	1,195		32,014
1983	32,014	644		32,658

Account: 366		Underground Conduit		
Year	Beginning Balance	Additions	Retirements	Ending Balance
1984	32,658	12,702		45,360
1985	45,360	1,134	7,099	39,395
1986	39,395	9,897		49,293
1987	49,293	16,739		66,032
1988	66,032	977	2,108	64,901
1989	64,901	43,246	2,093	106,053
1990	106,053	55,207		161,260
1991	161,260	20,108		181,368
1992	181,368	19,692		201,059
1993	201,059	36,126		237,185
1994	237,185	8,620		245,805
1995	245,805	10,236	169	255,872
1996	255,872	3,123	169	258,826
1997	258,826	6,572	177	265,221
1998	265,221	12,204		277,425
1999	277,425	8,318	373	285,370
2000	285,370	13,552	284	298,638
2001	298,638	8,490	296	306,832
2002	306,832	687		307,519
2003	307,519			307,519
2004	307,519			307,519
2005	307,519			307,519
2006	307,519			307,519
2007	307,519	0	0	307,519
2008	307,519	0	0	307,519
2009	307,519	0	0	307,519
2010	307,519	0	0	307,519
2011	307,519	0	0	307,519
2012	307,519	0	0	307,519
2013	307,519	0	0	307,519

Year	Account: Beginning Balance	367 Additions	Underground Conductors & Devic Retirements	Ending Balance
1938				
1939	0			0
1940	0			0
1941	0			0
1942	0			0
1943	0			0
1944	0			0
1945	0			0
1946	0			0
1947	0			0
1948	0			0
1949	0			0
1950	0			0
1951	0			0
1952	0			0
1953	0			0
1954	0			0
1955	0			0
1956	0			0
1957	0			0
1958	0			0
1959	0			0
1960	0			0
1961	0			0
1962	0			0
1963	0			0
1964	0			0
1965	0			0
1966	0			0
1967	0			0
1968	0	2,628		2,628
1969	2,628	613		3,241
1970	3,241	6,478		9,719
1971	9,719	194		9,912
1972	9,912	430		10,342
1973	10,342	14,733		25,075
1974	25,075	135		25,209
1975	25,209	-1,275		23,934
1976	23,934	102,894		126,828
1977	126,828	1,453		128,282
1978	128,282	-995		127,286
1979	127,286	-812		126,474
1980	126,474	4,039		130,513
1981	130,513	18,039	221	148,330
1982	148,330	6,345		154,675
1983	154,675	3,372		158,047

Year	Account:	367			Underground Conductors & Devic
	Beginning				Ending
	Balance	Additions	Retirements		Balance
1984	158,047	11,496	1,071		168,472
1985	168,472	6,009	7,683		166,798
1986	166,798	8,544			175,342
1987	175,342	8,855	112		184,085
1988	184,085	4,854	2,124		186,815
1989	186,815	43,587	1,568		228,834
1990	228,834	83,787	1,481		311,140
1991	311,140	50,528	1,465		360,203
1992	360,203	25,872	631		385,444
1993	385,444	62,861	4,395		443,910
1994	443,910	27,118	1,191		469,837
1995	469,837	28,683	18,126		480,394
1996	480,394	155,819	7,688		628,525
1997	628,525	160,749	7,397		781,877
1998	781,877	258,886	46,868		993,895
1999	993,895	157,264	24,413		1,126,746
2000	1,126,746	228,428	10,845		1,344,329
2001	1,344,329	261,656	10,852		1,595,133
2002	1,595,133	166,463	8,677		1,752,919
2003	1,752,919	383,767	95,939		2,040,747
2004	2,040,747	256,996	12,384		2,285,359
2005	2,285,359	309,035	8,084		2,586,310
2006	2,586,310	160,072	9,908		2,736,474
2007	2,736,474	413,686	7,726		3,142,434
2008	3,142,434	162,929	569		3,304,794
2009	3,304,794	88,961	3,959		3,389,796
2010	3,389,796	311,070	816		3,700,050
2011	3,700,050	318,093	14,561		4,003,582
2012	4,003,582	347,201	5,572		4,345,211
2013	4,345,211	232,336	19,431		4,558,116

Year	Account: Beginning Balance	368 Additions	Line Transformers Retirements	Ending Balance
1938				
1939	0	34,903		34,903
1940	34,903	25,345	191	60,057
1941	60,057	7,632	2,037	65,652
1942	65,652	912		66,564
1943	66,564	14,316		80,880
1944	80,880	1,968		82,848
1945	82,848	8,395		91,243
1946	91,243	13,540	58	104,725
1947	104,725	43,199		147,924
1948	147,924	106,151		254,075
1949	254,075	43,677	503	297,249
1950	297,249	14,909	1,759	310,399
1951	310,399	19,935		330,334
1952	330,334	18,089	1,633	346,790
1953	346,790	22,667		369,457
1954	369,457	31,296	2,817	397,936
1955	397,936	22,955	1,491	419,399
1956	419,399	28,654	7,358	440,695
1957	440,695	16,828	4,083	453,440
1958	453,440	31,613	5,359	479,694
1959	479,694	39,740	5,624	513,811
1960	513,811	32,490	4,382	541,919
1961	541,919	11,740	1,856	551,803
1962	551,803	18,402	256	569,948
1963	569,948	23,892	7,792	586,048
1964	586,048	28,140	9,152	605,036
1965	605,036	24,683	8,028	621,691
1966	621,691	23,527	9,170	636,048
1967	636,048	35,128	11,425	659,751
1968	659,751	39,217	11,001	687,967
1969	687,967	46,083	14,785	719,265
1970	719,265	58,298	13,923	763,640
1971	763,640	76,450	18,512	821,578
1972	821,578	81,719	19,846	883,451
1973	883,451	98,355	29,284	952,523
1974	952,523	106,833	27,775	1,031,581
1975	1,031,581	95,411	29,707	1,097,286
1976	1,097,286	147,915	21,939	1,223,261
1977	1,223,261	364,836	35,152	1,552,946
1978	1,552,946	142,022	12,788	1,682,180
1979	1,682,180	174,228	44,304	1,812,104
1980	1,812,104	95,150	26,030	1,881,224
1981	1,881,224	143,111	29,920	1,994,415
1982	1,994,415	75,288	23,110	2,046,593
1983	2,046,593	155,971	52,514	2,150,049

Account: 368		Line Transformers		
Year	Beginning Balance	Additions	Retirements	Ending Balance
1984	2,150,049	84,901	17,286	2,217,665
1985	2,217,665	163,180	53,740	2,327,105
1986	2,327,105	208,734	51,148	2,484,691
1987	2,484,691	246,039	42,982	2,687,748
1988	2,687,748	171,873	38,063	2,821,557
1989	2,821,557	305,386	52,611	3,074,333
1990	3,074,333	401,652	44,097	3,431,888
1991	3,431,888	227,018	50,071	3,608,834
1992	3,608,834	272,024	38,179	3,842,679
1993	3,842,679	394,687	51,765	4,185,602
1994	4,185,602	288,350	8,784	4,465,168
1995	4,465,168	294,327	33,075	4,726,420
1996	4,726,420	388,928	77,652	5,037,696
1997	5,037,696	417,615	12,479	5,442,832
1998	5,442,832	340,752	10,289	5,773,295
1999	5,773,295	445,432	16,819	6,201,908
2000	6,201,908	340,051	2,766	6,539,193
2001	6,539,193	255,318	171,101	6,623,410
2002	6,623,410	360,622	233,393	6,750,639
2003	6,750,639	360,349	134,859	6,976,129
2004	6,976,129	416,103	66,110	7,326,122
2005	7,326,122	492,769	124,949	7,693,942
2006	7,693,942	564,103	86,676	8,171,369
2007	8,171,369	255,525	82,814	8,344,080
2008	8,344,080	349,090	83,237	8,609,933
2009	8,609,933	209,387	48,362	8,770,958
2010	8,770,958	335,484	123,827	8,982,615
2011	8,982,615	262,799	171,311	9,074,103
2012	9,074,103	343,824	121,509	9,296,418
2013	9,296,418	231,949	90,334	9,438,033

Year	Account:	369		Service (Pole-to-House)	Ending Balance
	Beginning Balance	Additions	Retirements		
1938	0	0	0		
1939	0	8,720			8,720
1940	8,720	5,559			14,279
1941	14,279	2,644	134		16,790
1942	16,790	351			17,140
1943	17,140	4,227			21,368
1944	21,368	726	16		22,077
1945	22,077	539			22,617
1946	22,617	3,391	23		25,984
1947	25,984	612	28		26,567
1948	26,567	13,597	398		39,767
1949	39,767	12,644	1,144		51,266
1950	51,266	5,026	851		55,441
1951	55,441	4,255	1,004		58,692
1952	58,692	4,931	803		62,821
1953	62,821	6,480	1,075		68,226
1954	68,226	6,833	2,425		72,634
1955	72,634	5,338	1,057		76,915
1956	76,915	8,725	2,044		83,596
1957	83,596	6,851	1,003		89,443
1958	89,443	6,748	1,539		94,653
1959	94,653	6,174	1,135		99,692
1960	99,692	8,190	1,227		106,655
1961	106,655	3,864	1,241		109,278
1962	109,278	6,334	1,483		114,128
1963	114,128	7,345	1,804		119,670
1964	119,670	5,340	961		124,049
1965	124,049	6,899	1,378		129,570
1966	129,570	7,227	2,332		134,464
1967	134,464	8,793	2,691		140,566
1968	140,566	12,024	4,125		148,465
1969	148,465	9,811	3,398		154,878
1970	154,878	13,820	2,490		166,208
1971	166,208	19,096	3,501		181,803
1972	181,803	30,097	7,255		204,644
1973	204,644	33,998	4,405		234,237
1974	234,237	25,373	4,631		254,980
1975	254,980	27,471	4,714		277,736
1976	277,736	36,860	3,911		310,686
1977	310,686	59,673	4,824		365,535
1978	365,535	58,711	3,971		420,275
1979	420,275	60,272	5,412		475,134
1980	475,134	67,447	14,550		528,031
1981	528,031	76,642	8,577		596,096
1982	596,096	79,563	8,088		667,570
1983	667,570	73,764	14,150		727,184

Year	Account:	369		Service (Pole-to-House)	Ending Balance
	Beginning Balance	Additions	Retirements		
1984	727,184	75,840	12,700		790,324
1985	790,324	77,476	11,349		856,451
1986	856,451	74,731	11,967		919,215
1987	919,215	96,933	11,839		1,004,309
1988	1,004,309	152,327	12,603		1,144,033
1989	1,144,033	207,539	12,629		1,338,943
1990	1,338,943	225,904	18,728		1,546,119
1991	1,546,119	230,159	24,811		1,751,467
1992	1,751,467	251,657	23,279		1,979,845
1993	1,979,845	300,317	25,763		2,254,399
1994	2,254,399	367,122	23,991		2,597,529
1995	2,597,529	559,056	46,080		3,110,505
1996	3,110,505	472,265	25,191		3,557,579
1997	3,557,579	566,321	38,746		4,085,154
1998	4,085,154	412,806	38,530		4,459,430
1999	4,459,430	516,860	39,955		4,936,335
2000	4,936,335	517,246	39,130		5,414,451
2001	5,414,451	443,910	31,945		5,826,416
2002	5,826,416	484,626	40,481		6,270,561
2003	6,270,561	528,007	44,541		6,754,027
2004	6,754,027	597,149	56,387		7,294,789
2005	7,294,789	585,684	61,058		7,819,415
2006	7,819,415	473,453	59,072		8,233,796
2007	8,233,796	468,826	79,937		8,622,685
2008	8,622,685	425,668	49,508		8,998,845
2009	8,998,845	505,028	80,676		9,423,197
2010	9,423,197	392,870	75,730		9,740,337
2011	9,740,337	473,910	83,807		10,130,440
2012	10,130,440	341,683	74,056		10,398,067
2013	10,398,067	325,360	66,280		10,657,147

Year	Account:	370 Meters		Ending Balance
	Beginning Balance	Additions	Retirements	
1938				
1939	0	6,253		6,253
1940	6,253	2,934		9,187
1941	9,187	9,473	2,210	16,451
1942	16,451	520		16,970
1943	16,970	747		17,717
1944	17,717	982	20	18,680
1945	18,680	1,570		20,250
1946	20,250	6,246	1,400	25,096
1947	25,096	11,516		36,612
1948	36,612	9,292	2,988	42,916
1949	42,916	5,758	120	48,554
1950	48,554	2,995	257	51,292
1951	51,292	3,238	175	54,356
1952	54,356	1,902		56,258
1953	56,258	3,891	199	59,950
1954	59,950	3,730	1,057	62,623
1955	62,623	4,732		67,354
1956	67,354	1,701	1,113	67,942
1957	67,942	1,014		68,956
1958	68,956	2,222	393	70,786
1959	70,786	4,926	780	74,931
1960	74,931	3,867	398	78,399
1961	78,399	5,920	730	83,590
1962	83,590	3,452		87,042
1963	87,042	4,796	866	90,972
1964	90,972	7,178	1,018	97,132
1965	97,132	7,036		104,167
1966	104,167	4,389	1,756	106,800
1967	106,800	9,942	1,168	115,574
1968	115,574	10,499	1,323	124,749
1969	124,749	7,475	1,977	130,247
1970	130,247	8,372	675	137,944
1971	137,944	11,739	1,764	147,919
1972	147,919	26,000	3,307	170,612
1973	170,612	26,689		197,301
1974	197,301	26,693		223,993
1975	223,993	17,227	10,390	230,830
1976	230,830	16,300	8,222	238,907
1977	238,907	37,503	8,942	267,468
1978	267,468	22,102	8,839	280,732
1979	280,732	33,883	17,478	297,137
1980	297,137	43,162	3,293	337,006
1981	337,006	47,252	17,950	366,308
1982	366,308	21,604	13,237	374,676
1983	374,676	31,369	11,498	394,547

Year	Account:	370 Meters		Ending Balance
	Beginning Balance	Additions	Retirements	
1984	394,547	32,141	10,053	416,636
1985	416,636	31,206	6,084	441,757
1986	441,757	22,985	3,341	461,401
1987	461,401	34,780	6,239	489,942
1988	489,942	22,112	1,820	510,234
1989	510,234	26,110	2,799	533,544
1990	533,544	32,200	1,913	563,831
1991	563,831	62,941	2,508	624,264
1992	624,264	32,033	5,441	650,856
1993	650,856	32,704	2,294	681,267
1994	681,267	28,532	2,572	707,226
1995	707,226	45,027	1,878	750,375
1996	750,375	56,241	5,810	800,806
1997	800,806	66,862	6,853	860,815
1998	860,815	48,731	2,054	907,492
1999	907,492	46,131	3,945	949,678
2000	949,678	69,967	6,644	1,013,001
2001	1,013,001	44,352	3,754	1,053,599
2002	1,053,599	67,306	4,073	1,116,832
2003	1,116,832	46,211	3,507	1,159,536
2004	1,159,536	80,315	5,835	1,234,016
2005	1,234,016	55,369	4,738	1,284,647
2006	1,284,647	58,227	17,608	1,325,266
2007	1,325,266	68,638	7,148	1,386,756
2008	1,386,756	41,907	3,394	1,425,269
2009	1,425,269	36,180	35,382	1,426,067
2010	1,426,067	1,878,286	547,935	2,756,418
2011	2,756,418	823,184	0	3,579,602
2012	3,579,602	98,937	278,955	3,399,584
2013	3,399,584	333,307	4,451	3,728,440

Year	Account:	371 Installations on Customers' Prer		
	Beginning Balance	Additions	Retirements	Ending Balance
1938				
1939	0			0
1940	0			0
1941	0			0
1942	0			0
1943	0			0
1944	0			0
1945	0			0
1946	0			0
1947	0			0
1948	0			0
1949	0			0
1950	0			0
1951	0			0
1952	0			0
1953	0			0
1954	0			0
1955	0			0
1956	0			0
1957	0			0
1958	0	12,626	135	12,491
1959	12,491	4,394	638	16,247
1960	16,247	1,937	586	17,598
1961	17,598	17,152	570	34,180
1962	34,180	16,784	1,875	49,090
1963	49,090	10,990	1,200	58,880
1964	58,880	16,980	720	75,139
1965	75,139	15,035	1,320	88,854
1966	88,854	19,467	2,712	105,609
1967	105,609	21,663	2,717	124,554
1968	124,554	32,652	3,320	153,886
1969	153,886	36,721	5,848	184,759
1970	184,759	36,701	6,187	215,273
1971	215,273	30,250	10,236	235,287
1972	235,287	21,551	11,987	244,851
1973	244,851	29,442	13,283	261,010
1974	261,010	29,714	12,394	278,330
1975	278,330	21,593	13,910	286,013
1976	286,013	26,032	13,834	298,211
1977	298,211	26,576	13,319	311,468
1978	311,468	20,621	8,793	323,296
1979	323,296	15,916	5,495	333,717
1980	333,717	21,900	9,276	346,342
1981	346,342	23,601	8,248	361,695
1982	361,695	26,709	8,740	379,664
1983	379,664	17,363	10,649	386,378

Year	Account:	371 Installations on Customers' Prer		
	Beginning Balance	Additions	Retirements	Ending Balance
1984	386,378	31,279	11,202	406,454
1985	406,454	27,077	7,026	426,506
1986	426,506	25,622	7,674	444,455
1987	444,455	31,005	8,315	467,145
1988	467,145	40,230	12,602	494,772
1989	494,772	26,375	21,683	499,464
1990	499,464	30,124	-7,859	537,447
1991	537,447	28,996	9,624	556,819
1992	556,819	33,850	12,425	578,243
1993	578,243	51,578	15,507	614,314
1994	614,314	33,760	8,939	639,135
1995	639,135	81,507	16,292	704,350
1996	704,350	53,122	9,625	747,847
1997	747,847	63,271	15,597	795,521
1998	795,521	64,044	13,914	845,651
1999	845,651	84,689	20,415	909,925
2000	909,925	83,357	19,396	973,886
2001	973,886	72,193	20,297	1,025,782
2002	1,025,782	116,275	2,163	1,139,894
2003	1,139,894	69,762	12,456	1,197,200
2004	1,197,200	91,440	20,770	1,267,870
2005	1,267,870	82,053	17,536	1,332,387
2006	1,332,387	79,373	16,935	1,394,825
2007	1,394,825	125,447	23,156	1,497,116
2008	1,497,116	117,247	15,326	1,599,037
2009	1,599,037	105,516	16,381	1,688,172
2010	1,688,172	106,294	15,926	1,778,540
2011	1,778,540	262,246	51,832	1,988,954
2012	1,988,954	226,876	81,088	2,134,742
2013	2,134,742	164,764	62,563	2,236,943

Year	Account: Beginning Balance	373 Additions	Street Lighting & Signal System Retirements	Ending Balance
1938				
1939	0			0
1940	0			0
1941	0			0
1942	0			0
1943	0			0
1944	0			0
1945	0			0
1946	0			0
1947	0			0
1948	0			0
1949	0			0
1950	0			0
1951	0			0
1952	0			0
1953	0	1,118		1,118
1954	1,118			1,118
1955	1,118			1,118
1956	1,118			1,118
1957	1,118			1,118
1958	1,118	5		1,123
1959	1,123			1,123
1960	1,123			1,123
1961	1,123			1,123
1962	1,123			1,123
1963	1,123			1,123
1964	1,123			1,123
1965	1,123			1,123
1966	1,123			1,123
1967	1,123			1,123
1968	1,123			1,123
1969	1,123			1,123
1970	1,123			1,123
1971	1,123			1,123
1972	1,123			1,123
1973	1,123			1,123
1974	1,123			1,123
1975	1,123			1,123
1976	1,123			1,123
1977	1,123			1,123
1978	1,123			1,123
1979	1,123			1,123
1980	1,123			1,123
1981	1,123			1,123
1982	1,123			1,123
1983	1,123			1,123

Year	Account:	373 Street Lighting & Signal System		Ending Balance
	Beginning Balance	Additions	Retirements	
1984	1,123			1,123
1985	1,123			1,123
1986	1,123			1,123
1987	1,123			1,123
1988	1,123			1,123
1989	1,123			1,123
1990	1,123	7,740		8,863
1991	8,863			8,863
1992	8,863			8,863
1993	8,863			8,863
1994	8,863			8,863
1995	8,863	872		9,735
1996	9,735			9,735
1997	9,735	0		9,735
1998	9,735	0		9,735
1999	9,735	24,509		34,244
2000	34,244			34,244
2001	34,244	4,185	1,965	36,464
2002	36,464		32,043	4,421
2003	4,421	9,900		14,321
2004	14,321	6,033		20,354
2005	20,354	8,844		29,198
2006	29,198	2,618		31,816
2007	31,816	11,682		43,498
2008	43,498	15,419		58,917
2009	58,917	0		58,917
2010	58,917	3,043		61,960
2011	61,960	0		61,960
2012	61,960	2,956	1,469	63,447
2013	63,447	3,414		66,861

Shelby Energy Services, LLC
3 Years of Affiliate Transactions
August 1, 2013 - July 31, 2016

Exhibit 22
Page 1 of 1
Witness: Debra Martin

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Date	Amount	Description
		<u>08/01/13 - 07/31/14</u>
12/31/13	\$264,135.95	2013 - Net Earnings Allocation
01/06/14	2,192.13	2013 - Annual Labor Allocation
		<u>08/01/14 - 07/31/15</u>
12/31/14	167,975.49	2014 - Net Earnings Allocation
01/22/15	3,288.16	2014 - Annual Labor Allocation
		<u>08/01/15 - 07/31/16</u>
12/23/2015	2,091.44	2015 - Annual Labor Allocation
12/31/2015	<u>35,101.41</u>	2015 - Net Earnings Allocaton
	\$474,784.58	