

February 7, 2017

RECEIVED

FEB 0 7 2017

PUBLIC SERVICE COMMISSION

Talina R. Matthews, Executive Director Public Service Commission PO Box 615 Frankfort, Kentucky 40602

Re: Shelby Energy Cooperative PSC Case No. 2016-00434

Dear Executive Director Matthews:

Please accept the following responses by Shelby Energy Cooperative, Inc. to the filing deficiencies noted in your February 3, 2017 letter:

- (1) Regarding 807 KAR 5:001; Section 16(4)(t)(1) and (2) and (3), there were no amounts charged to Shelby Energy Cooperative, Inc. ("SEC") by its affiliate, Shelby Energy Services ("SES"), or paid by SEC to SES, or by a general or home office, either during the test year or the three (3) preceding years. The amounts between SEC and its subsidiary SES, as detailed in Exhibit 22 of the application, are for actual net earnings booked (credited) from SES to SEC and actual costs for labor charged to SES by SEC.
- (2) Refer to (1) above.
- (3) Refer to (1) above.

Sincerely,

Debra Martin, President & CEC

JBR