

RECEIVED

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JUN 2 2017
PUBLIC SERVICE
COMMISSION

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June 1, 2017

Executive Director
Public Service Commission
211 Sower Boulevard
Frankfort, Kentucky 40602

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

Gentlepersons:

Please find enclosed the original plus ten copies of the Applicant's Responses to the Commission Staff's Fourth Request for Information.

Thank you for your attention to this matter.

Very truly yours,

MATHIS, RIGGS, PRATHER & RATLIFF, P.S.C.

By: 
Donald T. Prather

DTP/pm
Enclosures

RECEIVED

JUN 2 2017

PUBLIC SERVICE
COMMISSION

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

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

Case No. 2016-00434

**APPLICANT'S RESPONSES TO
COMMISSION STAFF'S FOURTH REQUEST FOR INFORMATION**

The Applicant, Shelby Energy Cooperative, Inc., makes the following responses to the "Commission Staff's Fourth Request for Information" as follows:

1. The witnesses who are prepared to answer questions concerning each request are Debra J. Martin and James R. Adkins.
2. Debra J. Martin, President & CEO of Shelby Energy Cooperative, Inc., is the person supervising the preparation of the responses on behalf of the Applicant.
3. The responses and exhibits are attached hereto and incorporated by reference herein.

Respectfully submitted,

MATHIS, RIGGS, PRATHER & RATLIFF, P.S.C.

By:  _____

Donald T. Prather
500 Main Street, Suite 5
Shelbyville, Kentucky 40065
Phone: (502) 633-5220
Fax: (502) 633-0667
Attorney for Shelby Energy Cooperative, Inc.

The undersigned, Debra J. Martin, as President & CEO of Shelby Energy Cooperative, Inc., being duly sworn, states that the responses herein are true and accurate to the best of my knowledge and belief formed after reasonable inquiry.

Dated: June 2, 2017

SHELBY ENERGY COOPERATIVE, INC.

Debra J. Martin
DEBRA J. MARTIN, PRESIDENT & CEO

Subscribed, sworn to, and acknowledged before me by Debra J. Martin, as President & CEO for Shelby Energy Cooperative, Inc. on behalf of said Corporation this 2nd day of June, 2017.

Lauren Gutermuth
Notary Public, Kentucky State at Large

My Commission Expires: 6/24/2020

The undersigned, James R. Adkins, as Consultant of Shelby Energy Cooperative, Inc., being duly sworn, states that the responses herein are true and accurate to the best of my knowledge and belief formed after reasonable inquiry.

Dated: June 2, 2017

SHELBY ENERGY COOPERATIVE, INC.

James R. Adkins
JAMES R. ADKINS, CONSULTANT

Subscribed, sworn to, and acknowledged before me by James R. Adkins, as Consultant of Shelby Energy Cooperative, Inc. on behalf of said Corporation this 2nd day of June, 2017.

Lauren Gutermuth
Notary Public, Kentucky State at Large

My Commission Expires: 6/24/2020

Shelby Energy Cooperative, Inc.
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1. Refer to Shelby Energy's response to Commission Staff's Second Request for Information ("Staff's Second Request"), Items 10 and 11.b. The response to Item 10 states that Shelby Energy is billed under East Kentucky Power Cooperative, Inc.'s ("East Kentucky") Schedule B rates for its members billed on Schedules B1 and B2. The response to Item 11 states that Shelby Energy has no customers taking service under the following rate schedules: B3, C1, C2, C3, and 22.

a. Confirm that if Shelby Energy had a customer taking service under Large Industrial Rate Schedule B3, Shelby Energy would be billed under East Kentucky's Schedule B for that customer. If this cannot be confirmed, explain.

Response 1a.

Shelby Energy confirms that should a customer take service under rate schedule B3, that Shelby Energy would be billed under East Kentucky's Schedule B for that customer.

Shelby Energy has included with this response a revised and proposed tariff for the Large Industrial Rate - Schedule B3 that will correspond with East Kentucky's Schedule B. The revised tariff schedule is provided on page 8 of Exhibit 4-A, and the proposed tariff schedule is provided as page 8 of Exhibit 4-B.

b. Confirm that if Shelby Energy had customers taking service under Large Industrial Rate Schedules C1, C2, or C3, Shelby Energy would be

Shelby Energy Cooperative, Inc.
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billed under East Kentucky's Schedule C for those customers. If this cannot be confirmed, explain.

Response 1b.

Shelby Energy confirms that should a customer take service under Large Industrial Rate - Schedules C1, C2 or C3, Shelby Energy would be billed under East Kentucky's Schedule C for those customers.

Shelby Energy has included with this response a revised and proposed set of tariffs for the Large Industrial Rate - Schedule C1, C2 and C3 that correspond with East Kentucky's Schedule C. The revised tariff schedules are provided as pages 10,12 and 14 of Exhibit 4-A, and the proposed tariff schedules are provided as pages 10, 12 and 14 of Exhibit 4-B.

c. If a Shelby Energy customer opted to take service under Rate Schedule 22 - Optional Time-of-Day Demand, state the East Kentucky rate schedule under which Shelby Energy would be billed.

Response 1c.

If a Shelby Energy customer opted to take service under Rate Schedule 22 – Optional Time-of-Day Demand, Shelby Energy would be billed under East Kentucky's rate schedule E2.

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Shelby Energy has included with this response a revised and proposed tariff for Rate Schedule 22 – Optional Time-of-Day Demand that corresponds with East Kentucky's Schedule E2. The revised tariff schedule is provided as page 3 of Exhibit 4-A, and the proposed tariff schedule is provided as page 3 of Exhibit 4-B.

d. Refer to Shelby Energy's response to Commission Staff's Third Request for Information ("Staff's Third Request"), Item 9. The response states that it is the desire of Shelby Energy's Board of Directors that demand rates for Schedules B1 and B2 have the same demand rates that are charged to Shelby Energy by East Kentucky.

(1) In the event a customer elects to take service under Shelby Energy rate schedule B3, state whether the demand rates for Shelby Energy rate schedule B3 should be adjusted to equal East Kentucky's Schedule B demand rates. If not, explain.

Response 1d. (1)

If a customer takes service under rate schedule B3, the demand rate should be equal to East Kentucky's Schedule B. Please refer to Exhibit 4-A and Exhibit 4-B, page 8 for the revised and proposed tariff sheet for Shelby Energy's Large Industrial Rate - Schedule B3 that will correspond with East Kentucky's Schedule B demand rate.

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(2) In the event a customer elects to take service under Shelby Energy rate schedules C1, C2, or C3, state whether the demand rate for Shelby Energy rate schedules C1, C2, and C3 should be adjusted to equal East Kentucky's Schedule C demand rate. If not, explain.

Response 1d. (2)

If a customer takes service under rate schedules C1, C2 or C3, the demand rates should be adjusted to equal East Kentucky's Schedule C. Please refer to Exhibit 4-A and Exhibit 4-B, pages 10, 12, and 14 for the revised and proposed tariff sheets for Shelby Energy's Large Industrial Rate - Schedules C1, C2 and C3 that correspond with East Kentucky's Schedule C demand rate.

(3) In the event a customer elects to take service under Shelby Energy rate schedule 22, state whether the demand rate for Shelby Energy rate schedule 22 should be adjusted to equal the East Kentucky demand rate billed to Shelby Energy for that customer. If not, explain.

Response 1d. (3)

If a customer takes service under Shelby Energy's rate schedule 22, the demand rate should be adjusted to equal East Kentucky's Schedule E2. Please refer to Exhibit 4-A and Exhibit 4-B, page 3 for a revised and proposed tariff sheet for Shelby Energy's Rate Schedule 22 – Optional Time-of-Day Demand that correspond with Schedule E2.

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2. Refer to Shelby Energy's response to Staff's Second Request, Item 42. In Case No. 2016-00160, the Commission approved Shelby Energy's request for refinancing of approximately \$15.8 million Rural Utilities Service debt consisting of eight notes, with one Cooperative Finance Corporation note at a fixed interest rate of 3.82 percent. State where the refinanced debt is listed in the schedule of outstanding long-term debt provided in response to Item 42.

Response 2.

As provided in the response to Item 2b. of the Commission Staff's First Request for Information in Case No. 2016-00160, the refinance consists of "...one loan facility with multiple advances/tranches thereunder. All will fund at closing. (Tranches are a specific part of a larger transaction such as a loan installment.)"

The refinanced Rural Utilities Service debt of \$15.8 million is listed in the schedule of outstanding long-term debt as part of the "CFC Loans" and provided in Exhibit 2-42, page 2 of 2, column (a), labeled as "Type of Debt Issued" and reflecting as numbers 9019001 – 9019024, in corresponding rows 59-82 of the response to Item 42. The numbers 9019001-9019024 represent the tranches of the one loan facility as refinanced with the Cooperative Finance Corporation ("CFC") and referenced above in the response to Item 2b. of Case No. 2016-00160.

Shelby Energy Cooperative, Inc.
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3. Refer to Shelby Energy's response to Staff's Third Request, Items 11 and 12. Item 11 states that Shelby Energy does not prorate the customer charge for less than a full month of service. Item 12 provides a second revised Exhibit J, page 2 of 10.

a. Given that Shelby Energy does not prorate the customer charge, explain what the row titled "Difference to partials" represents.

Response 3a.

The line titled "Difference to partials" should have been labeled "Billing Adjustments" and represents the difference between the billing determinants for all rate classes and the actual revenue billed and recorded. Since the amounts were recorded as revenues during the test year, these amounts have been normalized and included in the proposed revenues to give that they occurred during the test year.

b. Explain why the amount included in the row titled "Difference to partials" changed from \$10,427 in original and first revised Exhibit J to \$3,984 in second revised Exhibit J.

Response 3b.

During a review of the information, it was discovered that \$6,443 of the billing adjustment amount should have been included with Rate 15, Prepay Service Fee.

Shelby Energy Cooperative, Inc.
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4. Refer to Shelby Energy's response to Staff's Third Request, Item 13.
 - a. Provide this response in Excel spreadsheet format with the formulas intact and unprotected.

Response 4a.

Refer to USB Drive 4-D for the Excel spreadsheet.

- b. The response shows a primary meter discount calculation for Shelby Energy rate schedules 11, 2, and B1. Of these classes, Shelby Energy's current tariff includes language for a primary meter discount only for Rate Schedule 2. State whether language should be added to Shelby Energy rate schedules 11 and B1 to indicate that these schedules offer a primary meter discount.

Response 4b.

Shelby Energy agrees that language should be added to Shelby Energy rate schedules 11 and B1 that offer a primary meter discount. For rate schedule 11, refer to page 2 of Exhibit 4-A and Exhibit 4-B for revised and proposed tariff schedules. For rate B1, refer to page 5 of Exhibit 4-A and Exhibit 4-B for revised and proposed tariff schedules.

Shelby would further suggest that primary discount language should be included in schedule B2 and B3 rates and in schedule C1, C2 and C3 rates. The language for a primary meter discount has been added to the corresponding revised and proposed tariff

Shelby Energy Cooperative, Inc.
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schedules for B2 and B3 on pages 7 and 9 of Exhibits 4-A and 4-B. Also, the revised and proposed tariff schedules regarding the primary meter discount for C1, C2 and C3 may be found on pages 11, 13 and 15 of Exhibits 4-A and 4-B.

Shelby Energy respectfully requests consideration of the revised and proposed tariff schedules submitted with this response for rates 11, 22, B1, B2 B3, C1, C2, and C3 as provided in Exhibits 4-A and 4-B.

Shelby Energy Cooperative, Inc.
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5. Refer to Shelby Energy's response to Staff's Third Request, Item 17.b. Confirm that the correction to cell D46 was not made in the second revised cost-of-service study filed with the response.

Response 5.

Shelby Energy confirms the correction to cell D46 was not made in the second revised cost-of-service study, Exhibit R. Please refer to Exhibit 4-C and USB Drive 4-D for a third revised cost-of-service study.

FOR All Territory Served

PSC KY NO. 9

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

Shelby Energy Cooperative, Inc.
(NAME OF UTILITY)

CANCELLING PSC 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	(1)
Three Phase Service	\$ 37.55	\$ 38.78	\$ 40.00	(1)
Energy Charge per kWh	\$ 0.09193	\$ 0.09250	\$ 0.09308	(1)

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 January 5, 2016 February 1, 2017
MONTH / DATE / YEAR

DATE EFFECTIVE February 5, 2016 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 DATE _____

FOR All Territory Served

PSC KY NO. 9

~~Original~~ 1st Revised SHEET NO. 304.1

Shelby Energy Cooperative, Inc.
(NAME OF UTILITY)

CANCELLING PSC KY NO. 5 9

~~Original~~ Original SHEET NO. +04 304.1

GENERAL SERVICE – RATE 11

FUEL ADJUSTMENT CLAUSE:

This rate may be increased or decreased by an amount per kWh equal to the fuel adjustment amount per kWh as billed by the wholesale power supplier plus an allowance for line losses. The allowance for line losses will not exceed 10% and is based on a twelve-month moving average of such losses. The Fuel Clause is subject to all other applicable provisions as set out in 807 KAR 5:056.

SPECIAL RULES:

Motors having a rated capacity in excess of ten horsepower (10HP) must be three-phase. Motors in excess of five horsepower (5HP) shall be provided with compensating starting equipment acceptable to the Seller.

TEMPORARY SERVICE:

Consumers requiring temporary service under this rate may be required to pay all costs of connecting and disconnecting incidental to the supplying and removing of service. In addition to this, a deposit will be required to cover the estimated consumption of electricity. Both fees will be paid in advance.

SPECIAL PROVISIONS:

1. Delivery Point – If service is furnished at secondary voltage, the delivery point shall be the metering point unless otherwise specified in the contract for service.

All wiring, pole lines, and other electric equipment on the load side of the delivery point shall be owned and maintained by the consumer.

2. If service is furnished at Seller's primary line voltage, the delivery point shall be the point of attachment of Seller's primary line to consumer's transformer structure unless otherwise specified in the contract for service. All wiring, pole lines, and other electric equipment (except metering equipment) on the load side of the delivery point shall be owned and maintained by the consumer.

3. Primary Service – If service is furnished at primary distribution voltage, a discount of five percent (5%) shall apply to the demand and energy charges. The Seller shall have the option of metering at secondary voltage.

(N) ↓

DATE OF ISSUE January 5, 2016 February 1, 2017
MONTH / DATE / YEAR

DATE EFFECTIVE February 5, 2016 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

PSC KY NO. 9

~~Original~~ 1st Revised SHEET NO. 307

Shelby Energy Cooperative, Inc.
(NAME OF UTILITY)

CANCELLING PSC KY NO. 5 9

~~11th Revised~~ Original SHEET NO. 39 307

OPTIONAL T-O-D DEMAND – RATE 22

AVAILABILITY:

Available to all consumers whose KW demand shall be greater than 200 KW, including consumers who do not qualify under availability of service under Rate 11 or Rate 12, 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.

RATE:

Consumer Charge

\$ 45.92

Demand Charge

\$ ~~5.17~~ 6.02 per month per KW of billing demand

Energy Charge

First	100 kWh per KW demand	\$	0.07322	per kWh
Next	100 kWh per KW demand	\$	0.06682	per kWh
All over	200 kWh per KW demand	\$	0.06044	per kWh

DATE OF ISSUE January 5, 2016 February 1, 2017
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DATE EFFECTIVE February 5, 2016 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

PSC KY NO. 9

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

Shelby Energy Cooperative, Inc.
(NAME OF UTILITY)

CANCELLING PSC KY NO. 59

~~8th Revised~~ Original SHEET NO. 17 310

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:

~~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	
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	(R)

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:

Months
October through April

May through September

Hours Applicable for
Demand Billing – EST
7:00 A.M. to 12:00 Noon
5:00 P.M. to 10:00 P.M.
10:00 A.M. to 10:00 P.M.

DATE OF ISSUE January 5, 2016 February 1, 2017
MONTH / DATE / YEAR

DATE EFFECTIVE January 5, 2016 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

PSC KY NO. 9

~~Original~~ 1st Revised SHEET NO. 310.2

Shelby Energy Cooperative, Inc.
(NAME OF UTILITY)

CANCELLING PSC KY NO. 5 9

~~Original~~ Original SHEET NO. 19 310.2

LARGE INDUSTRIAL RATE – SCHEDULE B1

SPECIAL PROVISIONS:

1. Delivery Point – If service is furnished at secondary voltage, the delivery point shall be the metering point unless otherwise specified in the contract for service.

All wiring, pole lines, and other electric equipment on the load side of the delivery point shall be owned and maintained by the consumer.

2. If service is furnished at Seller’s primary line voltage, the delivery point shall be the point of attachment of Seller’s primary line to consumer’s transformer structure unless otherwise specified in the contract for service. All wiring, pole lines, and other electric equipment (except metering equipment) on the load side of the delivery point shall be owned and maintained by the consumer.

3. **Primary Service** – If service is furnished at primary distribution voltage, a discount of five percent (5%) shall apply to the demand and energy charges. The Seller shall have the option of metering at secondary voltage.

(N)
↓

TERMS OF PAYMENT:

The above rates are net; the gross rates are 5% 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.

TEMPORARY SERVICE:

Consumers requiring temporary service under this rate schedule may be required to pay all costs of connecting and disconnecting incidental to the supplying and removing of service. In addition to this, a deposit will be required to cover estimated consumption of electricity. Both fees will be paid in advance.

DATE OF ISSUE January 5, 2016 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

PSC KY NO. 9

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

Shelby Energy Cooperative, Inc.
(NAME OF UTILITY)

CANCELLING PSC KY NO. 5 9

~~8th Revised~~ Original SHEET NO. 20 311

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:

~~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	(R)

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

BY AUTHORITY OF ORDER OF THE PUBLIC SERVICE COMMISSION

IN CASE NO. 2016-00434 DATED _____

FOR All Territory Served

PSC KY NO. 9

~~Original~~ 1st Revised SHEET NO. 311.2

Shelby Energy Cooperative, Inc.
(NAME OF UTILITY)

CANCELLING PSC KY NO. 5 9

~~Original~~ Original SHEET NO. 22 311.2

LARGE INDUSTRIAL RATE – SCHEDULE B2

SPECIAL PROVISIONS:

1. Delivery Point – If service is furnished at secondary voltage, the delivery point shall be the metering point unless otherwise specified in the contract for service.

All wiring, pole lines, and other electric equipment on the load side of the delivery point shall be owned and maintained by the consumer.

2. If service is furnished at Seller’s primary line voltage, the delivery point shall be the point of attachment of Seller’s primary line to consumer’s transformer structure unless otherwise specified in the contract for service. All wiring, poles lines, and other electric equipment (except metering equipment) on the load side of the delivery point shall be owned and maintained by the consumer.

3. Primary Service – If service is furnished at primary distribution voltage, a discount of five percent (5%) shall apply to the demand and energy charges. The Seller shall have the option of metering at secondary voltage.

(N)
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TERMS OF PAYMENT:

The above rates are net; the gross rates are 5% 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.

TEMPORARY SERVICE:

Consumers requiring temporary service under this rate schedule may be required to pay all costs of connecting and disconnecting incidental to the supplying and removing of service. In addition to this, a deposit will be required to cover estimated consumption of electricity. Both fees will be paid in advance.

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SIGNATURE OF OFFICER

TITLE President & CEO

BY AUTHORITY OF ORDER OF THE PUBLIC SERVICE COMMISSION
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FOR All Territory Served

PSC KY NO. 9

~~Original~~ 1st Revised SHEET NO. 312

Shelby Energy Cooperative, Inc.
(NAME OF UTILITY)

CANCELLING PSC KY NO. ~~5~~ 9

~~8th Revised~~ Original SHEET NO. ~~23~~ 312

LARGE INDUSTRIAL RATE – SCHEDULE B3

AVAILABILITY:

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

MONTHLY RATE:

	<u>Year 1</u>	<u>Year 2</u>	<u>Year 3</u>	
Consumer Facility Charge				(T)
Transformer Size of 10,000 – 14,999 kVa	\$ 3,421.59	\$ 3,421.59	\$ 3,421.59	
Transformer Size of 15,000 kVa and greater	\$ 5,430.92	\$ 5,430.92	\$ 5,430.92	
Demand Charges per kW				
Contract Demand	\$ 6.18 \$ 6.51	\$ 6.84	\$ 7.17	(I)
Billing Demand in Excess of Contract Demand	\$ 8.98 \$ 9.31	\$ 9.65	\$ 9.98	(I)
Energy Charge per kWh	\$ 0.04546 \$ 0.04542	\$ 0.04541	\$ 0.04540	(R)

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 consumer'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

BY AUTHORITY OF ORDER OF THE PUBLIC SERVICE COMMISSION

IN CASE NO. 2016-00434 DATED _____

FOR All Territory Served

PSC KY NO. 9

~~Original~~ 1st Revised SHEET NO. 312.2

Shelby Energy Cooperative, Inc.
(NAME OF UTILITY)

CANCELLING PSC KY NO. 9

Original SHEET NO. 25 312.2

LARGE INDUSTRIAL RATE – SCHEDULE B3

SPECIAL PROVISIONS:

1. Delivery Point – If service is furnished at secondary voltage, the delivery point shall be the metering point unless otherwise specified in the contract for service.

All wiring, pole lines, and other electric equipment on the load side of the delivery point shall be owned and maintained by the consumer.

2. If service is furnished at Seller’s primary line voltage, the delivery point shall be the point of attachment of Seller’s primary line to consumer’s transformer structure unless otherwise specified in the contract for service. All wiring, poles lines, and other electric equipment (except metering equipment) on the load side of the delivery point shall be owned and maintained by the consumer.

3. Primary Service – If service is furnished at primary distribution voltage, a discount of five percent (5%) shall apply to the demand and energy charges. The Seller shall have the option of metering at secondary voltage.

(N)
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TERMS OF PAYMENT:

The above rates are net; the gross rates are 5% 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.

TEMPORARY SERVICE:

Consumers requiring temporary service under this rate schedule may be required to pay all costs of connecting and disconnecting incidental to the supplying and removing of service. In addition to this, a deposit will be required to cover estimated consumption of electricity. Both fees will be paid in advance.

DATE OF ISSUE January 5, 2016 February 1, 2017
MONTH / DATE / YEAR

DATE EFFECTIVE February 5, 2016 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

PSC KY NO. 9

~~Original~~ 1st Revised SHEET NO. 313

Shelby Energy Cooperative, Inc.
(NAME OF UTILITY)

CANCELLING PSC KY NO. ~~5~~ 9

~~8th Revised~~ Original SHEET NO. 26 313

LARGE INDUSTRIAL RATE – SCHEDULE C1

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 billing demand. These contracts will be two “two-party” contracts with the first one being between the Seller and the Cooperative association and the second one being between Seller and the ultimate consumer.

MONTHLY RATE:

~~Demand Charge per KW of Billing Demand \$ 6.18~~
~~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 Billing Demand	\$ 6.51	\$ 6.84	\$ 7.17	(I)
Energy Charge per kWh	\$0.05232	\$0.05231	\$0.05230	(R)

BILLING DEMAND:

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

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

<u>Months</u>	<u>Hours Applicable for Demand Billing – EST</u>
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 January 5, 2016 February 1, 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

PSC KY NO. 9

~~Original~~ 1st Revised SHEET NO. 313.2

Shelby Energy Cooperative, Inc.
(NAME OF UTILITY)

CANCELLING PSC KY NO. ~~5~~ 9

~~Original~~ Original SHEET NO. ~~28~~ 313.2

LARGE INDUSTRIAL RATE – SCHEDULE C1

SPECIAL PROVISIONS: (continued)

All wiring, pole lines, and other electric equipment on the load side of the delivery point shall be owned and maintained by the consumer.

1. If service is furnished at Seller's primary line voltage, the delivery point shall be the point of attachment of Seller's primary line to consumer's transformer structure unless otherwise specified in the contract for service. All wiring, pole lines, and other electric equipment (except metering equipment) on the load side of the delivery point shall be owned and maintained by the consumer.
2. Primary Service – If service is furnished at primary distribution voltage, a discount of five percent (5%) shall apply to the demand and energy charges. The Seller shall have the option of metering at secondary voltage.

(N)
↓

TERMS OF PAYMENT:

The above rates are net; the gross rates are 5% 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.

TEMPORARY SERVICE:

Consumers requiring temporary service under this rate schedule may be required to pay all costs of connecting and disconnecting incidental to the supplying and removing of service. In addition to this, a deposit will be required to cover estimated consumption of electricity. Both fees will be paid in advance.

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

FOR All Territory Served

PSC KY NO. 9

~~Original~~ 1st Revised SHEET NO. 314

Shelby Energy Cooperative, Inc.
(NAME OF UTILITY)

CANCELLING PSC KY NO. 9

~~8th Revised~~ Original SHEET NO. 29 314

LARGE INDUSTRIAL RATE – SCHEDULE C2

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 billing demand. These contracts will be two “two-party” contracts with the first one being between the Seller and the Cooperative association and the second one being between Seller and the ultimate consumer.

MONTHLY RATE:

~~Demand Charge per KW of Billing Demand \$ 6.18~~
~~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 Billing Demand	\$ 6.51	\$ 6.84	\$ 7.17	(I)
Energy Charge per kWh	\$ 0.04625	\$ 0.04612	\$ 0.04600	(R)

BILLING DEMAND:

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

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

<u>Months</u>	<u>Hours Applicable for Demand Billing – EST</u>
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IN CASE NO. 2016-00434 DATED _____

FOR All Territory Served

PSC KY NO. 9

~~Original~~ 1st Revised SHEET NO. 314.2

Shelby Energy Cooperative, Inc.
(NAME OF UTILITY)

CANCELLING PSC KY NO. 5 9

~~Original~~ Original SHEET NO. 31 314.2

LARGE INDUSTRIAL RATE – SCHEDULE C2

SPECIAL PROVISIONS: (continued)

All wiring, pole lines, and other electric equipment on the load side of the delivery point shall be owned and maintained by the consumer.

1. If service is furnished at Seller’s primary line voltage, the delivery point shall be the point of attachment of Seller’s primary line to consumer’s transformer structure unless otherwise specified in the contract for service. All wiring, pole lines, and other electric equipment (except metering equipment) on the load side of the delivery point shall be owned and maintained by the consumer.
2. Primary Service – If service is furnished at primary distribution voltage, a discount of five percent (5%) shall apply to the demand and energy charges. The Seller shall have the option of metering at secondary voltage.

(N)
↓

TERMS OF PAYMENT:

The above rates are net; the gross rates are 5% 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.

TEMPORARY SERVICE:

Consumers requiring temporary service under this rate schedule may be required to pay all costs of connecting and disconnecting incidental to the supplying and removing of service. In addition to this, a deposit will be required to cover estimated consumption of electricity. Both fees will be paid in advance.

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TITLE President & CEO

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

FOR All Territory Served

PSC KY NO. 9

~~Original~~ 1st Revised SHEET NO. 315

Shelby Energy Cooperative, Inc.
(NAME OF UTILITY)

CANCELLING PSC KY NO. 9

~~8th Revised~~ Original SHEET NO. 32 315

LARGE INDUSTRIAL RATE – SCHEDULE C3

AVAILABILITY:

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

MONTHLY RATE:

~~Demand Charge per kW \$ 6.18~~
~~Energy Charge per kWh \$ 0.04546~~

	<u>Year 1</u>	<u>Year 2</u>	<u>Year 3</u>	
Consumer Facility Charge				(T)
Transformer Size of 10,000 – 14,999 kVa	\$3,421.59	\$3,421.59	\$3,421.59	
Transformer Size of 15,000 kVa and greater	\$5,430.92	\$5,430.92	\$5,430.92	
Demand Charge per kW	\$ 6.51	\$ 6.84	\$ 7.17	(I)
Energy Charge per kWh	\$ 0.04542	\$ 0.04541	\$ 0.04540	(R)

BILLING DEMAND:

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

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

<u>Months</u>	<u>Hours Applicable for Demand Billing – EST</u>
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May through September	10:00 A.M. to 10:00 P.M.

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TITLE President & CEO

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IN CASE NO. 2016-00434 DATED _____

FOR All Territory Served

PSC KY NO. 9

~~Original~~ 1st Revised SHEET NO. 315.2

Shelby Energy Cooperative, Inc.
(NAME OF UTILITY)

CANCELLING PSC KY NO. 9

~~Original~~ Original SHEET NO. 34 315.2

LARGE INDUSTRIAL RATE – SCHEDULE C3

SPECIAL PROVISIONS:

1. Delivery Point – If service is furnished at secondary voltage, the delivery point shall be the metering point unless otherwise specified in the contract for service.

All wiring, pole lines, and other electric equipment on the load side of the delivery point shall be owned and maintained by the consumer.

2. If service is furnished at Seller’s primary line voltage, the delivery point shall be the point of attachment of Seller’s primary line to consumer’s transformer structure unless otherwise specified in the contract for service. All wiring, pole lines, and other electric equipment (except metering equipment) on the load side of the delivery point shall be owned and maintained by the consumer.

3. Primary Service – If service is furnished at primary distribution voltage, a discount of five percent (5%) shall apply to the demand and energy charges. The Seller shall have the option of metering at secondary voltage.

(N)
↓

TERMS OF PAYMENT:

The above rates are net; the gross rates are 5% 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.

TEMPORARY SERVICE:

Consumers requiring temporary service under this rate schedule may be required to pay all costs of connecting and disconnecting incidental to the supplying and removing of service. In addition to this, a deposit will be required to cover estimated consumption of electricity. Both fees will be paid in advance.

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IN CASE NO. 2016-00434 DATED _____

FOR All Territory Served

PSC KY NO. 9

1st Revised SHEET NO. 304

Shelby Energy Cooperative, Inc.
(NAME OF UTILITY)

CANCELLING PSC 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.

FUEL ADJUSTMENT CLAUSE:

This rate may be increased or decreased by an amount per kWh equal to the fuel adjustment amount per kWh as billed by the wholesale power supplier plus an allowance for line losses. The allowance for line losses will not exceed 10% and is based on a twelve-month moving average of such losses. The Fuel Clause is subject to all other applicable provisions as set out in 807 KAR 5:056.

DATE OF ISSUE February 1, 2017

MONTH / DATE / YEAR

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SIGNATURE OF OFFICER

TITLE President & CEO

BY AUTHORITY OF ORDER OF THE PUBLIC SERVICE

COMMISSION IN CASE NO. 2016-00434 DATE _____

FOR All Territory Served

PSC KY NO. 9

1st Revised SHEET NO. 304.1

Shelby Energy Cooperative, Inc.
(NAME OF UTILITY)

CANCELLING PSC KY NO. 9

Original SHEET NO. 304.1

GENERAL SERVICE – RATE 11

FUEL ADJUSTMENT CLAUSE:

This rate may be increased or decreased by an amount per kWh equal to the fuel adjustment amount per kWh as billed by the wholesale power supplier plus an allowance for line losses. The allowance for line losses will not exceed 10% and is based on a twelve-month moving average of such losses. The Fuel Clause is subject to all other applicable provisions as set out in 807 KAR 5:056.

SPECIAL RULES:

Motors having a rated capacity in excess of ten horsepower (10HP) must be three-phase. Motors in excess of five horsepower (5HP) shall be provided with compensating starting equipment acceptable to the Seller.

TEMPORARY SERVICE:

Consumers requiring temporary service under this rate may be required to pay all costs of connecting and disconnecting incidental to the supplying and removing of service. In addition to this, a deposit will be required to cover the estimated consumption of electricity. Both fees will be paid in advance.

SPECIAL PROVISIONS:

1. Delivery Point – If service is furnished at secondary voltage, the delivery point shall be the metering point unless otherwise specified in the contract for service.

All wiring, pole lines, and other electric equipment on the load side of the delivery point shall be owned and maintained by the consumer.

2. If service is furnished at Seller’s primary line voltage, the delivery point shall be the point of attachment of Seller’s primary line to consumer’s transformer structure unless otherwise specified in the contract for service. All wiring, pole lines, and other electric equipment (except metering equipment) on the load side of the delivery point shall be owned and maintained by the consumer.

3. Primary Service – If service is furnished at primary distribution voltage, a discount of five percent (5%) shall apply to the demand and energy charges. The Seller shall have the option of metering at secondary voltage.

(N) ↓

DATE OF ISSUE February 1, 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

PSC KY NO. 9

1st Revised SHEET NO. 307

Shelby Energy Cooperative, Inc.
(NAME OF UTILITY)

CANCELLING PSC KY NO. 9

Original SHEET NO. 307

OPTIONAL T-O-D DEMAND – RATE 22

AVAILABILITY:

Available to all consumers whose KW demand shall be greater than 200 KW, including consumers who do not qualify under availability of service under Rate 11 or Rate 12, 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.

RATE:

Consumer Charge

\$ 45.92

Demand Charge

\$ 6.02 per month per KW of billing demand

Energy Charge

First	100 kWh per KW demand	\$	0.07322	per kWh
Next	100 kWh per KW demand	\$	0.06682	per kWh
All over	200 kWh per KW demand	\$	0.06044	per kWh

DATE OF ISSUE February 1, 2017
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TITLE President & CEO

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

Exhibit 4-B
Page 3 of 15
Witness: Debra Martin

FOR All Territory Served

PSC KY NO. 9

1st Revised SHEET NO. 310

Shelby Energy Cooperative, Inc.
(NAME OF UTILITY)

CANCELLING PSC KY NO. 9

Original SHEET NO. 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:

	<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	(R)

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

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

Exhibit 4-B
Page 4 of 15
Witness: Debra Martin

FOR All Territory Served

PSC KY NO. 9

1st Revised SHEET NO. 310.2

Shelby Energy Cooperative, Inc.
(NAME OF UTILITY)

CANCELLING PSC KY NO. 9

Original SHEET NO. 310.2

LARGE INDUSTRIAL RATE – SCHEDULE B1

SPECIAL PROVISIONS:

1. Delivery Point – If service is furnished at secondary voltage, the delivery point shall be the metering point unless otherwise specified in the contract for service.

All wiring, pole lines, and other electric equipment on the load side of the delivery point shall be owned and maintained by the consumer.

2. If service is furnished at Seller’s primary line voltage, the delivery point shall be the point of attachment of Seller’s primary line to consumer’s transformer structure unless otherwise specified in the contract for service. All wiring, pole lines, and other electric equipment (except metering equipment) on the load side of the delivery point shall be owned and maintained by the consumer.

3. Primary Service – If service is furnished at primary distribution voltage, a discount of five percent (5%) shall apply to the demand and energy charges. The Seller shall have the option of metering at secondary voltage.

(N)
↓

TERMS OF PAYMENT:

The above rates are net; the gross rates are 5% 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.

TEMPORARY SERVICE:

Consumers requiring temporary service under this rate schedule may be required to pay all costs of connecting and disconnecting incidental to the supplying and removing of service. In addition to this, a deposit will be required to cover estimated consumption of electricity. Both fees will be paid in advance.

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TITLE President & CEO

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

Exhibit 4-B
Page 5 of 15
Witness: Debra Martin

FOR All Territory Served

PSC KY NO. 9

1st Revised SHEET NO. 311

Shelby Energy Cooperative, Inc.
(NAME OF UTILITY)

CANCELLING PSC KY NO. 9

Original SHEET NO. 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:

	<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	(R)

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:

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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

PSC KY NO. 9

1st Revised SHEET NO. 311.2

Shelby Energy Cooperative, Inc.
(NAME OF UTILITY)

CANCELLING PSC KY NO. 9

Original SHEET NO. 311.2

LARGE INDUSTRIAL RATE – SCHEDULE B2

SPECIAL PROVISIONS:

1. Delivery Point – If service is furnished at secondary voltage, the delivery point shall be the metering point unless otherwise specified in the contract for service.

All wiring, pole lines, and other electric equipment on the load side of the delivery point shall be owned and maintained by the consumer.

2. If service is furnished at Seller’s primary line voltage, the delivery point shall be the point of attachment of Seller’s primary line to consumer’s transformer structure unless otherwise specified in the contract for service. All wiring, poles lines, and other electric equipment (except metering equipment) on the load side of the delivery point shall be owned and maintained by the consumer.

3. Primary Service – If service is furnished at primary distribution voltage, a discount of five percent (5%) shall apply to the demand and energy charges. The Seller shall have the option of metering at secondary voltage.



TERMS OF PAYMENT:

The above rates are net; the gross rates are 5% 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.

TEMPORARY SERVICE:

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TITLE President & CEO

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

FOR All Territory Served

PSC KY NO. 9

1st Revised SHEET NO. 312

Shelby Energy Cooperative, Inc.
(NAME OF UTILITY)

CANCELLING PSC KY NO. 9

Original SHEET NO. 312

LARGE INDUSTRIAL RATE – SCHEDULE B3

AVAILABILITY:

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

MONTHLY RATE:

	<u>Year 1</u>	<u>Year 2</u>	<u>Year 3</u>	
Consumer Facility Charge				(T)
Transformer Size of 10,000 – 14,999 kVa	\$ 3,421.59	\$3,421.59	\$3,421.59	
Transformer Size of 15,000 kVa and greater	\$ 5,430.92	\$5,430.92	\$5,430.92	
Demand Charges per kW				
Contract Demand	\$ 6.51	\$ 6.84	\$ 7.17	(U)
Billing Demand in Excess of Contract Demand	\$ 9.31	\$ 9.65	\$ 9.98	(U)
Energy Charge per kWh	\$ 0.04542	\$ 0.04541	\$ 0.04540	(R)

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 consumer'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:

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TITLE President & CEO

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

Exhibit 4-B
Page 8 of 15
Witness: Debra Martin

FOR All Territory Served

PSC KY NO. 9

1st Revised SHEET NO. 312.2

Shelby Energy Cooperative, Inc.
(NAME OF UTILITY)

CANCELLING PSC KY NO. 9

Original SHEET NO. 312.2

LARGE INDUSTRIAL RATE – SCHEDULE B3

SPECIAL PROVISIONS:

1. Delivery Point – If service is furnished at secondary voltage, the delivery point shall be the metering point unless otherwise specified in the contract for service.

All wiring, pole lines, and other electric equipment on the load side of the delivery point shall be owned and maintained by the consumer.

2. If service is furnished at Seller’s primary line voltage, the delivery point shall be the point of attachment of Seller’s primary line to consumer’s transformer structure unless otherwise specified in the contract for service. All wiring, poles lines, and other electric equipment (except metering equipment) on the load side of the delivery point shall be owned and maintained by the consumer.

3. Primary Service – If service is furnished at primary distribution voltage, a discount of five percent (5%) shall apply to the demand and energy charges. The Seller shall have the option of metering at secondary voltage.

(N)
↓

TERMS OF PAYMENT:

The above rates are net; the gross rates are 5% 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.

TEMPORARY SERVICE:

Consumers requiring temporary service under this rate schedule may be required to pay all costs of connecting and disconnecting incidental to the supplying and removing of service. In addition to this, a deposit will be required to cover estimated consumption of electricity. Both fees will be paid in advance.

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 _____

Exhibit 4-B
Page 9 of 15
Witness: Debra Martin

FOR All Territory Served

PSC KY NO. 9

1st Revised SHEET NO. 313

Shelby Energy Cooperative, Inc.
(NAME OF UTILITY)

CANCELLING PSC KY NO. 9

Original SHEET NO. 313

LARGE INDUSTRIAL RATE – SCHEDULE C1

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 billing demand. These contracts will be two “two-party” contracts with the first one being between the Seller and the Cooperative association and the second one being between Seller and the ultimate consumer.

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 Billing Demand	\$ 6.51	\$ 6.84	\$ 7.17	(I)
Energy Charge per kWh	\$0.05232	\$0.05231	\$0.05230	(R)

BILLING DEMAND:

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

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

<u>Months</u>	<u>Hours Applicable for Demand Billing – EST</u>
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

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TITLE President & CEO

BY AUTHORITY OF ORDER OF THE PUBLIC SERVICE COMMISSION

IN CASE NO. 2016-00434 DATED _____

FOR All Territory Served

PSC KY NO. 9

1st Revised SHEET NO. 313.2

CANCELLING PSC KY NO. 9

Original SHEET NO. 313.2

Shelby Energy Cooperative, Inc.
(NAME OF UTILITY)

LARGE INDUSTRIAL RATE – SCHEDULE C1

SPECIAL PROVISIONS: (continued)

All wiring, pole lines, and other electric equipment on the load side of the delivery point shall be owned and maintained by the consumer.

1. If service is furnished at Seller’s primary line voltage, the delivery point shall be the point of attachment of Seller’s primary line to consumer’s transformer structure unless otherwise specified in the contract for service. All wiring, pole lines, and other electric equipment (except metering equipment) on the load side of the delivery point shall be owned and maintained by the consumer.

2. Primary Service – If service is furnished at primary distribution voltage, a discount of five percent (5%) shall apply to the demand and energy charges. The Seller shall have the option of metering at secondary voltage.

(N)



TERMS OF PAYMENT:

The above rates are net; the gross rates are 5% 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.

TEMPORARY SERVICE:

Consumers requiring temporary service under this rate schedule may be required to pay all costs of connecting and disconnecting incidental to the supplying and removing of service. In addition to this, a deposit will be required to cover estimated consumption of electricity. Both fees will be paid in advance.

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IN CASE NO. 2016-00434 DATED _____

FOR All Territory Served

PSC KY NO. 9

1st Revised SHEET NO. 314

Shelby Energy Cooperative, Inc.
(NAME OF UTILITY)

CANCELLING PSC KY NO. 9

Original SHEET NO. 314

LARGE INDUSTRIAL RATE – SCHEDULE C2

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 billing demand. These contracts will be two “two-party” contracts with the first one being between the Seller and the Cooperative association and the second one being between Seller and the ultimate consumer.

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 Billing Demand	\$ 6.51	\$ 6.84	\$ 7.17	(I)
Energy Charge per kWh	\$ 0.04625	\$ 0.04612	\$ 0.04600	(R)

BILLING DEMAND:

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

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

<u>Months</u>	<u>Hours Applicable for Demand Billing – EST</u>
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
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IN CASE NO. 2016-00434 DATED _____

FOR All Territory Served

PSC KY NO. 9

1st Revised SHEET NO. 314.2

Shelby Energy Cooperative, Inc.
(NAME OF UTILITY)

CANCELLING PSC KY NO. 9

Original SHEET NO. 314.2

LARGE INDUSTRIAL RATE – SCHEDULE C2

SPECIAL PROVISIONS: (continued)

All wiring, pole lines, and other electric equipment on the load side of the delivery point shall be owned and maintained by the consumer.

1. If service is furnished at Seller’s primary line voltage, the delivery point shall be the point of attachment of Seller’s primary line to consumer’s transformer structure unless otherwise specified in the contract for service. All wiring, pole lines, and other electric equipment (except metering equipment) on the load side of the delivery point shall be owned and maintained by the consumer.

2. Primary Service – If service is furnished at primary distribution voltage, a discount of five percent (5%) shall apply to the demand and energy charges. The Seller shall have the option of metering at secondary voltage.

(N)
↓

TERMS OF PAYMENT:

The above rates are net; the gross rates are 5% 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.

TEMPORARY SERVICE:

Consumers requiring temporary service under this rate schedule may be required to pay all costs of connecting and disconnecting incidental to the supplying and removing of service. In addition to this, a deposit will be required to cover estimated consumption of electricity. Both fees will be paid in advance.

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IN CASE NO. 2016-00434 DATED _____

FOR All Territory Served

PSC KY NO. 9

1st Revised SHEET NO. 315

Shelby Energy Cooperative, Inc.
(NAME OF UTILITY)

CANCELLING PSC KY NO. 9

Original SHEET NO. 315

LARGE INDUSTRIAL RATE – SCHEDULE C3

AVAILABILITY:

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

MONTHLY RATE:

	<u>Year 1</u>	<u>Year 2</u>	<u>Year 3</u>	
Consumer Facility Charge				
Transformer Size of 10,000 – 14,999 kVa	\$3,421.59	\$3,421.59	\$3,421.59	(T)
Transformer Size of 15,000 kVa and greater	\$5,430.92	\$5,430.92	\$5,430.92	
Demand Charge per kW	\$ 6.51	\$ 6.84	\$ 7.17	(I)
Energy Charge per kWh	\$ 0.04542	\$ 0.04541	\$ 0.04540	(R)

BILLING DEMAND:

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

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

<u>Months</u>	<u>Hours Applicable for Demand Billing – EST</u>
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
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TITLE President & CEO

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

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FOR All Territory Served

PSC KY NO. 9

1st Revised SHEET NO. 315.2

Shelby Energy Cooperative, Inc.
(NAME OF UTILITY)

CANCELLING PSC KY NO. 9

Original SHEET NO. 315.2

LARGE INDUSTRIAL RATE – SCHEDULE C3

SPECIAL PROVISIONS:

1. Delivery Point – If service is furnished at secondary voltage, the delivery point shall be the metering point unless otherwise specified in the contract for service.

All wiring, pole lines, and other electric equipment on the load side of the delivery point shall be owned and maintained by the consumer.

2. If service is furnished at Seller’s primary line voltage, the delivery point shall be the point of attachment of Seller’s primary line to consumer’s transformer structure unless otherwise specified in the contract for service. All wiring, pole lines, and other electric equipment (except metering equipment) on the load side of the delivery point shall be owned and maintained by the consumer.

3. Primary Service – If service is furnished at primary distribution voltage, a discount of five percent (5%) shall apply to the demand and energy charges. The Seller shall have the option of metering at secondary voltage.

(N)
↓

TERMS OF PAYMENT:

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Witness: Debra Martin

Shelby Energy Cooperative.
Shelbyvile, KY

Case No. 2016-00434

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

Prepared: March 2017

J. Adkins

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

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Witness: James R 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 NO. 2016-00434
ACTUAL TEST YEAR EXPENSES WITH ADJUSTMENTS

Third Revised _____ it R
Page 3 of 43
Witness: Jim Adkins
Schedule A

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. 2016-00434
ACTUAL TEST YEAR EXPENSES WITH ADJUSTMENTS

Third Revised Exhibit R
Page 4 of 43
Witness: Jim Adkins
Schedule A

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	
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 NO. 2016-00434
ACTUAL TEST YEAR EXPENSES WITH ADJUSTMENTS

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Witness: Jim Adkins
Schedule A

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

SHELBY ENERGY COOPERATIVE
CASE NO. 2016-00434
ACTUAL TEST YEAR EXPENSES WITH ADJUSTMENTS

Third Revised Exhibit R
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Witness: Jim Adkins
Schedule A

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	
	Margin Requirements	1,471,969	-	70,976	-	-	-	1,542,945
	Total Revenue Requirements	45,404,320	(26,051)	589,085	(624,742)	25,000	(2,427,882)	42,939,730
	Less; Misc Income							
	CATV & Non-Recurring Chrgs							
450	Forfeited Discounts	356,988						356,988
454	Rent from Electric Prop.	318,220						318,220
456	Other Electric Property	(40,587)					2,909	(37,678)
	Total Misc Income	634,621	-	-	-	-	2,909	637,530
	Less: Other Income							
417	Management Consult Serv	300						300
418	Equity Earnings-Subsidiary	35,101						35,101
419	Interest Income	39,459						39,459
421	Disposition of Property-Net	5,193						5,193
423	G&T Capital Credits	1,810,069				(1,810,069)		-
424	Other Capital Credits	62,300						62,300
	Total Other Income	1,952,422	-	-	-	(1,810,069)	-	142,353
	Revenue Requirements from Rates	42,817,276	(26,051)	589,085	(624,742)	1,835,069	(2,427,882)	(2,909)
								42,159,846

		Wages & Salaries	Payroll Taxes	Witness: James Adkins 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. Expenses	Percent of Total	Allocation 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	Interest	
		Taxes	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
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Third Revised Exhibit R
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Witness: James Adkins
Schedule B

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
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Schedule B

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
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Witness: James Adkins
Schedule B

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

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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

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Functionalization of Revenue Requirements

Acct No.	Description	Allocation Basis	Pro Forma \$\$\$\$	Power Supply	Substa-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 Taxe	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

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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

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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
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%

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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%

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NET INVESTMENT RATE BASE

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	Description	\$\$\$\$	Stations	Lines	Transformers	Services	Consumer		
							Meters & Accounting Consumer	Services	Outdoor Lighting
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%

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CLASSIFICATION OF FUNCTIONALIZED COSTS

Acct No.	Description	Pro Forma \$\$\$\$	Power Supply			Distribution Station	Lit Demand
			Demand	Energy	Load Center		
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					47,796
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


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CLASSIFICATION OF FUNCTIONALIZED COSTS

Acct No.	Description	Pro Forma \$\$\$\$	es		Transformers		Services	Meters	Cons & Acct	Outdoor
			Consumer	Demand	Consumer	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	108,233			31,448				
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		-	-

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CLASSIFICATION OF FUNCTIONALIZED COSTS

Acct	Description	Pro Forma	Power Supply			Distribution	Lir
			Demand	Energy	Load Center	Station	
	Total Distribut Maintenance	2,930,534	-	-	-	-	1,152,264
901	Supervision	116,256					
902	Meter Reading Expense	178,127					
903	Cons Recds & Collections	315,292					
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	-	1,542,098
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
		-					-

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CLASSIFICATION OF FUNCTIONALIZED COSTS

Acct	Description	Pro Forma	es	Transformers		Services	Meters	Cons & Acct	Outdoor
				Consumer	Demand	Consumer	Consumer	Consumer	Lighting
	Total Distribut Maintenance	2,930,534	1,279,138	(954)	(948)	490,055	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	1,708,616	(954)	(948)	655,189	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
		-	-						

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CLASSIFICATION OF FUNCTIONALIZED COSTS

Acct	Description	-	Pro Forma	Power Supply			Distribution	Lir
			\$\$\$\$	Demand	Energy	Load Center	Station	Demand
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	-	3,212,613

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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	3,624,962	276,471	274,842	1,374,861	718,648	1,094,174	467,306

SHELBY ENERGY COOPERATIVE

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 Schedule F

Determination of Certain Plant Investments as Demand Related or Consumer Related

<u>Account 364 - Poles</u>				
<u>Pole</u>	<u>Investment</u>	<u>Number of Units</u>	<u>Unit Cost</u>	<u>Size</u>
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	<u>15,731,518</u>	<u>35,904</u>		
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%	

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Schedule F

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%

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Schedule F

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	1.19	185	
#2 Solid 15KV	10,361	15,437	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%

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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 PDM	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%	

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 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	3,212,613		1,385,424
16		Transformers	276,471		176,118
17		Total Demand Related	3,489,085		1,561,542
18					
19		<u>Consumer Related</u>			
20		Lines	3,624,962		2,736,109
21		Transformers	274,842		199,663
22		Services	1,374,861		952,224
23		Meters	718,648		536,100
24		Consumer Svc			
25		& Accouting	1,094,174		701,788
26		Total Consumer Related	7,087,488		5,125,885
27					
28		Outdoor Lighting	467,306		
29					
30		Total Costs	41,396,785	3,123	20,161,876
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	3,489,085		1,561,542
36		Distribution Consumer Costs	7,087,488		5,125,885
37		Distribution Outdoor Lighting	467,306		
38					
39			41,396,785	3,123	20,161,876

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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	3,212,613	-	75,222	217,558	452,222
16	Transformers	276,471	-	9,686	26,698	19,720
17	Total Demand Related	3,489,085	-	84,908	244,255	471,943
18						
19	<u>Consumer Related</u>					
20	Lines	3,624,962	-	135,050	731,520	6,978
21	Transformers	274,842	-	9,855	63,248	1,374
22	Services	1,374,861	3,838	47,000	364,252	6,896
23	Meters	718,648	2,161	26,461	143,330	10,595
24	Consumer Svc					
25	& Accouting	1,094,174	2,357	18,763	343,985	5,355
26	Total Consumer Related	7,087,488	8,357	237,129	1,646,335	31,198
27						
28	Outdoor Lighting	467,306				
29						
30	Total Costs	41,396,785	21,848	994,881	4,037,618	4,318,255
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	3,489,085	-	84,908	244,255	471,943
36	Distribution Consumer Costs	7,087,488	8,357	237,129	1,646,335	31,198
37	Distribution Outdoor Lighting	467,306				
38						
39		41,396,785	21,848	994,881	4,037,618	4,318,255

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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	3,212,613	781,859	281,441	18,886	3,212,613
16	Transformers	276,471	31,000	12,495	755	276,471
17	Total Demand Related	3,489,085	812,859	293,937	19,641	3,489,085
18						
19	<u>Consumer Related</u>					
20	Lines	3,624,962	11,929	3,151	225	3,624,962
21	Transformers	274,842	363	203	136	274,842
22	Services	1,374,861	-	-	651	1,374,861
23	Meters	718,648	-	-	-	718,648
24	Consumer Svc					
25	& Accounting	1,094,174	5,927	15,626	373	1,094,174
26	Total Consumer Related	7,087,488	18,219	18,980	1,385	7,087,488
27						
28	Outdoor Lighting	467,306			467,306	467,306
29						
30	Total Costs	41,396,785	2,473,108	965,064	639,511	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	3,489,085	812,859	293,937	19,641	3,489,085
36	Distribution Consumer Costs	7,087,488	18,219	18,980	1,385	7,087,488
37	Distribution Outdoor Lighting	467,306			467,306	467,306
38						
39		41,396,785	7,647,788	3,571,884	639,511	41,396,785

SHELBY ENERGY COOPERATIVE

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Consumer Related Costs Allocators

A. Lines (poles and conduit)

Rate Class	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	72.647%
Off-Peak Marketing-Ets	-			-	0.000%
Schedule 15 - Prepay Service	600	\$ 549.85	1.00	600.00	3.586%
Schedule 11 - General Service	3,250	651	1.18	3,850.70	23.013%
Schedule 2 - Large Power	53	868	1.58	83.65	0.500%
Schedule B1 - Large Industrial Rate	14	868	1.58	22.10	0.132%
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>16,733.08</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	69.26%
Off-Peak Marketing-Ets	49	27.74	1.00	49.00	0.28%
Schedule 15 - Prepay Service	600	27.74	1.00	600.00	3.42%
Schedule 11 - General Service	3,250	39.69	1.43	4,650.00	26.49%
Schedule 2 - Large Power	53	46.08	1.66	88.04	0.50%
Schedule B1 - Large Industrial Rate	14	-	-	-	0.00%
Schedule B2 - Large Industrial Rate	1	-	-	-	0.00%
Schedule 5 - Outdoor & Security Lights	31	7.43	0.27	8.31	0.05%
Envirowatts	-	-	-	-	0.00%
	16,154			17,551.34	1.00

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	-	-	-	-	0.00%
	16,167			16,295.25	1.00

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E. Consumer & Accounting Services Consumer Related Costs Allocators

Rate Class	Number of Consumers	Relative Weight Meter	Relative Weight Reads	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	64.14%
Off-Peak Marketing-Ets	49	1.00	3.00	1.00	5.00	245	0.22%
Schedule 15 - Prepay Service	600	1.00	1.00	1.25	3.25	1,950	1.71%
Schedule 11 - General Service	3,250	1.00	8.00	2.00	11.00	35,750	31.44%
Schedule 2 - Large Power	53	2.00	0.50	8.00	10.50	557	0.49%
Schedule B1 - Large Industrial Rate	14	4.00	20.00	20.00	44.00	616	0.54%
Schedule B2 - Large Industrial Rate	14	4.00	72.00	40.00	116.00	1,624	1.43%
Schedule 5 - Outdoor & Security Lights	31	-	0.25	1.00	1.25	39	0.03%
Envirowatts	-	-	-	0.50	0.50	-	0.00%
						<u>113,716.25</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
Envirowatts	0.50	1.00	0.50

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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										

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Schedule H

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 Residential Service	Schedule 12 Residential ETS	Schedule 15 Prepay Service	Schedule 11 General Service	Schedule 2 Large Poewr	Schedule B1 Large Industrial Rate	Schedule B2 Large Industrial Rate	Outdoor & Street Lighting		Total
Month											
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%

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Schedule J

REVENUE FROM RATES MATCHED WITH REVENUE REQUIREMENTS

			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	3,212,613		1,385,424	-	75,222	217,558
Transformers	276,471		176,118	-	9,686	26,698
Total Distribution Demand	3,489,085		1,561,542	-	84,908	244,255
Distribution Consumer						
Lines	3,624,962		2,736,109	-	135,050	731,520
Transformers	274,842		199,663	-	9,855	63,248
Services	1,374,861		952,224	3,838	47,000	364,252
Meters	718,648		536,100	2,161	26,461	143,330
Consumer Services	1,094,174	-	701,788	2,357	18,763	343,985
Lighting	467,306		-			
Total Distribution Consumer	7,554,794	-	5,125,885	8,357	237,129	1,646,335
Total Distribution Costs	11,043,879	-	6,687,426	8,357	322,037	1,890,591
Margin before Other Revenue	(1,427,283)	592	(1,384,956)	(6,362)	(88,397)	(608,236)
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	(751,376)	(6,362)	(57,810)	(492,520)

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REVENUE FROM RATES MATCHED WITH REVENUE REQUIREMENTS

	Schedule 2	Schedule B1	Schedule B2	Outdoor	
	Large	Large	Large	& Street	
	Power	Industrial Rate	Industrial Rate	Lighting	Total
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	452,222	781,859	281,441	18,886	3,212,613
Transformers	19,720	-	-	755	232,976
Total Distribution Demand	471,943	781,859	281,441	19,641	3,445,589
Distribution Consumer					-
Lines	6,978	11,929	3,151	225	3,624,962
Transformers	1,374	31,363	12,698	136	318,337
Services	6,896	-	-	651	1,374,861
Meters	10,595	-	-	-	718,648
Consumer Services	5,355	5,927	15,626	373	1,094,174
Lighting		-		467,306	467,306
Total Distribution Consumer	31,198	49,219	31,475	468,691	7,598,289
Total Distribution Costs	503,140	831,079	312,916	488,332	11,043,878
Margin before Other Revenue	(139,533)	863,764	39,002	(103,156)	(1,427,282)
Allocation of Other Elec. Revenue	-	-	-	-	637,530
Allocation of Misc. Revenue	-	-	-	-	142,353
Net Margin	(139,533)	863,764	39,002	(103,156)	(647,399)

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	Enviro- Watts	Schedule 12 Residential Service	Schedule 12 Residential ETS	Schedule 15 Prepay Service	Schedule 11 General Service
Revenue Requirements					
Total Costs	\$ 3,123	\$ 20,161,876	\$ 21,848	\$ 994,881	\$ 4,037,618
Plus Margin Requirements	-	695,970	18,296	115,701	84,416
Revenue Requirements	\$ 3,123	\$ 20,857,846	\$ 40,144	\$ 1,110,582	\$ 4,122,033
Minus Revenue from Rates	3,715	18,776,920	15,486	906,485	3,429,381
Increase Amount	(592)	2,080,927	24,658	204,098	692,652
Less: Other Revenue	-	633,581	-	30,587	115,716
Net Increase Amount	(592)	1,447,346	24,658	173,511	576,936
Less: Increase for Rate Classes		\$ 1,150,630	\$ 413	\$ 83,237	\$ 287,006
Under (Over) Recovery	\$ (592)	\$ 296,716	\$ 24,245	\$ 90,274	\$ 289,930
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	-	6,687,426	8,357	322,037	1,890,591
Margins before Other Rev.	592	(234,326)	(5,949)	(5,160)	(321,230)
Plus Other Revenue	-	633,581	-	30,587	115,716
Net Margins with Increase	\$ 592	\$ 399,254	\$ (5,949)	\$ 25,427	\$ (205,514)
Interest Expense	-	927,960	24,395	154,268	112,555
TIER	-	1.43	0.76	1.16	(0.83)
OTIER		1.31	0.76	1.13	(1.01)
Rate Base		44,030,616	624,313	10,031,803	2,162,652
Return on Rate Base		3.01%	2.95%	1.79%	-4.30%

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	Schedule 2	Schedule B1	Schedule B2	Outdoor	
	Large	Large	Large	& Street	Total
	Power	Industrial Rate	Industrial Rate	Lighting	
Revenue Requirements					
Total Costs	\$ 4,318,255	\$ 7,647,788	\$ 3,571,884	\$ 639,511	\$ 41,396,785
Plus Margin Requirements	62,945	103,897	37,396	38,587	\$ 1,157,209
Revenue Requirements	\$ 4,381,200	\$ 7,751,686	\$ 3,609,280	\$ 678,098	\$ 42,553,993
Minus Revenue from Rates	4,178,722	8,511,553	3,610,886	536,355	39,969,502
Increase Amount	202,478	(759,867)	(1,606)	141,743	2,584,491
Less: Other Revenue	-	-	-	-	779,884
Net Increase Amount	202,478	(759,867)	(1,606)	141,743	1,804,607
Less: Increase for Rate Class	\$ 121,818	\$ 251,625	\$ 60,507	\$ 42,314	1,997,550
Under (Over) Recovery	\$ 80,660	\$ (1,011,492)	\$ (62,113)	\$ 99,429	\$ (192,943)
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	503,140	831,079	312,916	488,332	11,043,878
Margins before Other Rev.	(17,715)	1,115,389	99,509	(60,842)	570,268
Plus Other Revenue	-	-	-	-	779,884
Net Margins with Increase	\$ (17,715)	\$ 1,115,389	\$ 99,509	\$ (60,842)	\$ 1,350,151
Interest Expense	83,927	138,530	49,861	51,449	1,542,945
TIER	0.79	9.05	3.00	(0.18)	1.88
OTIER	0.79	9.05	3.00	(0.18)	1.78
Rate Base	3,664,555	6,164,673	2,237,306	2,397,186	71,313,104
Return on Rate Base	1.81%	20.34%	6.68%	-0.39%	4.06%

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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	3,122,844	154,138	989,236	21,489	5,676	3,172	2,128	-	4,298,683
Services											
	Consumer	9,565,807	6,625,246	327,011	2,534,336	47,982	-	-	4,527	-	9,539,102
Meters											
	Consumer	3,691,525	2,753,820	135,924	736,255	54,426	-	-	-	-	3,680,425
Consumer Acct & Serv.		422,190	270,787	7,240	132,728	2,066	2,287	6,029	144	-	421,280
Outdoor Lighting		2,248,920								2,248,920	2,248,920
Total		72,264,602	44,030,616	624,313	10,031,803	2,162,652	3,664,555	6,164,673	2,237,306	2,397,186	71,313,104