

Shelby Energy Cooperative, Inc.
Commission Staff's Post-Hearing Request for Information
Case No. 2016-00434

1. Refer to the response to Commission Staff's Second Request for Information ("Staff's Second Request"), Item 42, regarding the annualized cost of long-term debt. Provide an update to the schedule of outstanding long-term debt showing the current annualized cost.

Response 1.

Refer to **Exhibit 5-1**, which is included as part of this response for an updated schedule of outstanding long-term debt showing the current annualized cost.

Shelby Energy Cooperative
Case No. 2016-00434

Adjustment for Interest on Long Term Debt

The adjustment for interest on long-term debt, based on current interest rates, results in an increase of \$149,699

This adjustment has been calculated by multiplying the test year end debt amounts by the interest rates in effect as of April 30, 2017.

RUS loans	\$ 71,966
FFB loans	736,539
CFC loans	<u>813,162</u>
Total annualized interest	1,621,667
Test year interest expense	<u>1,471,968</u>
Adjustment	<u><u>\$ 149,699</u></u>

During the test year Shelby refinanced certain RUS loans with proceeds from CFC.

Shelby Energy Cooperative
Case No. 2016-00434
Schedule of Outstanding Long-Term Debt

Exhibit 5-1
Page 2 of 4
Witness: James Adkins
Post Hearing - Revised Schedule 5

Type of Debt Issued (a)	Date of Issue (b)	Date of Maturity (c)	Outstanding Amount (d)	Cost Rate to Maturity (g)	Annualized Cost Col (d)x(g) (j)	Test Year Interest Cost
RUS loans						
1B310	Dec-94	Dec-29	0	var	0	486,324
1B320	Apr-98	Mar-33	1,059,146	2.125%	22,507	23,070
1B325	Apr-98	Mar-33	655,420	4.125%	27,036	27,712
1B326	Apr-98	Mar-33	445,333	4.500%	20,040	20,541
1B327	Apr-98	Mar-33	52,968	4.500%	2,384	2,443
			<u>2,212,867</u>		<u>71,966</u>	<u>560,090</u>
FFB loans						
H0010	Sep-99	Aug-34	1,639,320	4.562%	74,786	77,690
H0020	Sep-99	Aug-34	716,928	4.522%	32,419	33,683
H0025	Sep-99	Aug-34	807,762	5.348%	43,199	44,754
H0030	May-01	Apr-36	751,759	4.458%	33,513	34,608
H0035	May-01	Apr-36	781,557	5.366%	41,938	43,180
H0040	May-01	Apr-36	761,007	4.680%	35,615	36,752
H0045	May-01	Apr-36	761,226	4.604%	35,047	36,175
H0050	May-01	Apr-36	1,909,081	4.837%	92,342	95,241
H0055	May-01	Apr-36	986,470	4.442%	43,819	45,253
H0060	May-01	Apr-36	1,294,208	4.524%	58,550	60,450
H0065	May-01	Apr-36	1,539,373	4.257%	65,531	67,716
H0070	May-01	Apr-36	1,091,649	4.513%	49,266	49,416
H0075	Sep-14	Sep-49	2,684,548	0.833%	22,362	8,951
H0080	Oct-14	Sep-49	4,508,799	0.833%	37,558	15,033
H0080	Oct-14	Sep-49	1,874,387	0.833%	15,614	10,818
F0090	Sep-14	Aug-49	1,300,000	0.833%	10,829	7,495
H0085	Sep-14	Aug-49	5,300,000	0.833%	44,149	0
			<u>28,708,074</u>		<u>736,539</u>	<u>667,213</u>
CFC loans						
9011	Mar-77	Feb-12	33,540	6.40%	2,147	2,278
9012	Jun-78	Jun-13	178,155	6.55%	11,669	12,384
9013	Feb-81	Jan-16	273,894	6.55%	17,940	19,040
9014	Jun-83	May-18	446,537	6.60%	29,471	31,278
9015	Oct-85	Oct-20	496,493	6.65%	33,017	35,041
9016	Apr-95	Mar-30	723,803	6.65%	48,133	51,083
9015	Oct-85	Oct-20	324,160	3.20%	10,373	11,009
9016005	Aug-15	Aug-16	58,894	3.50%	2,061	258
9016006	Aug-15	Aug-17	214,233	3.75%	8,034	1,004
9016007	Aug-15	Aug-18	214,813	4.00%	8,593	1,074
9016008	Aug-15	Aug-19	201,351	4.20%	8,457	1,057

Shelby Energy Cooperative
Case No. 2016-00434
Schedule of Outstanding Long-Term Debt

Exhibit 5-1
Page 3 of 4
Witness: James Adkins
Post Hearing - Revised Schedule 5

Type of Debt Issued (a)	Date of Issue (b)	Date of Maturity (c)	Outstanding Amount (d)	Cost Rate to Maturity (g)	Annualized Cost Col (d)x(g) (j)	Test Year Interest Cost
9016009	Aug-15	Aug-20	211,557	4.35%	9,203	1,150
9016010	Aug-15	Aug-21	222,562	4.50%	10,015	1,252
9016011	Aug-15	Aug-22	170,424	4.60%	7,840	980
9016012	Aug-15	Aug-23	161,014	4.70%	7,568	946
9016013	Aug-15	Aug-24	169,216	4.80%	8,122	1,015
9016014	Aug-15	Aug-25	152,424	4.90%	7,469	934
9016015	Aug-15	Aug-26	102,296	4.95%	5,064	633
9016016	Aug-15	Aug-27	96,919	5.05%	4,894	612
9019001	Nov-15	Nov-16	271,435	2.60%	7,057	882
9019002	Nov-15	Nov-17	506,194	2.70%	13,667	1,708
9019003	Nov-15	Nov-18	521,128	2.75%	14,331	1,791
9019004	Nov-15	Nov-19	535,222	2.90%	15,521	1,940
9019005	Nov-15	Nov-20	549,387	3.20%	17,580	2,198
9019006	Nov-15	Nov-21	567,959	3.30%	18,743	2,343
9019007	Nov-15	Nov-22	586,255	3.40%	19,933	2,492
9019008	Nov-15	Nov-23	605,597	3.45%	20,893	2,612
9019009	Nov-15	Nov-24	624,807	3.55%	22,181	2,773
9019010	Nov-15	Nov-25	647,507	3.60%	23,310	2,914
9019011	Nov-15	Nov-26	670,123	3.65%	24,459	3,057
9019012	Nov-15	Nov-27	693,852	3.70%	25,673	3,209
9019013	Nov-15	Nov-28	717,856	3.75%	26,920	3,365
9019014	Nov-15	Nov-29	738,074	3.80%	28,047	3,506
9019015	Nov-15	Nov-30	665,482	3.85%	25,621	3,203
9019016	Nov-15	Nov-31	690,286	3.90%	26,921	3,365
9019017	Nov-15	Nov-32	715,641	3.90%	27,910	3,489
9019018	Nov-15	Nov-33	743,272	3.95%	29,359	3,670
9019019	Nov-15	Nov-34	771,562	3.95%	30,477	3,810
9019020	Nov-15	Nov-35	801,063	4.00%	32,043	4,005
9019021	Nov-15	Nov-36	831,668	4.00%	33,267	4,158
9019022	Nov-15	Nov-37	863,941	4.00%	34,558	4,320
9019023	Nov-15	Nov-38	897,191	4.00%	35,888	4,486
9019024	Nov-15	Nov-39	468,387	4.00%	18,735	2,342
			<u>20,136,174</u>		<u>813,162</u>	<u>244,665</u>
Total long term debt and annualized cost			<u>51,057,115</u>		<u>1,621,667</u>	<u>1,471,968</u>
Annualized cost rate [Total Col. (j) / Total Col. (d)]					3.18%	
Actual test year cost rate [Total Col (k) / Total Reported in Col (d)]						2.88%

Shelby Energy Cooperative
Case No. 2016-00434
Schedule of Short Term Debt

Adjustment for Short Term Interest

Short-term borrowings are from CFC. It is estimated that if rates are approved that it will take approximately a year to repay the short-term borrowings, therefore, it is estimated that one-half of the annualized interest will be paid.

Type of Debt Instrument	Date of Issue	Date of Maturity	Amount Outstanding	Interest Rate	Annualized Cost
(a)	(b)	(c)	(d)	(e)	(f)
CFC	5/27/2016	4/5/2018	205,652	2.10%	4,319
Annualized cost rate [Total col. (f) / Total col. (d)]					2.10%
Actual interest paid, or accrued on Short Term Debt during the Test Year					<u>11,597</u>

Shelby Energy Cooperative, Inc.
Commission Staff's Post-Hearing Request for Information
Case No. 2016-00434

2. Provide an update to Shelby Energy's payroll and payroll tax adjustments for the test year using the 2017 payroll increase for union and non-union employees of 2.93 percent and 2.04 percent, respectively.

Response 2.

Refer to **Exhibit 5-2**, which is included as part of this response, for an adjustment to Shelby Energy's payroll using 2.93 and 2.04 percent for union and non-union employees, respectively.

Shelby Energy Cooperative
Case No. 2016-00434
Post Hearing Request for Information

Payroll Adjustment

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

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

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

Projected wages	\$ 2,834,943
Actual wages for test year	<u>\$ 2,876,791</u>
Adjustment	<u>\$ (41,848)</u>

The allocation is on the following page:

Shelby Energy Cooperative
Case No. 2016-00434
Post Hearing Request for Information

Allocation of increase in payroll:

		Labor <u>Distribution</u>	<u>Percent</u>	<u>Allocation</u>
12	107.20	Construction work in progress	719,972	25.0% (10,473)
13	108.80	Retirement work in progress	228,002	7.9% (3,317)
14	143.00	Receivable from others	9,168	0.3% (133)
15	163.00	Stores	61,223	2.1% (891)
16	184.00	Transportation	0	0.0% 0
17	242.52	Employee sick leave/vacation	141,345	4.9% (2,056)
18	580.00	Operations	46,156	
19	583.00	Overhead line	59,658	
20	584.00	Underground	0	
21	586.00	Meter	115,233	
22	587.00	Installations	7,682	
23	588.00	Miscellaneous distribution	156,393	13.4% (5,602)
24	590.00	Maintenance	10,212	
25	593.00	Overhead line	361,827	
26	594.00	Underground	106,177	
27	595.00	Transformers	848	
28	597.00	Street lights	6,556	
29	598.00	Miscellaneous maintenance	69,869	19.3% (8,081)
30	901.00	Supervision	75,148	
31	902.00	Meter reading	73,441	
32	903.00	Consumer records	84,509	
33	904.00	Consumer records	0	8.1% (3,391)
34	907.00	Supervision, Customer service	19,338	
35	908.00	Consumer accounting	87,678	
36	909.00	Consumer information	28,086	
37	910.00	Misc customer information	153,686	10.0% (4,201)
38	912.00	Customer demonstration	9,089	0.3% (132)
39	920.00	Administrative	194,004	
40	926.00	Employee benefits	21,593	
41	930.00	Miscellaneous	26,628	
42	935.00	Maintenance general plant	<u>3,270</u>	<u>8.5%</u> <u>(3,571)</u>
44		Total	<u>2,876,791</u>	<u>100.0%</u> <u>(41,848)</u>

Shelby Energy Cooperative
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Post Hearing Request for Information

Employee Earnings and Hours

Employee Number	Hours Worked Test Year				Actual Test Year Wages						Wage Rate Post-Hearing	Normalized Test Year Wages						Wage Rate 11/1/14	Wage Rate Post-Hearing	Percent Increase	Date of last Increase	Reason for increase
	Regular	Overtime	Vac Pay	Total	Regular	Overtime	Excess Vac Pay	Salary Overtime	Stanby Pay	Total		Regular	Overtime	Excess Vac Pay	Salary Overtime	Stanby Pay	Normalized Total					
Salaried Employees:																						
601	2,080.00			2,080.00																11/1/2014		
702	2,080.00		40.00	2,120.00																11/1/2014		
706	2,080.00		40.00	2,120.00																11/1/2014		
801	2,080.00			2,080.00																11/1/2014		
1304	2,080.00		40.00	2,120.00																11/1/2014		
1307	2,080.00		40.00	2,120.00																11/1/2014		
1316	1,670.75			1,670.75																11/1/2014 Performance evaluation		
2314	2,080.00			2,080.00																11/1/2014 New employee		
2314	2,080.00			2,080.00																11/1/2014 Additional responsibilities		
Subtotal	16,230.75	0.00	160.00	16,390.75	656,977	0	7,520	2,940	25,080	692,517		665,350	0	7,520	2,940	25,080	700,890					
Hourly Employees:																						
208	2,080.00	18.00	40.00	2,138.00																11/1/2014		
210	2,008.00	328.00	8.00	2,344.00																11/1/2014		
301	2,080.00	4.25		2,084.25																11/1/2014		
302	2,080.00	382.25	40.00	2,502.25																11/1/2014		
304	2,080.00	5.50		2,085.50																11/1/2014		
306	2,080.00	357.25		2,437.25																11/1/2014		
310	2,080.00	15.25		2,095.25																11/1/2014		
403	2,080.00	4.75		2,084.75																11/1/2014		
501	2,080.00	169.50	40.00	2,289.50																11/1/2014		
503	2,080.00	326.25		2,406.25																11/1/2014		
705	1,828.25	34.25		1,862.50																11/1/2014		
709	2,080.00	9.50		2,089.50																11/1/2014		
710	2,080.00	5.00		2,085.00																11/1/2014		
1101	2,080.00	9.50		2,089.50																11/1/2014 Step increase		
1303	2,080.00			2,080.00																11/1/2014		
1306	2,080.00		40.00	2,120.00																11/1/2014		
1308	1,919.00	4.50		1,923.50																11/1/2014		
1310	2,080.00	336.00		2,416.00																11/1/2014		
1311	2,080.00	13.75		2,093.75																11/1/2014		
1313	2,080.00			2,080.00																11/1/2014		
1314	1,920.00			1,920.00																11/1/2014 Step increase		
1315	2,072.00	9.50		2,081.50																11/1/2014		
1317	1,037.00	251.25		1,288.25																11/1/2014		
1403	2,080.00	360.00		2,440.00																11/1/2014		
1701	2,080.00	40.00		2,120.00																11/1/2014		
1801	2,080.00	296.00		2,376.00																11/1/2014 Promotion		
1902	2,080.00	352.25		2,432.25																11/1/2014		
1911	2,072.50	121.00		2,193.50																11/1/2014		
1912	2,080.00	402.50		2,482.50																11/1/2014		
2306	2,040.00	317.50		2,357.50																11/1/2014		
2309	2,080.00	313.25		2,393.25																11/1/2014		
2312	1,927.00	154.75		2,081.75																11/1/2014		
2315	2,063.00	352.00		2,415.00																11/1/2014		
Subtotal	66,726.75	4,993.50	168.00	71,888.25	1,814,183	242,676	4,919	127	6,625	2,068,530		1,828,009	244,311	4,919	127	6,625	2,083,992					
Summer and Part Time Employees:																						
708	288.00	0.50		288.50																11/1/2014		
1318	627.00	3.50		630.50																11/1/2014		
1319	104.00	3.00		107.00																11/1/2014		
1802	327.00			327.00																11/1/2014		
2316	344.00			344.00																11/1/2014		
Subtotal	1,690.00	7.00	0.00	1,697.00	27,247	161	0	0	0	27,408		49,900	161	0	0	0	50,061					
Retirees:																						
1305	1,850.00			1,850.00																11/1/2014		
Subtotal	1,850.00	0.00	0.00	1,850.00																		
Total	86,497.50	5,000.50	328.00	91,826.00	2,581,495	242,837	12,440	3,716	36,303	2,876,791		2,543,259	244,472	12,440	3,067	31,705	2,834,943					

Shelby Energy Cooperative
Case No. 2016-00434
Post Hearing Request for Information
Payroll Taxes

The employer's portion of FICA and Medicare rates remain the same for 2016 as they were for 2015. The FICA rate is 6.2% and Medicare is 1.45%. The wage limit increased to \$118,500 in 2016 and was \$117,000 in 2015 for FICA; all wages are subject to Medicare.

Federal unemployment rates are 0.80% for the first \$7,000 of wages and state unemployment rate is 2.01% for the first \$10,200 of wages.

Proposed FICA amounts

FICA	173,975	
Medicare	41,107	
	<u>215,082</u>	
Proposed FUTA	5,628	
Proposed SUTA	9,050	229,759

Test year amount

FICA and Medicare	221,625	
Test year FUTA	3,910	
Test year SUTA	9,313	234,848
Increase		<u><u>(5,089)</u></u>

Adjustment:

	<u>Percent</u>	<u>Amount</u>
107 Capitalized	32.71%	(1,665)
163 - 416 Clearing and others	8.04%	(409)
580 Operations	13.29%	(676)
590 Maintenance	19.17%	(975)
901 Consumer accounts	8.04%	(409)
908 Customer service	9.96%	(507)
912 Sales	0.31%	(16)
920 Administrative and general	8.47%	(431)
	<u>100.00%</u>	<u><u>(\$5,089)</u></u>

State unemployment (SUTA) wage rates are as follows:

2016	2.01%
2015	2.02%
2014	1.80%
2013	1.80%
2012	1.80%

Payroll Tax Adjustment

Employee Number	Normalized Wages	Social Security Wages		Medicare Wages		Federal Unemployment		State Unemployment	
		Up To \$118,500	@ 6.20%	All Wages	1.45%	Up to \$7,000	1.80%	Up to \$10,200	2.010%
1313									
1314									
1315									
1317									
1403									
1701									
1801									
1902									
1911									
1912									
2306									
2309									
2312									
2315									
Subtotal hour	2,083,992	2,083,992	129,207	2,083,992	30,218	231,000	4,158	336,600	6,766
Summer and Part Time Employees:									
708									
1318									
1319									
1802									
2316									
Subtotal sum	50,061	50,061	3,104	50,061	726	25,640	462	32,040	644
Retirees:									
1305	0	0	0	0	0	0	0	0	0
Subtotal retir	0	0	0	0	0	0	0	0	0
Total	2,834,943	2,806,052	173,975	2,834,943	41,107	312,640	5,628	450,240	9,050

Shelby Energy Cooperative, Inc.
Commission Staff's Post-Hearing Request for Information
Case No. 2016-00434

3. Refer to the response to Commission Staff's Third Request for Information ("Staff's Third Request"), Item 8, regarding rate case expenses. Provide an update to Shelby's rate case expenses including all documentation that is not already included in the record of this case.

Response 3.

Refer to the information submitted to the Commission on June 19, 2017 and recorded as received June 20, 2017 that provides expenses for the month of May, 2017.

Refer to **Exhibit 5-3**, which is included as part of this response, for an update on expenses for June, 2017 and a summary of the total of expenses incurred for the rate case.

SHELBY ENERGY COOPERATIVE, INC.							
CASE NO. 2016-00434							
RATE CASE EXPENSES JUNE, 2017							
Line	Check Date	Check Number	Expense Amount	GL Acct	Vendor ID	Vendor Name	Description
1	06/28/17	68166	3,182.50	928.00	2	Mathis, Riggs & Prather	Rate case preparation
2	06/28/17	68168	7,590.00	928.00	316	Alan Zumstein, CPA	Rate case preparation
3	06/28/17	68169	4,469.79	928.00	1314	James R. Adkins	Rate case preparation
4	06/28/17	68170	96.13	928.00	7979	Visa/Gutermuth	Shipping & Miscellaneous
5	06/28/17	68171	23.18	928.00	8320	Visa/Routh	Rate case preparation
6		Subtotal	\$15,361.60				
7	06/15/17	68099	\$407.10	928.00	5835	Total Funds by Hasler	*Postage for direct mailing of hearing notice
8	06/08/17	68052	196.25	928.00	183	Duplicator Sales	*June copy charges for rate case
9	06/15/17	68093	24.15	928.00	3722	Cardinal Office Products	*June paper used for 4th & Post Hearing
10			\$15,989.10				
11							
12							



Shelby Energy Cooperative, Inc.
620 Old Finchville Rd.
Shelbyville, KY 40065
Tel: (502) 633-4420 Fax: (502) 633-2387

Citizens Union Bank
Shelbyville, KY
73-162/839

CHECK NO. 068166

Exhibit 5-3
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Witness: Debra Martin

GENERAL FUND ACCOUNT

Vendor: 2 Check Nbr: 68166 Check Date: 06/28/17 Check Amount: \$3,182.50

Pay THREE THOUSAND, ONE HUNDRED EIGHTY-TWO DOLLARS AND 50/100 CENTS

VOID AFTER 90 DAYS

To The
Order Of MATHIS, RIGGS, PRATHER
AND RATLIFF, PSC
500 MAIN STREET, STE. 5
SHELBYVILLE, KY. 40065

Carroll Routh
Debra J. Martin



2
MATHIS, RIGGS, PRATHER

Please Detach and Retain Statement

Check Nbr: 68166
Check Date: 06/28/17

We herewith hand you our check in settlement of items listed below.

Invoice Nbr	Description	Invoice Date	Ref Nbr	Amount
20518	RATE CASE	06/26/17		3,182.50

MATHIS, RIGGS, PRATHER & RATLIFF, PSC

500 Main Street, Ste. 5
Shelbyville, KY 40065

Invoice submitted to:
SHELBY ENERGY COOPERATIVE
ATTN: DEBRA MARTIN
620 OLD FINCHVILLE ROAD
SHELBYVILLE, KY 40065

Date: 6/28/17
Mgr/Emp: [Signature]
Acct #: 928.00
Item ID: 05EX31

June 26, 2017

In Reference To: RATE CASE 2017 1-18-17 DTP
Invoice #20518

DATE: 6-26-17
EXPENSE DATE: 6-26-17
DUE DATE: 6-28-17
ITEM ID: 05EX31
AMOUNT: 928.00

Professional Services

		Hours	Amount
6/1/2017	DTP Begin preparing for hearing by reviewing application and SEC answers to first commission info requests.	2.00	270.00
6/2/2017	DTP Review confidential pages and place in binders.	0.30	40.50
	DTP Begin reviewing SEC second information request answers.	0.60	81.00
6/6/2017	DTP Continue reviewing SEC information request answers to prepare for hearing.	3.20	432.00
6/7/2017	DTP Review additional confidential information received from Laurie in answers to second and third data requests; Email Debbie questioning accuracy of part of one answer.	0.90	121.50
6/12/2017	DTP Continue reviewing rate filings; Email alternate medical insurance contribution information to client reps.	2.30	310.50
6/13/2017	DTP Finish review of material filed with Public Service Commission; Meet with Debbie Martin and Jim Adkins to prepare for rate hearing.	3.00	405.00
	DTP Review Licking Valley rate case hearing.	2.20	297.00
6/14/2017	DTP Continue preparing for rate case hearing.	2.10	283.50
	STE Prepare witness questions	0.40	10.00
6/15/2017	DTP Represent Client At Public Service Commission Hearing; Post hearing work.	3.60	486.00
6/19/2017	DTP Review Notice of Filing of hearing video, exhibit, and written log.	0.10	13.50
6/20/2017	DTP Review Staff Post-Hearing Request for Information.	0.50	67.50

[Handwritten signature]
JUN 28 2017

SHELBY ENERGY COOPERATIVE

Page 2

	<u>Hours</u>	<u>Amount</u>
6/21/2017 DTP Dictate SEC Response to Staff Post-Hearing info requests and Applicant info on B-2 rate change, submission letter, and fourth motion for confidential treatment.	0.50	67.50
6/22/2017 DTP Revise Response and Motion for Confidentiality.	0.20	27.00
6/26/2017 DTP Estimated time to conclude mater.	2.00	270.00
For professional services rendered	23.90	\$3,182.50
Previous balance		\$396.50
Accounts receivable transactions		
6/22/2017 Payment - Thank You. Check No. 068126		(\$396.50)
Total payments and adjustments		(\$396.50)
Balance due		<u><u>\$3,182.50</u></u>



Shelby Energy Cooperative, Inc.
620 Old Finchville Rd.
Shelbyville, KY 40065
Tel: (502) 633-4420 Fax: (502) 633-2387

Citizens Union Bank
Shelbyville, KY
73-162/839

CHECK NO. **068168**

Exhibit 5-3

Page 5 of 24

Witness: Debra Martin

GENERAL FUND ACCOUNT

Vendor: 316 Check Nbr: 68168 Check Date: 06/28/17 Check Amount: \$7,590.00

Pay SEVEN THOUSAND, FIVE HUNDRED NINETY DOLLARS AND 00/100 CENTS

VOID AFTER 90 DAYS

To The
Order Of ALAN M ZUMSTEIN
CERTIFIED PUBLIC ACCOUNTANT
1032 CHETFORD DRIVE
LEXINGTON, KY 40509

[Signature]
[Signature]



316
ALAN M ZUMSTEIN

Please Detach and Retain Statement

Check Nbr: 68168
Check Date: 06/28/17

We herewith hand you our check in settlement of items listed below.

Invoice Nbr	Description	Invoice Date	Ref Nbr	Amount
17	RATE CASE	06/23/17		7,590.00

Alan M. Zumstein
Certified Public Accountant
 1032 Chetford Drive
 Lexington, Kentucky 40509
 859-264-7147
 zumstein@windstream.net

June 23, 2017

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

Assist Shelby's staff and consultant with gathering information for schedules and exhibits in connection with Case No. 2016-00434:

	<u>Hours</u>	<u>Miles</u>
March 24, 2017 PSC Second request for information	24	120
May 5, 2017 PSC Third request for information	18	60
June 2, 2017 PSC Fourth request for information	10	
June 23, 2017 Post hearing data request	8	

Hours	✓ 60	@ \$125	\$ 7,500	✓
Miles	✓ 180	@ \$0.50	<u>90</u>	✓
Total due			<u>\$ 7,590</u>	✓

Federal ID number 35-1877201 316

EXPENSE DATE 6-23-17

DUE DATE 6-28-17

ITEM ID OSEK 55

ACCOUNT # 92800

Date: 6/23/17

Mgr/Emp: dm

Acct #: 928.00

Item ID: OSEK 55

JUN 22 2017

[Handwritten signature]



Shelby Energy Cooperative, Inc.
620 Old Finchville Rd.
Shelbyville, KY 40065
Tel: (502) 633-4420 Fax: (502) 633-2387

Citizens Union Bank
Shelbyville, KY
78-162/839

CHECK NO. 068169

Exhibit 5-3
Page 7 of 24

Witness: Debra Martin

GENERAL FUND ACCOUNT

Vendor	Check Nbr	Check Date	Check Amount
1314	68169	06/28/17	\$4,469.79

Pay FOUR THOUSAND, FOUR HUNDRED SIXTY-NINE DOLLARS AND 79/100 CENTS

VOID AFTER 90 DAYS

To The
Order OF JAMES R ADKINS
2189 ROSWELL DR
LEXINGTON, KY. 40513

Carol Keith
Debra J. Martin



1314
JAMES R ADKINS

Please Detach and Retain Statement

Check Nbr: 68169
Check Date: 06/28/17

We herewith hand you our check in settlement of items listed below.

Invoice Nbr	Description	Invoice Date	Ref Nbr	Amount
6/2017	RATE CASE	06/27/17		4,469.79

INVOICE FOR SERVICES RENDERED

James R. Adkins
2189 Roswerll Dr
Lexington, KY 40513-1811

June 27, 2017

Ms. Debbie Martin
President & CEO
Shelby Energy Cooperative
620 Old Finchville Road
Shelbyville, KY 40065-1714

FOR PREPARATION OF DOCUMENTS FOR CASE NO. 2016-00434

Month	Description	Hours	Mileage
1-May	DR 3 Responses	6.50	
2-May	DR 3 Responses	2.50	
30-May	DR 4 Responses	6.50	98
13-Jun	Hearing Prep	6.50	98
14-Jun	Hearing Prep	2.75	
15-Jun	Hearing @ PSC	3.00	
26-Jun	Post Hearing Data Request	1.50	
27-Jun	Post Hearing Data Request	5.25	98

sd
JUN 28 2017

ACCOUNT NO. 1314
EXPENSE DATE 6-27-17
DUE DATE 6-28-17
ITEM ID 050X55
ACCOUNT # 92800

TOTAL HOURS AND MILEAGE

RATE

TOTALS

AMOUNT OF INVOICE

✓ 34.50	294 ✓
\$ 125.00	\$ 0.535
\$ ✓ 4,312.50	\$ 157.29 ✓
	\$ 4,469.79 ✓

James R. Adkins

Date: 6/28/17
Mgr/Emp: dm
Acct #: 928.00
Item ID: 05EX 55



Shelby Energy Cooperative, Inc.
620 Old Finchville Rd.
Shelbyville, KY 40065
Tel: (502) 633-4420 Fax: (502) 633-2387

Citizens Union Bank
Shelbyville, KY
73-162839

CHECK NO. 068170

Exhibit 5-3
Page 9 of 24

Witness: Debra Martin

GENERAL FUND ACCOUNT

Vendor
7979

Check Nbr
68170

Check Date
06/28/17

Check Amount
\$2,764.67

Pay TWO THOUSAND, SEVEN HUNDRED SIXTY-FOUR DOLLARS AND 67/100 CENTS

VOID AFTER 90 DAYS

To The
Order Of VISA

LAUREN GUTERMUTH C/O RCCU
P.O. BOX 32170
LOUISVILLE, KY, 40232

Carol Raith
Debra J. Martin



7979
VISA

Please Detach and Retain Statement

Check Nbr: 68170
Check Date: 06/28/17

We herewith hand you our check in settlement of items listed below.

Invoice Nbr	Description	Invoice Date	Ref Nbr	Amount
6/2017		06/18/17		2,764.67

96.13

Witness: Debra Martin

The UPS Store - #3325
18 Village Plaza
Shelbyville, KY 40065-1745
(502) 647-3344

05/23/17 09:42 AM

We are the one stop for all your shipping, postal and business needs.

Visit our website for other services
<http://www.theupsstorelocal.com/3325/>



1 001045 (001) TO \$ 11
Ground Residential
Tracking# 1Z7659F10303200354

SubTotal \$ 11
Total \$ 11

VISA \$ 11.27

COUNT NUMBER *
pr Code: (S) Sale

*****0

Y. Martin

Receipt ID 82992743093149888322 001 It
SHIP: LAUREN Tran: 1673 Reg:

Thanks for visiting our store.
Track packages at our website

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needs, we are here to serve you.

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Join our FREE email program to receive
great offers and resources.

www.theupsstore.com/etmain

Date: 6/22/17
Mgr/Emp: YS
Acct #: 928.00
Item ID: MISC 59

Shipment Receipt: Page #1 of 1

THIS IS NOT A SHIPPING LABEL. PLEASE SAVE FOR YOUR RECORDS.

SHIP DATE:
Tues 23 May 2017

EXPECTED DELIVERY DATE:
WED 24 MAY 2017 EOD

SHIP FROM:
SHELBY ENERGY
620 OLD FINCHVILLE RD
Shelbyville KY 40065
(502) 633-4420

SHIP TO:
MR JIM ADKINS
2189 ROSHELL DR
LEXINGTON KY 40513-1811
Residential

SHIPPED THROUGH:
The UPS Store #3325
SHELBYVILLE, KY 40065-1795
(502) 647-3344

SHIPMENT INFORMATION:
UPS Ground Residential
9.1 lbs actual wt
10.00 lbs billable wt
Dims: 13.00x13.00x7.00 in

Tracking Number: 1Z7659F10303200354
Shipment ID: MNWAFUPENPRCH
Ship Ref 1: -
Ship Ref 2: -

DESCRIPTION OF GOODS:
DOCUMENTS

SHIPMENT CHARGES:
Ground Residential 11.07
Service Options 0.00
CBS Processing Fee 0.20

Total \$11.27

COMPLETE ONLINE TRACKING: Enter this address in your web browser to track: http://theupsstore.com (select Tracking, enter shipment ID #) SHIPMENT QUESTIONS? Contact SHIPPED THROUGH ABOVE.

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Shipment ID: MNWAFUPENPRCH



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05/23/2017 06:28 AM Pacific Time N

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*Rate case
2016-0434
response sent to Jim
copies sent to Jim
Adkins 5/23/17*

The UPS Store - #3325
 18 Village Plaza
 Shelbyville, KY 40065-1745
 (502) 647-3344

05/23/17 01:14 PM

are the one stop for all your
 shopping, postal and business needs.
 Visit our website for other services
 at: <http://www.theupsstorelocal.com/3325/>



10062 (002)	T1 \$	3.25
4 x 14 x 8 box		
30188 (016)	TO \$	1.90
4x14x8 Serv Frag		
30189 (016)	TO \$	5.00
4x14x8 Serv Cust		
01005 (001)	TO \$	25.49
DA		
Tracking# 1Z7659F10105451833		
005 001045 (001)	TO \$	11.27
Ground Residential		
Tracking# 1Z7659F10372121506		

SubTotal \$ 46.91
 KYSALESTAX (T1) \$.20
 Total \$ 47.11
 VISA \$

VT NUMBER * *****
 Code: (S) Sale

H. J. Termit

Receipt ID 83992743098102888067 005 Items
 H: LAUREN Tran: 0642 Reg: 001

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 Track packages at our website.

Whatever your business and personal
 needs, we are here to serve you.

We're here to help.
 Join our FREE email program to receive
 great offers and resources

Shipment Receipt: Page #1 of 1
 THIS IS NOT A SHIPPING LABEL. PLEASE SAVE FOR YOUR RECORDS.

SHIP DATE: Tue 23 May 2017	SHIPMENT INFORMATION: UPS Next Day Air Com 0.3 lbs actual wt LTR Billed Weight Carrier Letter
EXPECTED DELIVERY DATE: WED 24 MAY 2017 10:30 AM	

SHIP FROM:
 SHELBY ENERGY
 620 OLD FINCHVILLE RD
 Shelbyville KY 40065
 (502) 633-4420

Tracking Number: 1z7659F10105451833
 Shipment ID: HNHAFUP18HWP
 Ship Ref 1: -
 Ship Ref 2: -

SHIP TO:
 KENTUCKY PUBLIC SERVICE COMMISSION
 CHRIS SMITH
 211 SOWER BLVD
 FRANKFORT KY 40601-8294
 Business

DESCRIPTION OF GOODS:
 DOCUMENTS

SHIPMENT CHARGES:
 Next Day Air Com 24.26
 Service Options 0.00
 Fuel Surcharge 1.03
 CHS Processing Fee 0.20

SHIPPED THROUGH:
 The UPS Store #3325
 SHELBYVILLE, KY 40065-1795
 (502) 647-3344

Total \$25.49

COMPLETE ONLINE TRACKING: Enter this address in your web browser to
<http://www.ups.com/track> (Label Tracking, enter Shipment ID #) SHIPMENT
 QUESTIONS? Contact SHIPPED THROUGH above.

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Shipment ID: HNHAFUP18HWP

Powered by iShip(r)
 05/23/2017 10:09 AM Pacific Time N

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*Sent April Financials
 (for 2nd time) to PSC
 overnight. Original not overnight.
 Sent copy of rate case application
 to Jim Adkins
 5/23/17
 JJ*

Date: 6/22/17
 Mgr/Emp: JJ
 Acct #: 928.00
 Item ID: MISC 59

Shipment Receipt: Page #1 of 1

THIS IS NOT A SHIPPING LABEL. PLEASE SAVE FOR YOUR RECORDS.

SHIP DATE:
Tue 23 May 2017

EXPECTED DELIVERY DATE:
WED 24 MAY 2017 EOD

SHIP FROM:
SHELBY ENERGY
620 OLD FINCHVILLE RD
Shelbyville KY 40065
(502) 633-4420

SHIP TO:
MR JIM ADKINS
2189 ROSHILL DR
LEXINGTON KY 40513-1811
Residential

SHIPPED THROUGH:
The UPS Store #3325
SHELBYVILLE, KY 40065-1795
(502) 647-3344

SHIPMENT INFORMATION:
UPS Ground Residential
9.45 lbs actual wt
10.00 lbs billable wt
Dims: 15.00x15.00x5.00 In Store Packed
E-mail Notification: Ship, Deliver
Pack and Ship Guarantee

Tracking Number: 1z7659F10372121506
Shipment ID: MMWAFUPH06AXF
Ship Ref 1: - -
Ship Ref 2: - -

DESCRIPTION OF GOODS:
DOCUMENTS IN BINDER

SHIPMENT CHARGES:
Ground Residential 11.07
Service Options 0.00
CHS Processing Fee 0.20

Total \$11.27

COMPLETE ONLINE TRACKING: Enter this address in your web browser to track:
<http://theupsstore.com> (select tracking; enter shipment ID #) SHIPMENT
QUESTIONS? Contact SHIPPED THROUGH above.

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Shipment ID: MMWAFUPH06AXF



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05/23/2017 10:12 AM Pacific Time R

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Shipment Receipt: Page #1 of 1

THIS IS NOT A SHIPPING LABEL. PLEASE SAVE FOR YOUR RECORDS.

SHIP DATE:
Mon 5 Jun 2017

EXPECTED DELIVERY DATE:
TUES 6 JUN 2017 10:30 AM

SHIPMENT INFORMATION:
UPS Next Day Air Com
2.6 lbs actual wt
5.00 lbs billable wt (DimWt)
Box: 18.00x13.00x3.00 in

SHIP FROM:
SHELBY ENERGY
620 OLD FINCHVILLE RD
Shelbyville KY 40065
(502) 633-4420

Tracking Number: 1z7659F10172997413
Shipment ID: MHAFUPDZ4NE6
Ship Ref 1: - -
Ship Ref 2: - -

SHIP TO:
KENTUCKY STATE CAPITOL
ATTORNEY GENERAL
700 CAPITAL AVE
FRANKFORT KY 40601-3448
Business

DESCRIPTION OF GOODS:
BINDER

SHIPMENT CHARGES:
Next Day Air Com 35.85
Service Options 0.00
Fuel Surcharge 1.70
CNS Processing Fee 0.20

SHIPPED THROUGH:
The UPS Store #3325
SHELBYVILLE, KY 40065-1795
(502) 647-3344

Total \$37.75

COMPLETE ONLINE TRACKING: Enter this address in your web browser to track:
http://theupsstore.com/labels/Tracking; enter Shipment ID #) SHIPMENT
QUESTIONS? Contact SHIPPED THROUGH above.

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Shipment ID: MHAFUPDZ4NE6



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06/05/2017 09:08 AM Pacific Time N

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The UPS Store - #3325
18 Village Plaza
Shelbyville, KY 40065-1745
(502) 647-3344

06/05/17 12:10 PM

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Visit our website for other services
<http://www.theupsstorelocal.com/3325/>



1 001005 (001) TO \$ 3
NDA
Tracking# 1Z7659F10172997413

SubTotal \$ 37
Total \$ 37

VISA \$ 37.75
*****0

QUANTITY NUMBER *
r Code: (S) Sale

Lauren J. Termita

t ID 83992743713284888967 001 Ite
ATALIE Tran: 1207 Reg: 0

Thanks for visiting our store.
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We're here to help.
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www.theupsstore.com/signup

*Rate Case -
Overnight
444 response to KY AG
6/5/17 JJ*

Date: 6/22/17
Mgr/Emp: JH
Acct #: 928.00
Item ID: MISC 59



Shelby Energy Cooperative, Inc.
620 Old Finchville Rd.
Shelbyville, KY 40065
Tel: (502) 633-4420 Fax: (502) 633-2387

Citizens Union Bank
Shelbyville, KY
73-162/839

CHECK NO. 068171

Exhibit 5-3

Page 14 of 24

Witness: Debra Martin

GENERAL FUND ACCOUNT

Vendor 8320

Check Nbr 68171

Check Date 06/28/17

Check Amount \$1,924.33

Pay ONE THOUSAND, NINE HUNDRED TWENTY-FOUR DOLLARS AND 33/100 CENTS

VOID AFTER 90 DAYS

To The Order Of VISA

JARED ROUTH C/O RCCU
P.O. BOX 32170
LOUISVILLE, KY. 40232-2170

[Signature]
[Signature]

8320
VISA

Please Detach and Retain Statement

Check Nbr: 68171
Check Date: 06/28/17

We herewith hand you our check in settlement of items listed below.

Invoice Nbr	Description	Invoice Date	Ref Nbr	Amount
6/2017		06/18/17		1,924.33

\$ 23.18

Witness: Debra Martin

Jim Adkins + Janel

Date: 5/30/17
Mgr/Emp: TL
Acct #: 928.00 ✓
Item ID: STAF 08 ✓

Claudia Sanders
Dinner House
3202 Shelbyville Rd
Shelbyville KY 40065
502.633.5600

Date: May30'17 12:59PM
Card Type: Visa
Acct #: XXXXXXXXXXXX2372
Card Entry: SWIPED
Trans Type: PURCHASE
Auth Code: 002413
Check: 4453
Server: 224 Carol S
Reference: 732877585

Subtotal: 21.18

For your convenience we are
providing the following
gratuity calculations:

15% is \$3.18
18% is \$3.81
20% is \$4.24

TIP: 2.00
TOTAL: 23.18 ✓

PLEASE KEEP THIS COPY FOR YOUR
PERSONAL RECORDS

THANK YOU

Claudia Sanders
Dinner House
3202 Shelbyville Rd
Shelbyville KY 40065
502.633.5600

4 Carol S

4453 May30'17 12:58P Gst

Closed Check
Reprint:

Salad Bar 19.98
Water 0.00
Charge Tip 2.00
XXXXXXXXXXXX2372
Visa 23.18
Subtotal 19.98
Tax 1.20
Service Chrg 2.00
Payment 23.18

-----616 May30'17 01:00PM-----

For your convenience we are
providing the following
gratuity calculations:

15% is \$0.00
18% is \$0.00
20% is \$0.00

SHELBY ENERGY COOPERATIVE
CASE NO. 2016-0434
RATE CASE EXPENSES JUNE, 2017

Exhibit 5-3
Page 16 of 24
Witness: Debra Martin

<u>4th Data Response - 06/02/17</u>		<u>Copies</u>	<u>Paper</u>
Response and Correspondence		85	85
	Pages per set:	85	85
<u>Sets:</u>			
PSC - Original		0	1
PSC --10 copies		10	10
Consultants		2	2
Attorney		1	1
Cooperative		<u>2</u>	<u>2</u>
	Total sets:	15	16
	Total Copies:	1,275	Total pages: 1,360
	Rate per copy:	<u>0.05947</u>	Rate per page: 0.00686
	(12,607 copies @ \$749.72)		(500 pages per ream of paper at \$3.43 per ream)
	Copy Cost :	\$75.82	Paper Cost: \$9.33
<hr/>			
<u>Post-Hearing Data Response - 06/30/17</u>		<u>Copies</u>	<u>Paper</u>
Response and Correspondence		135	135
	Pages per set:	135	135
<u>Sets:</u>			
PSC - Original		0	1
PSC - 10 copies		10	10
Consultants		2	2
Attorney		1	1
Cooperative		<u>2</u>	<u>2</u>
	Total sets:	15	16
	Total Copies:	2,025	Total pages: 2,160
	Rate per copy:	<u>0.05947</u>	Rate per page: 0.00686
	(12,607 copies @ \$749.72)		(500 pages per ream of paper at \$3.43 per ream)
	Copy Cost :	\$120.43	Paper Cost: \$14.82
	Total Copy Cost:	\$196.25	Total Paper Cost: \$24.15
<hr/>			
<u>Direct Mailing of Hearing Notice - 05/31/17</u>			<u>Number</u>
Members other than counties 1, 2 & 3			885
Postage rate			\$0.46
Total Postage Cost:			\$407.10



Shelby Energy Cooperative, Inc.
620 Old Fincleville Rd.
Shelbyville, KY 40065
Tel: (502) 633-4420 Fax: (502) 633-2387

Citizens Union Bank
Shelbyville, KY
73-162839

CHECK NO. 068099

Exhibit 5-3
Page 17 of 24
Witness: Debra Martin

GENERAL FUND ACCOUNT

Vendor: 5835
Check Nbr: 68099
Check Date: 06/15/17
Check Amount: \$1,000.00

Pay ONE THOUSAND, ZERO DOLLARS AND 00/100 CENTS

VOID AFTER 90 DAYS

To The
Order Of TOTALFUNDS BY HASLER
MAILROOM FINANCE INC.
P.O. BOX 30193
TAMPA, FL 33630-3193

[Signature]
[Signature]

5835
TOTALFUNDS BY HASLER

Please Detach and Retain Statement

Check Nbr: 68099
Check Date: 06/15/17

We herewith hand you our check in settlement of items listed below.

Invoice Nbr	Description	Invoice Date	Ref Nbr	Amount
6/2017	ACCT# 7900 0110 0201 5314	05/30/17		1,000.00

Hearing Notice - direct mailing
885 @ \$.46 = \$407.10

HASLER

RECEIVED
JUN 08 2017

INVOICE

Account Information

* SHELBY ENERGY COOPERATI
ATTN ACCOUNTS PAYABLE
Account Number: 7900 0110 0201 5314
Closing Date: 06/01/17
Available Credit: \$7,500.00
Customer Service (800) 636-7678
Monday- Friday 8:00 AM to 8:00 PM ET

Account Summary

Previous Balance	\$	500.00
Purchases	+	1,000.00
Credits	-	0.00
Payments	-	500.00 -
Other Debits	+	0.00
Finance Charges	+	0.00
NEW BALANCE	\$	1,000.00

Payment Information

 **Total Minimum Payment Due \$70.00**
Payment Due Date 06/29/17

Mail Payment To:

TOTALFUNDS BY HASLER
PO BOX 30193
TAMPA FL 33630-3193

Important News
PLEASE BE SURE TO INCLUDE THE STUB BELOW WHEN REMITTING PAYMENT. THIS WILL ENSURE THAT YOUR PAYMENT POSTS TO YOUR ACCOUNT WITHIN 24 HOURS OF RECEIPT.
ACCOUNT INFORMATION IS ALWAYS AVAILABLE ON LINE AT WWW.NEOPOSTUSA.COM/FAQ/NEOFUNDS

Account Activity Since Your Last Statement

Trans Date	Post Date	Plan Name	Reference Number	Description	Amount
05/12	05/12	PPLN02	SHELBYVILL0000011654281	POSTAGE	\$ 500.00
05/18	05/18		77900017138001101503973	PAYMENT - THANK YOU	500.00 -
05/26	05/26	PPLN02	SHELBYVILL0000011654281	POSTAGE	500.00

YOUR ACCOUNT LIMIT IS \$4,000. FOR YOUR CONVENIENCE, WE HAVE PROVIDED YOU UP TO \$8,600 TOTAL LIMIT. MONTHLY POSTAGE ACTIVITY THAT EXCEEDS YOUR ACCOUNT LIMIT IS SUBJECT TO A 1% FLEX LIMIT FEE.

Plan Level Information

Plan Name	Plan Description	FCM *	Previous Balance	Average Daily Balance	Periodic Rate **	Corresponding APR	Finance Charges	Fees/Finance Charge	Effective APR	Ending Balance
PPLN02 001	POSTAGE	G	\$500.00	\$0.00	0.00000% (D)	0.0000%	\$0.00	\$0.00	0.0000%	\$1,000.00

Days In Billing Cycle: 31
*See last page for explanation of Finance Charge Method (FCM):
(V) = Variable Rate If you have a variable rate account the periodic rate and Annual Percentage Rate (APR) may vary.

Date: 6/18/17
Mgr/Emp: _____
Acct #: 92610
Item ID: BPEX 26

PLEASE DETACH COUPON AND RETURN PAYMENT USING THE ENCLOSED ENVELOPE - ALLOW 5 DAYS FOR MAIL DELIVERY

TOTALFUNDS BY HASLER
PO BOX 30193
TAMPA FL 33630-3193

HASLER

Account Number:
7900 0110 0201 5314

Check box to indicate name/address change on back of this coupon

AMOUNT OF PAYMENT ENCLOSED

Closing Date	New Balance	Total Minimum Payment Due	Payment Due Date
06/01/17	\$1,000.00	\$70.00	06/29/17

\$ 1,000.00

* SHELBY ENERGY COOPERATI
ATTN ACCOUNTS PAYABLE
820 OLD-FINCHVILLE RD
SHELBYVILLE KY 40065-1714



MAKE CHECK PAYABLE TO:
TOTALFUNDS BY HASLER
PO BOX 30193
TAMPA FL 33630-3193



Shelby Energy Cooperative, Inc.
620 Old Finchville Rd.
Shelbyville, KY 40065
Tel: (502) 633-4420 Fax: (502) 633-2387

Citizens Union Bank
Shelbyville, KY.
73-162839

CHECK NO. 068052

Exhibit 5-3

Page 19 of 24

Witness: Debra Martin

GENERAL FUND ACCOUNT

Vendor
183

Check Nbr
68052

Check Date
06/08/17

Check Amount
\$1,120.11

Pay ONE THOUSAND, ONE HUNDRED TWENTY DOLLARS AND 11/100 CENTS

VOID AFTER 90 DAYS

To The
Order of DUPLICATOR SALES & SERVICE
831 EAST BROADWAY
LOUISVILLE, KY. 40204

Carroll Rault
Debra J. Martin



183
DUPLICATOR SALES & SERVICE

Please Detach and Retain Statement

Check Nbr: 68052
Check Date: 06/08/17

We herewith hand you our check in settlement of items listed below.

Invoice Nbr	Description	Invoice Date	Ref Nbr	Amount
718415	COPIER ZU738 4/22/17-5/22/17	05/17/17		370.39
720228	COPIER ZT739 4/29/17-5/29/17	05/24/17		749.72

\$ 196.25

3,300 copies @ \$.05947

Duplicator Sales & Service, Inc.

831 EAST BROADWAY
LOUISVILLE, KY 40204
(502) 589-5555
(800) 633-8921

Customer Number: LS9894
Invoice Number: 720228 PG (1)
Invoice Date: 05/24/17

RECEIVED
MAY 30 2017
BY: *[Signature]*

SHELBY ENERGY
COOPERATIVE INC
620 OLD FINCHVILLE RD
SHELBYVILLE KY 40065

For Invoice Marketing Solutions
call Bryan Nash, 502.560.0725,
(Invoice printed on Ricoh C835 network printer)

**DUPLICATOR
SALES & SERVICE**
831 East Broadway
Louisville, KY 40204
(502)589-5555
(800)633-8921

SHELBY ENERGY
COOPERATIVE INC
620 OLD FINCHVILLE RD
SHELBYVILLE KY

INV # 720228
INV DATE 05/24/17

TERMS: NET 30 DAYS UNLESS NOTED BELOW

CUSTOMER NO.	EQUIP ID & MODEL/SN	A/R CODE	PO NUMBER	PROG. TYPE
LS9894	S5503 185MC10585	LE		CHL LE
DATE:	PREVIOUS METER:	DATE:	CURRENT METER:	
	INVOICE PERIOD: 04/29/17	TO: 05/29/17		
QUANTITY	CODE NO.	DESCRIPTION	AMOUNT	
1	6CSBLM	SAVIN LEASE BASE RATE MM ITEM# LE SAVIN MM	359.31	<
TOTAL COLOR CPC RATE = .05800				
Meters: Previous		47943 04/24/17 Current	52948 05/24/17	
5005	4CCELA	COLOR CHARGEABLE COPIES CLR LABOR/MAINT ITEM# EXCESS CLR LABOR	47943 72.27	
5005	4CCEPA	COLOR CHARGEABLE COPIES CLR PARTS/MAINT ITEM# EXCESS CLR PARTS	5,005 17.72	
5005	4CCESP	COLOR CHARGEABLE COPIES CLR SUPPLIES/MAINT ITEM# EXCESS CLR SUPP	200.30	<
TOTAL BLACK CPC RATE = .00800				
Meters: Previous		102898 04/24/17 Current	110500 05/24/17	
7602	4CRELA	MFP CHARGEABLE COPIES BLK LABOR/MAINT ITEM# EXCESS MFP LABOR	102898 36.19	
7602	4CREPA	MFP CHARGEABLE COPIES BLK PARTS/MAINT ITEM# EXCESS MFP PARTS	7,602 8.82	
7602	4CRESP	MFP CHARGEABLE COPIES BLK SUPPLIES/MAINT ITEM# EXCESS MFP SUPP	15.81	<
IF YOU HAVE ANY QUESTIONS REGARDING THIS INVOICE PLEASE CALL 502-560-0802.				
		Date:	5/30/17	
		Mgr/Emp:	<i>[Signature]</i>	
		Acct #:	935.20	
		Item ID:	CONT 13	

Comments: MONTHLY COLOR COPIER/PRINTER LEASE
INCL LABOR, PARTS, DRUM, TONER, DEV & OIL

OVERDUE ACCOUNTS WILL BE CHARGED A LATE
PAYMENT FEE OF 1 1/2% PER MONTH (18% ANNUALLY)

Duplicator Sales & Service, Inc.

Exhibit 5-3
Page 21 of 24
Witness: Debra Martin

831 EAST BROADWAY
LOUISVILLE, KY 40204
(502) 589-5555
(800) 633-8921

Customer Number: LS9894
Invoice Number: 720228 PG(2)
Invoice Date: 05/24/17
Total Due: \$ 749.72

SHELBY ENERGY
COOPERATIVE INC
620 OLD FINCHVILLE RD
SHELBYVILLE KY 40065

For Invoice Marketing Solutions
call Bryan Nash, 502.560.0725.
(Invoice printed on Ricoh C835 network printer)

RETURN REMITTANCE COUPON WITH YOUR PAYMENT.

DUPLICATOR
SALES & SERVICE
831 East Broadway
Louisville, KY 40204
(502)589-5555
(800)633-8921

SHELBY ENERGY
COOPERATIVE INC
620 OLD FINCHVILLE RD
SHELBYVILLE KY

INV # 720228
INV DATE 05/24/17

CUSTOMER NO.	EQUIP ID & MODEL/SN	A/R CODE	PO NUMBER	PROG. TYPE
LS9894	S5503 185MC10585	LE		CHL LE
DATE:	PREVIOUS METER:	DATE:	CURRENT METER:	
	INVOICE PERIOD: 04/29/17	TO: 05/29/17		
QUANTITY	CODE NO.	DESCRIPTION	AMOUNT	
2	9SHICH	SUPPLY SHIPPING CHARGE	4.50	1
	LOCATION TAX	ITEM# 9SHICH 34.80 LOCATION TOTAL	749.72	
		5,005 7,602 ----- 12,607 copies \$ 0.05947 per copy		
		183		
		EXPENSE DATE 5-24-17		
		DATE DATE 6-8-17		
		ITEM ID Cont 13		
		APPROVAL STR		
		93520		
			SUBTOTAL	
			714.92	
		TAX 34.80 ✓	TOTAL DUE	
			749.72	

Comments: MONTHLY COLOR COPIER/PRINTER LEASE
INCL LABOR, PARTS, DRUM, TONER, DEV & OIL

OVERDUE ACCOUNTS WILL BE CHARGED A LATE
PAYMENT FEE OF 1 1/2% PER MONTH (18% ANNUALLY)



Shelby Energy Cooperative, Inc.
620 Old Finchville Rd.
Shelbyville, KY 40065
Tel: (502) 633-4420 Fax: (502) 633-2387

Citizens Union Bank
Shelbyville, KY
73-162/839

CHECK NO. 068093

Exhibit 5-3
Page 22 of 24
Witness: Debra Martin

GENERAL FUND ACCOUNT

Vendor: 3722 Check Nbr: 68093 Check Date: 06/15/17 Check Amount: \$1,511.98

Pay ONE THOUSAND, FIVE HUNDRED ELEVEN DOLLARS AND 98/100 CENTS

VOID AFTER 90 DAYS

To The
Order of CARDINAL OFFICE PRODUCTS INC
P. O. BOX 980
FRANKFORT, KY. 40602-0980

Carroll Raith
Debra J. Martin



3722
CARDINAL OFFICE PRODUCTS INC

Please Detach and Retain Statement

Check Nbr: 68093
Check Date: 06/15/17

We herewith hand you our check in settlement of items listed below.

Invoice Nbr	Description	Invoice Date	Ref Nbr	Amount
IN-1604914	TONER & PAPER	05/01/17		264.48
IN-1605723	TONER	05/03/17		244.20
IN-1606518	LABELS	05/05/17		18.82
IN-1606877	RATE CASE - INDEX PAPER	05/08/17		27.54
IN-1607261	RATE CASE - TABS 4TH RESPONSE	05/09/17		45.57
IN-1608449	TAPE, CLIPS, TONER, CORRECTION TAP	05/12/17		215.85
IN-1609286	CARTRIDGES & PAPER	05/16/17		231.97
IN-1611579	RATE CASE - TABS & BINDERS	05/24/17		170.07
IN-1612901	TONER	05/31/17		293.48

3,500 sheets @ .00686 = \$ 24.15

\$ 3.43 / 500 sheets = \$ 0.00686

\$ 24.15



Print Page Close Page

Sales Order

Order ID: SO-1568274

Bill To:	Status:	Payment Information:
Acct #: 300371 SHELBY ENERGY COOPERATIVE, INC. 620 OLD FINCHVILLE RD. SHELBYVILLE, KY 40065 US	Order Date: 5/15/2017 Sales Rep: Brad Welker Name: SHELBY ENERGY COOPERATIVE, INC. Contact Person: Laurie Gutermuth Purchase Order: Order Type: Sales Order Sales Pool Billing Code: Special Instructions:	Method of Payment: Bill me later Shipment Tracking #: Tracking Information not available.

Ship To:

Acct #: 300371
 SHELBY ENERGY COOPERATIVE, INC.
 Dept: 1002
 Laurie Gutermuth
 Laurie Gutermuth
 Laurie Gutermuth
 620 Old Finchville Rd
 SHELBYVILLE, KY 40065
 US
 Header Note:

Item	Description	Order Qty	Pack	Unit	Your Price	Total
CAAX1022	PAPER,MP,92BRT,20#,LTR,WE	30		RM	\$3.43	\$103.01
HEWCH561WN	INKCART,HP 81,BK	3		EA	\$21.28	\$63.84
HEWCZ074FN	INKCART,HP 81,TWIN,TRICOL	1		EA	\$51.99	\$51.99

Order Totals	
Subtotal:	218.84
Freight/Misc	0.00
Tax:	13.13
Order Total:	231.97

SHELBY ENERGY COOPERATIVE, INC.
CASE NO. 2016-00434
RATE CASE EXPENSES SUMMARY

POST HEARING REQUEST FOR INFORMATION

Line	Description	Amount
1	Legal	\$7,887.50
2	Consulting - Adkins	24,869.09
3	Consulting - Zumstein	32,255.00
4	Advertising	4,705.08
5	Supplies, Copies & Postage	4,272.94
6	Miscellaneous	347.86
7		
8	Total	\$74,337.47

Shelby Energy Cooperative, Inc.
Commission Staff's Post-Hearing Request for Information
Case No. 2016-00434

4. Refer to the response to Staff's Third Request, Item 20, regarding employee benefits.

a. Assume the total cost of health insurance for non-union employees is the sum of the premium paid by the employee and the premium paid by Shelby Energy. Also assume that employees with single coverage would pay 21 percent of the total cost and that for all other types of coverage, the employee would pay 32 percent of the total cost. Provide the adjustment to the test year that would result based on the assumptions listed above.

Response 4a.

Refer to **Exhibit 5-4**, which is included as part of this response, for the requested information regarding Health Insurance Costs for the applicable 21/32 percent calculation along with the applicable test year adjustment.

b. Provide the same information as requested in a. above assuming a 16 percent contribution by employees with single coverage and a 23 percent contribution by employees with all other types of coverage.

Response 4b.

Refer to **Exhibit 5-4**, which is included as part of this response, for the requested information regarding Health Insurance Costs for the applicable 16/23 percent calculation along with the applicable test year adjustment.

Shelby Energy Cooperative, Inc.
Commission Staff's Post-Hearing Request
Case No. 2016-00434

**4a. - Test Year Original
Non-Union**

	Total Healthcare Cost	Shelby's Healthcare Cost	Employees' Premiums Cost	% Paid By Shelby	% Paid by Employees
	a	b	c	e	f
Single	\$ 5,120.16	\$ 4,722.96	\$ 397.20	92%	8%
Employee + Spouse	\$ 12,304.20	11,352.60	951.60	92%	8%
Employee + Children	\$ 11,122.92	10,172.04	950.88	91%	9%
Employee + Family	\$ 16,929.36	15,662.64	1,266.72	93%	7%
Total	\$ 45,476.64	\$ 41,910.24	\$ 3,566.40		
	Employee + Family	Employee + Spouse	Employee + Children	Single Only	
Number of Participants	4	3	4	13	
SEC - Total Annual Cost	62,650.56	34,057.80	40,688.16	61,398.48	\$ 198,795.00

**4a. - Test Year 21% & 32%
Non-Union**

	Total Healthcare Cost	Shelby's Healthcare Cost	Employees' Premiums Cost	% Paid By Shelby	% Paid by Employees	
	a	b	c	e	f	
Single	\$ 5,120.16	\$ 4,044.93	\$ 1,075.23	79%	21%	
Employee + Spouse	\$ 12,304.20	8,366.86	3,937.34	68%	32%	
Employee + Children	\$ 11,122.92	7,563.59	3,559.33	68%	32%	
Employee + Family	\$ 16,929.36	11,511.96	5,417.40	68%	32%	
Total	\$ 45,476.64	\$ 31,487.34	\$ 13,989.30			
	Employee + Family	Employee + Spouse	Employee + Children	Single Only		
Number of Participants	4	3	4	13		Adjustment
SEC - Total Annual Cost	46,047.84	25,100.58	30,254.36	52,584.09	\$ 153,986.87	\$ 44,808.13

**4b. - Test Year 16% & 23%
Non-Union**

	Total Healthcare Cost	Shelby's Healthcare Cost	Employees' Premiums Cost	% Paid By Shelby	% Paid by Employees	
	a	b	c	e	f	
Single	\$ 5,120.16	\$ 4,300.93	\$ 819.23	84%	16%	
Employee + Spouse	\$ 12,304.20	9,474.23	2,829.97	77%	23%	
Employee + Children	\$ 11,122.92	8,564.65	2,558.27	77%	23%	
Employee + Family	\$ 16,929.36	13,035.61	3,893.75	77%	23%	
Total	\$ 45,476.64	\$ 35,375.42	\$ 10,101.22			
	Employee + Family	Employee + Spouse	Employee + Children	Single Only		
Number of Participants	4	3	4	13		Adjustment
SEC - Total Annual Cost	52,142.44	28,422.69	34,258.60	55,912.09	\$ 170,735.82	\$ 28,059.18

Shelby Energy Cooperative, Inc.
Commission Staff's Post-Hearing Request for Information
Case No. 2016-00434

5. In Case No. 2012-00102, the Commission approved a regulatory asset associated with Shelby Energy's retirement of old meters following the implementation of its AMI project. The regulatory asset was to be amortized over a five-year period beginning in 2011 in the amount of \$88,712.55 per year.

a. Given the five-year period for amortization (2011 through 2015) of the regulatory asset and that five months of the test year are in 2015, explain why there is there is no amortization expense related to the regulatory asset in the test year.

Response 5a.

The remaining balance of the amortization for the regulatory asset as approved in Case No. 2012-00102 for years 2014 and 2015 totaled \$177,425.10. This amount was included in the regular amortization entry for December 2013 which completed the total amortization amount. The year-end margins were sufficient to support this adjustment.

b. State when the regulatory asset was fully amortized.

Response 5b.

December 31, 2013 is the date the regulatory asset was fully amortized.

Shelby Energy Cooperative, Inc.
Commission Staff's Post-Hearing Request for Information
Case No. 2016-00434

6. Refer to the response to Exhibit 2-51. h., the Profit and Loss pages for Shelby Energy Services ("SES"). Refer specifically to pages 2, 5, and 8. These pages show revenue from Shelby Energy Propane Plus, LLC ("Shelby Propane ") under the Income heading at the top of the page for years 2013 through 2015. Refer also to page 12 of 12. This page shows the Profit and Loss for Shelby Energy Services for 2016. However, it does not show income from Shelby Propane for 2016.

a. Explain why years 2013 through 2015 show income for Shelby Propane, but no income is shown on the 2016 Income Statement.

Response 6a.

Page 12 of 12 provided in Exhibit 2-51.h., Profit and Loss for SES for 2016, was incorrect. Please refer to **Exhibit 5-6(a-b)**, which is included as part of this response, for the correct 2016 Income Statement.

b. Provide any corrections as necessary to the 2016 financial statements for SES to reflect the income from Shelby Propane.

Response 6b.

Refer to **Exhibit 5-6(a-b)** for the correct 2016 Profit and loss statement.

7:53 AM
06/16/17
Accrual Basis

Shelby Energy Services
Profit & Loss
January through December 2016

Exhibit 5-6(a-b)
Page 1 of 1
Witness: Debra Martin

	<u>Jan - Dec 16</u>
Ordinary Income/Expense	
Income	
P&L - Shelby Propane	135,470.47
Total Income	<u>135,470.47</u>
Expense	
Audits	3,250.00
Interest Expense	14,881.02
Professional Fees	
Tax Preparation	<u>900.00</u>
Total Professional Fees	900.00
Taxes	
Federal	186.00
State	<u>1,169.00</u>
Total Taxes	<u>1,355.00</u>
Total Expense	<u>20,386.02</u>
Net Ordinary Income	115,084.45
Other Income/Expense	
Other Expense	
Other Expenses	<u>15.00</u>
Total Other Expense	<u>15.00</u>
Net Other Income	<u>-15.00</u>
Net Income	<u><u>115,069.45</u></u>

Shelby Energy Cooperative, Inc.
Commission Staff's Post-Hearing Request for Information
Case No. 2016-00434

c. Provide the financial statements for SES for the most recent 12 months such information is available.

Response 6c.

Refer to **Exhibit 5-6c**, which is included as part of this response, for the most recent 12 months of SES financial statements.

10:28 AM
07/18/16
Accrual Basis

Shelby Energy Services
Balance Sheet
As of June 30, 2016

Exhibit 5-6c
Page 1 of 36
Witness: Debra Martin

	<u>Jun 30, 16</u>
ASSETS	
Current Assets	
Checking/Savings	
Cash	31,404.34
Total Checking/Savings	<u>31,404.34</u>
Total Current Assets	31,404.34
Other Assets	
Investment-Shelby Propane Plus	1,025,247.84
P&L - Shelby Propane Plus	<u>1,093,620.44</u>
Total Other Assets	<u>2,118,868.28</u>
TOTAL ASSETS	<u><u>2,150,272.62</u></u>
LIABILITIES & EQUITY	
Liabilities	
Long Term Liabilities	
Notes Payable - EKP - Propane P	<u>516,070.40</u>
Total Long Term Liabilities	<u>516,070.40</u>
Total Liabilities	516,070.40
Equity	
EKPC Retained Earnings	81,823.83
Treasury Stock	-100,886.00
Capital Stock	
Capital Stock - SEC	<u>1,379,000.00</u>
Total Capital Stock	1,379,000.00
Retained Earnings	281,572.93
Net Income	<u>-7,308.54</u>
Total Equity	<u>1,634,202.22</u>
TOTAL LIABILITIES & EQUITY	<u><u>2,150,272.62</u></u>

10:28 AM
07/18/16
Accrual Basis

Shelby Energy Services
Profit & Loss
January through June 2016

	<u>Jan - Jun 16</u>
Ordinary Income/Expense	
Expense	
Interest Expense	<u>7,293.54</u>
Total Expense	<u>7,293.54</u>
Net Ordinary Income	-7,293.54
Other Income/Expense	
Other Expense	
Other Expenses	<u>15.00</u>
Total Other Expense	<u>15.00</u>
Net Other Income	-15.00
Net Income	<u><u>-7,308.54</u></u>

10:28 AM
07/18/16
Accrual Basis

Shelby Energy Services
Profit & Loss
June 2016

	<u>Jun 16</u>
Ordinary Income/Expense	
Expense	
Interest Expense	<u>1,192.11</u>
Total Expense	<u>1,192.11</u>
Net Ordinary Income	<u>-1,192.11</u>
Net Income	<u><u>-1,192.11</u></u>

1:18 PM

09/06/16

Accrual Basis

Shelby Energy Services
Balance Sheet
As of July 31, 2016

Exhibit 5-6c
Page 4 of 36
Witness: Debra Martin

	<u>Jul 31, 16</u>
ASSETS	
Current Assets	
Checking/Savings	
Cash	26,032.35
Total Checking/Savings	<u>26,032.35</u>
Total Current Assets	26,032.35
Other Assets	
Investment-Shelby Propane Plus	1,025,247.84
P&L - Shelby Propane Plus	1,093,620.44
Total Other Assets	<u>2,118,868.28</u>
TOTAL ASSETS	<u><u>2,144,900.63</u></u>
LIABILITIES & EQUITY	
Liabilities	
Long Term Liabilities	
Notes Payable - EKP - Propane P	511,988.59
Total Long Term Liabilities	<u>511,988.59</u>
Total Liabilities	511,988.59
Equity	
EKPC Retained Earnings	81,823.83
Treasury Stock	-100,886.00
Capital Stock	
Capital Stock - SEC	1,379,000.00
Total Capital Stock	<u>1,379,000.00</u>
Retained Earnings	281,572.93
Net Income	-8,598.72
Total Equity	<u>1,632,912.04</u>
TOTAL LIABILITIES & EQUITY	<u><u>2,144,900.63</u></u>

1:17 PM
09/06/16
Accrual Basis

Shelby Energy Services
Profit & Loss
January through July 2016

Exhibit 5-6c
Page 5 of 36
Witness: Debra Martin

	<u>Jan - Jul 16</u>
Ordinary Income/Expense	
Expense	
Interest Expense	<u>8,583.72</u>
Total Expense	<u>8,583.72</u>
Net Ordinary Income	-8,583.72
Other Income/Expense	
Other Expense	
Other Expenses	<u>15.00</u>
Total Other Expense	<u>15.00</u>
Net Other Income	<u>-15.00</u>
Net Income	<u><u>-8,598.72</u></u>

1:17 PM
09/06/16
Accrual Basis

Shelby Energy Services
Profit & Loss
July 2016

Exhibit 5-6c
Page 6 of 36
Witness: Debra Martin

	<u>Jul 16</u>
Ordinary Income/Expense	
Expense	
Interest Expense	<u>1,290.18</u>
Total Expense	<u>1,290.18</u>
Net Ordinary Income	<u>-1,290.18</u>
Net Income	<u><u>-1,290.18</u></u>

12:19 PM
09/22/16
Accrual Basis

Shelby Energy Services
Balance Sheet
As of August 31, 2016

Exhibit 5-6c
Page 7 of 36
Witness: Debra Martin

	<u>Aug 31, 16</u>
ASSETS	
Current Assets	
Checking/Savings	
Cash	16,510.36
Total Checking/Savings	<u>16,510.36</u>
Total Current Assets	16,510.36
Other Assets	
Investment-Shelby Propane Plus	1,025,247.84
P&L - Shelby Propane Plus	1,093,620.44
Total Other Assets	<u>2,118,868.28</u>
TOTAL ASSETS	<u><u>2,135,378.64</u></u>
LIABILITIES & EQUITY	
Liabilities	
Long Term Liabilities	
Notes Payable - EKP - Propane P	507,896.57
Total Long Term Liabilities	<u>507,896.57</u>
Total Liabilities	507,896.57
Equity	
EKPC Retained Earnings	81,823.83
Treasury Stock	-100,886.00
Capital Stock	
Capital Stock - SEC	1,379,000.00
Total Capital Stock	<u>1,379,000.00</u>
Retained Earnings	281,572.93
Net Income	-14,028.69
Total Equity	<u>1,627,482.07</u>
TOTAL LIABILITIES & EQUITY	<u><u>2,135,378.64</u></u>

12:19 PM
09/22/16
Accrual Basis

Shelby Energy Services
Profit & Loss
August 2016

Exhibit 5-6c
Page 8 of 36
Witness: Debra Martin

	<u>Aug 16</u>
Ordinary Income/Expense	
Expense	
Audits	3,250.00
Interest Expense	1,279.97
Professional Fees	
Tax Preparation	<u>900.00</u>
Total Professional Fees	<u>900.00</u>
Total Expense	<u>5,429.97</u>
Net Ordinary Income	<u>-5,429.97</u>
Net Income	<u><u>-5,429.97</u></u>

12:20 PM
09/22/16
Accrual Basis

Shelby Energy Services
Profit & Loss
January through August 2016

Exhibit 5-6c
Page 9 of 36
Witness: Debra Martin

	<u>Jan - Aug 16</u>
Ordinary Income/Expense	
Expense	
Audits	3,250.00
Interest Expense	9,863.69
Professional Fees	
Tax Preparation	<u>900.00</u>
Total Professional Fees	<u>900.00</u>
 Total Expense	 <u>14,013.69</u>
 Net Ordinary Income	 -14,013.69
Other Income/Expense	
Other Expense	
Other Expenses	<u>15.00</u>
Total Other Expense	<u>15.00</u>
 Net Other Income	 <u>-15.00</u>
 Net Income	 <u><u>-14,028.69</u></u>

11:05 AM
10/24/16
Accrual Basis

Shelby Energy Services
Balance Sheet
As of September 30, 2016

Exhibit 5-6c
Page 10 of 36
Witness: Debra Martin

	<u>Sep 30, 16</u>
ASSETS	
Current Assets	
Checking/Savings	
Cash	11,138.37
Total Checking/Savings	<u>11,138.37</u>
Total Current Assets	11,138.37
Other Assets	
Investment-Shelby Propane Plus	1,025,247.84
P&L - Shelby Propane Plus	<u>1,093,620.44</u>
Total Other Assets	<u>2,118,868.28</u>
TOTAL ASSETS	<u>2,130,006.65</u>
LIABILITIES & EQUITY	
Liabilities	
Long Term Liabilities	
Notes Payable - EKP - Propane P	<u>503,794.32</u>
Total Long Term Liabilities	<u>503,794.32</u>
Total Liabilities	503,794.32
Equity	
EKPC Retained Earnings	81,823.83
Treasury Stock	-100,886.00
Capital Stock	
Capital Stock - SEC	<u>1,379,000.00</u>
Total Capital Stock	1,379,000.00
Retained Earnings	281,572.93
Net Income	<u>-15,298.43</u>
Total Equity	<u>1,626,212.33</u>
TOTAL LIABILITIES & EQUITY	<u>2,130,006.65</u>

11:04 AM
10/24/16
Accrual Basis

Shelby Energy Services
Profit & Loss
September 2016

	<u>Sep 16</u>
Ordinary Income/Expense	
Expense	
Interest Expense	<u>1,269.74</u>
Total Expense	<u>1,269.74</u>
Net Ordinary Income	<u>-1,269.74</u>
Net Income	<u><u>-1,269.74</u></u>

11:05 AM
10/24/16
Accrual Basis

Shelby Energy Services
Profit & Loss
January through September 2016

Exhibit 5-6c
Page 12 of 36
Witness: Debra Martin

	<u>Jan - Sep 16</u>
Ordinary Income/Expense	
Expense	
Audits	3,250.00
Interest Expense	11,133.43
Professional Fees	
Tax Preparation	<u>900.00</u>
Total Professional Fees	<u>900.00</u>
Total Expense	<u>15,283.43</u>
Net Ordinary Income	-15,283.43
Other Income/Expense	
Other Expense	
Other Expenses	<u>15.00</u>
Total Other Expense	<u>15.00</u>
Net Other Income	<u>-15.00</u>
Net Income	<u><u>-15,298.43</u></u>

4:03 PM
12/15/16
Accrual Basis

Shelby Energy Services
Balance Sheet
As of October 31, 2016

Exhibit 5-6c
Page 13 of 36
Witness: Debra Martin

	<u>Oct 31, 16</u>
ASSETS	
Current Assets	
Checking/Savings	
Cash	5,766.38
Total Checking/Savings	<u>5,766.38</u>
Total Current Assets	5,766.38
Other Assets	
Investment-Shelby Propane Plus	1,025,247.84
P&L - Shelby Propane Plus	1,093,620.44
Total Other Assets	<u>2,118,868.28</u>
TOTAL ASSETS	<u><u>2,124,634.66</u></u>
LIABILITIES & EQUITY	
Liabilities	
Long Term Liabilities	
Notes Payable - EKP - Propane P	499,681.82
Total Long Term Liabilities	<u>499,681.82</u>
Total Liabilities	499,681.82
Equity	
EKPC Retained Earnings	81,823.83
Treasury Stock	-100,886.00
Capital Stock	
Capital Stock - SEC	1,379,000.00
Total Capital Stock	1,379,000.00
Retained Earnings	281,572.93
Net Income	-16,557.92
Total Equity	<u>1,624,952.84</u>
TOTAL LIABILITIES & EQUITY	<u><u>2,124,634.66</u></u>

4:04 PM
12/15/16
Accrual Basis

Shelby Energy Services
Profit & Loss
October 2016

Exhibit 5-6c
Page 14 of 36
Witness: Debra Martin

	<u>Oct 16</u>
Ordinary Income/Expense	
Expense	
Interest Expense	<u>1,259.49</u>
Total Expense	<u>1,259.49</u>
Net Ordinary Income	<u>-1,259.49</u>
Net Income	<u><u>-1,259.49</u></u>

4:04 PM
12/15/16
Accrual Basis

Shelby Energy Services
Profit & Loss
January through October 2016

Exhibit 5-6c
Page 15 of 36
Witness: Debra Martin

	<u>Jan - Oct 16</u>
Ordinary Income/Expense	
Expense	
Audits	3,250.00
Interest Expense	12,392.92
Professional Fees	
Tax Preparation	900.00
Total Professional Fees	<u>900.00</u>
Total Expense	<u>16,542.92</u>
Net Ordinary Income	-16,542.92
Other Income/Expense	
Other Expense	
Other Expenses	15.00
Total Other Expense	<u>15.00</u>
Net Other Income	<u>-15.00</u>
Net Income	<u><u>-16,557.92</u></u>

4:03 PM
12/15/16
Accrual Basis

Shelby Energy Services
Balance Sheet
As of November 30, 2016

Exhibit 5-6c
Page 16 of 36
Witness: Debra Martin

	<u>Nov 30, 16</u>
ASSETS	
Current Assets	
Checking/Savings	
Cash	35,766.38
Total Checking/Savings	<u>35,766.38</u>
Total Current Assets	35,766.38
Other Assets	
Investment-Shelby Propane Plus	995,247.84
P&L - Shelby Propane Plus	1,093,620.44
Total Other Assets	<u>2,088,868.28</u>
TOTAL ASSETS	<u><u>2,124,634.66</u></u>
LIABILITIES & EQUITY	
Liabilities	
Long Term Liabilities	
Notes Payable - EKP - Propane P	499,681.82
Total Long Term Liabilities	<u>499,681.82</u>
Total Liabilities	499,681.82
Equity	
EKPC Retained Earnings	81,823.83
Treasury Stock	-100,886.00
Capital Stock	
Capital Stock - SEC	1,379,000.00
Total Capital Stock	<u>1,379,000.00</u>
Retained Earnings	281,572.93
Net Income	-16,557.92
Total Equity	<u>1,624,952.84</u>
TOTAL LIABILITIES & EQUITY	<u><u>2,124,634.66</u></u>

11:16 AM
06/22/17
Accrual Basis

Shelby Energy Services
Profit & Loss
November 2016

Exhibit 5-6c
Page 17 of 36
Witness: Debra Martin

	<u>Nov 16</u>
Ordinary Income/Expense	
Expense	
Interest Expense	1,249.20
Total Expense	<u>1,249.20</u>
Net Ordinary Income	<u>-1,249.20</u>
Net Income	<u><u>-1,249.20</u></u>

4:03 PM
12/15/16
Accrual Basis

Shelby Energy Services
Profit & Loss
January through November 2016

Exhibit 5-6c
Page 18 of 36
Witness: Debra Martin

	<u>Jan - Nov 16</u>
Ordinary Income/Expense	
Expense	
Audits	3,250.00
Interest Expense	12,392.92
Professional Fees	
Tax Preparation	<u>900.00</u>
Total Professional Fees	<u>900.00</u>
Total Expense	<u>16,542.92</u>
Net Ordinary Income	-16,542.92
Other Income/Expense	
Other Expense	
Other Expenses	<u>15.00</u>
Total Other Expense	<u>15.00</u>
Net Other Income	<u>-15.00</u>
Net Income	<u><u>-16,557.92</u></u>

11:17 AM
01/31/17
Accrual Basis

Shelby Energy Services
Balance Sheet
As of December 31, 2016

Exhibit 5-6c
Page 19 of 36
Witness: Debra Martin

	<u>Dec 31, 16</u>
ASSETS	
Current Assets	
Checking/Savings	
Cash	23,667.40
Total Checking/Savings	<u>23,667.40</u>
Total Current Assets	23,667.40
Other Assets	
Investment-Shelby Propane Plus	995,247.84
P&L - Shelby Propane Plus	1,093,620.44
Total Other Assets	<u>2,088,868.28</u>
TOTAL ASSETS	<u><u>2,112,535.68</u></u>
LIABILITIES & EQUITY	
Liabilities	
Long Term Liabilities	
Notes Payable - EKP - Propane P	491,425.94
Total Long Term Liabilities	<u>491,425.94</u>
Total Liabilities	491,425.94
Equity	
EKPC Retained Earnings	81,823.83
Treasury Stock	-100,886.00
Capital Stock	
Capital Stock - SEC	1,379,000.00
Total Capital Stock	1,379,000.00
Retained Earnings	281,572.93
Net Income	-20,401.02
Total Equity	<u>1,621,109.74</u>
TOTAL LIABILITIES & EQUITY	<u><u>2,112,535.68</u></u>

11:17 AM
01/31/17
Accrual Basis

Shelby Energy Services
Profit & Loss
December 2016

Exhibit 5-6c
Page 20 of 36
Witness: Debra Martin

	<u>Dec 16</u>
Ordinary Income/Expense	
Expense	
Interest Expense	1,238.90
Taxes	
Federal	186.00
State	1,169.00
Total Taxes	<u>1,355.00</u>
Total Expense	<u>2,593.90</u>
Net Ordinary Income	<u>-2,593.90</u>
Net Income	<u><u>-2,593.90</u></u>

7:53 AM
06/16/17
Accrual Basis

Shelby Energy Services
Profit & Loss
January through December 2016

Exhibit 5-6c
Page 21 of 36
Witness: Debra Martin

	<u>Jan - Dec 16</u>
Ordinary Income/Expense	
Income	
P&L - Shelby Propane	135,470.47
Total Income	<u>135,470.47</u>
Expense	
Audits	3,250.00
Interest Expense	14,881.02
Professional Fees	
Tax Preparation	900.00
Total Professional Fees	<u>900.00</u>
Taxes	
Federal	186.00
State	1,169.00
Total Taxes	<u>1,355.00</u>
Total Expense	<u>20,386.02</u>
Net Ordinary Income	115,084.45
Other Income/Expense	
Other Expense	
Other Expenses	15.00
Total Other Expense	<u>15.00</u>
Net Other Income	<u>-15.00</u>
Net Income	<u><u>115,069.45</u></u>

6:00 AM
03/02/17
Accrual Basis

Shelby Energy Services
Balance Sheet
As of January 31, 2017

Exhibit 5-6c
Page 22 of 36
Witness: Debra Martin

	Jan 31, 17
ASSETS	
Current Assets	
Checking/Savings	
Cash	16,785.20
Total Checking/Savings	16,785.20
Total Current Assets	16,785.20
Other Assets	
Investment-Shelby Propane Plus	995,247.84
P&L - Shelby Propane Plus	1,229,090.91
Total Other Assets	2,224,338.75
TOTAL ASSETS	2,241,123.95
LIABILITIES & EQUITY	
Liabilities	
Current Liabilities	
Accounts Payable	
A/P SEC	-1,499.87
Total Accounts Payable	-1,499.87
Total Current Liabilities	-1,499.87
Long Term Liabilities	
Notes Payable - EKP - Propane P	487,282.51
Total Long Term Liabilities	487,282.51
Total Liabilities	485,782.64
Equity	
EKPC Retained Earnings	81,823.83
Treasury Stock	-100,886.00
Capital Stock	
Capital Stock - SEC	1,379,000.00
Total Capital Stock	1,379,000.00
Retained Earnings	396,642.38
Net Income	-1,238.90
Total Equity	1,755,341.31
TOTAL LIABILITIES & EQUITY	2,241,123.95

5:59 AM
03/02/17
Accrual Basis

Shelby Energy Services
Profit & Loss
January 2017

	<u>Jan 17</u>
Ordinary Income/Expense	
Expense	
Interest Expense	1,238.90
Total Expense	<u>1,238.90</u>
Net Ordinary Income	<u>-1,238.90</u>
Net Income	<u><u>-1,238.90</u></u>

2:42 PM
06/21/17
Accrual Basis

Shelby Energy Services
Profit & Loss
January 2017

Exhibit 5-6c
Page 24 of 36
Witness: Debra Martin

	<u>Jan 17</u>
Ordinary Income/Expense	
Expense	
Interest Expense	1,238.90
Total Expense	<u>1,238.90</u>
Net Ordinary Income	<u>-1,238.90</u>
Net Income	<u><u>-1,238.90</u></u>

3:46 PM
06/01/17
Accrual Basis

Shelby Energy Services
Balance Sheet
As of February 28, 2017

Exhibit 5-6c
Page 25 of 36
Witness: Debra Martin

	Feb 28, 17
ASSETS	
Current Assets	
Checking/Savings	
Cash	61,413.21
Total Checking/Savings	61,413.21
Total Current Assets	61,413.21
Other Assets	
Investment-Shelby Propane Plus	945,247.84
P&L - Shelby Propane Plus	1,229,090.91
Total Other Assets	2,174,338.75
TOTAL ASSETS	2,235,751.96
LIABILITIES & EQUITY	
Liabilities	
Current Liabilities	
Accounts Payable	
A/P SEC	-1,499.87
Total Accounts Payable	-1,499.87
Total Current Liabilities	-1,499.87
Long Term Liabilities	
Notes Payable - EKP - Propane P	483,128.73
Total Long Term Liabilities	483,128.73
Total Liabilities	481,628.86
Equity	
EKPC Retained Earnings	81,823.83
Treasury Stock	-100,886.00
Capital Stock	
Capital Stock - SEC	1,379,000.00
Total Capital Stock	1,379,000.00
Retained Earnings	396,642.38
Net Income	-2,457.11
Total Equity	1,754,123.10
TOTAL LIABILITIES & EQUITY	2,235,751.96

3:44 PM
06/01/17
Accrual Basis

Shelby Energy Services
Profit & Loss
February 2017

Exhibit 5-6c
Page 26 of 36
Witness: Debra Martin

	<u>Feb 17</u>
Ordinary Income/Expense	
Expense	
Interest Expense	1,218.21
Total Expense	<u>1,218.21</u>
Net Ordinary Income	<u>-1,218.21</u>
Net Income	<u><u>-1,218.21</u></u>

2:42 PM
06/21/17
Accrual Basis

Shelby Energy Services
Profit & Loss
January through February 2017

Exhibit 5-6c
Page 27 of 36
Witness: Debra Martin

	<u>Jan - Feb 17</u>
Ordinary Income/Expense	
Expense	
Interest Expense	2,457.11
Total Expense	<u>2,457.11</u>
Net Ordinary Income	<u>-2,457.11</u>
Net Income	<u><u>-2,457.11</u></u>

3:47 PM
06/01/17
Accrual Basis

Shelby Energy Services
Balance Sheet
As of March 31, 2017

Exhibit 5-6c
Page 28 of 36
Witness: Debra Martin

	<u>Mar 31, 17</u>
ASSETS	
Current Assets	
Checking/Savings	
Cash	31,622.22
Total Checking/Savings	<u>31,622.22</u>
Total Current Assets	31,622.22
Other Assets	
Investment-Shelby Propane Plus	915,247.84
P&L - Shelby Propane Plus	1,229,090.91
Total Other Assets	<u>2,144,338.75</u>
TOTAL ASSETS	<u><u>2,175,960.97</u></u>
LIABILITIES & EQUITY	
Liabilities	
Current Liabilities	
Accounts Payable	
A/P SEC	-1,499.87
Total Accounts Payable	<u>-1,499.87</u>
Total Current Liabilities	-1,499.87
Long Term Liabilities	
Notes Payable - EKP - Propane P	428,839.56
Total Long Term Liabilities	<u>428,839.56</u>
Total Liabilities	427,339.69
Equity	
EKPC Retained Earnings	81,823.83
Treasury Stock	-100,886.00
Capital Stock	
Capital Stock - SEC	1,379,000.00
Total Capital Stock	1,379,000.00
Retained Earnings	396,642.38
Net Income	-7,958.93
Total Equity	<u>1,748,621.28</u>
TOTAL LIABILITIES & EQUITY	<u><u>2,175,960.97</u></u>

3:45 PM
06/01/17
Accrual Basis

Shelby Energy Services
Profit & Loss
March 2017

	<u>Mar 17</u>
Ordinary Income/Expense	
Expense	
Audits	3,250.00
Interest Expense	1,082.82
Taxes	
State	<u>1,169.00</u>
Total Taxes	<u>1,169.00</u>
Total Expense	<u>5,501.82</u>
Net Ordinary Income	<u>-5,501.82</u>
Net Income	<u><u>-5,501.82</u></u>

2:43 PM
06/21/17
Accrual Basis

Shelby Energy Services
Profit & Loss
January through March 2017

Exhibit 5-6c
Page 30 of 36
Witness: Debra Martin

	<u>Jan - Mar 17</u>
Ordinary Income/Expense	
Expense	
Audits	3,250.00
Interest Expense	3,539.93
Taxes	
State	<u>1,169.00</u>
Total Taxes	<u>1,169.00</u>
Total Expense	<u>7,958.93</u>
Net Ordinary Income	<u>-7,958.93</u>
Net Income	<u><u>-7,958.93</u></u>

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06/01/17
Accrual Basis

Shelby Energy Services
Balance Sheet
As of April 30, 2017

Exhibit 5-6c
Page 31 of 36
Witness: Debra Martin

	<u>Apr 30, 17</u>
ASSETS	
Current Assets	
Checking/Savings	
Cash	26,250.23
Total Checking/Savings	<u>26,250.23</u>
Total Current Assets	26,250.23
Other Assets	
Investment-Shelby Propane Plus	915,247.84
P&L - Shelby Propane Plus	1,229,090.91
Total Other Assets	<u>2,144,338.75</u>
TOTAL ASSETS	<u><u>2,170,588.98</u></u>
LIABILITIES & EQUITY	
Liabilities	
Current Liabilities	
Accounts Payable	
A/P SEC	-1,499.87
Total Accounts Payable	<u>-1,499.87</u>
Total Current Liabilities	-1,499.87
Long Term Liabilities	
Notes Payable - EKP - Propane P	424,539.67
Total Long Term Liabilities	<u>424,539.67</u>
Total Liabilities	423,039.80
Equity	
EKPC Retained Earnings	81,823.83
Treasury Stock	-100,886.00
Capital Stock	
Capital Stock - SEC	<u>1,379,000.00</u>
Total Capital Stock	1,379,000.00
Retained Earnings	396,642.38
Net Income	-9,031.03
Total Equity	<u>1,747,549.18</u>
TOTAL LIABILITIES & EQUITY	<u><u>2,170,588.98</u></u>

3:45 PM
06/01/17
Accrual Basis

Shelby Energy Services
Profit & Loss
April 2017

Exhibit 5-6c
Page 32 of 36
Witness: Debra Martin

	<u>Apr 17</u>
Ordinary Income/Expense	
Expense	
Interest Expense	1,072.10
Total Expense	<u>1,072.10</u>
Net Ordinary Income	<u>-1,072.10</u>
Net Income	<u><u>-1,072.10</u></u>

2:43 PM
06/21/17
Accrual Basis

Shelby Energy Services
Profit & Loss
January through April 2017

Exhibit 5-6c
Page 33 of 36
Witness: Debra Martin

	<u>Jan - Apr 17</u>
Ordinary Income/Expense	
Expense	
Audits	3,250.00
Interest Expense	4,612.03
Taxes	
State	<u>1,169.00</u>
Total Taxes	<u>1,169.00</u>
Total Expense	<u>9,031.03</u>
Net Ordinary Income	<u>-9,031.03</u>
Net Income	<u><u>-9,031.03</u></u>

3:47 PM
06/01/17
Accrual Basis

Shelby Energy Services
Balance Sheet
As of May 31, 2017

Exhibit 5-6c
Page 34 of 36
Witness: Debra Martin

	<u>May 31, 17</u>
ASSETS	
Current Assets	
Checking/Savings	
Cash	20,878.24
Total Checking/Savings	<u>20,878.24</u>
Total Current Assets	20,878.24
Other Assets	
Investment-Shelby Propane Plus	915,247.84
P&L - Shelby Propane Plus	1,229,090.91
Total Other Assets	<u>2,144,338.75</u>
TOTAL ASSETS	<u><u>2,165,216.99</u></u>
LIABILITIES & EQUITY	
Liabilities	
Current Liabilities	
Accounts Payable	
A/P SEC	-1,499.87
Total Accounts Payable	<u>-1,499.87</u>
Total Current Liabilities	-1,499.87
Long Term Liabilities	
Notes Payable - EKP - Propane P	420,229.03
Total Long Term Liabilities	<u>420,229.03</u>
Total Liabilities	418,729.16
Equity	
EKPC Retained Earnings	81,823.83
Treasury Stock	-100,886.00
Capital Stock	
Capital Stock - SEC	1,379,000.00
Total Capital Stock	1,379,000.00
Retained Earnings	396,642.38
Net Income	-10,092.38
Total Equity	<u>1,746,487.83</u>
TOTAL LIABILITIES & EQUITY	<u><u>2,165,216.99</u></u>

3:46 PM
06/01/17
Accrual Basis

Shelby Energy Services
Profit & Loss
May 2017

Exhibit 5-6c
Page 35 of 36
Witness: Debra Martin

	<u>May 17</u>
Ordinary Income/Expense	
Expense	
Interest Expense	<u>1,061.35</u>
Total Expense	<u>1,061.35</u>
Net Ordinary Income	<u>-1,061.35</u>
Net Income	<u><u>-1,061.35</u></u>

2:43 PM
06/21/17
Accrual Basis

Shelby Energy Services
Profit & Loss
January through May 2017

Exhibit 5-6c
Page 36 of 36
Witness: Debra Martin

	<u>Jan - May 17</u>
Ordinary Income/Expense	
Expense	
Audits	3,250.00
Interest Expense	5,673.38
Taxes	
State	1,169.00
Total Taxes	<u>1,169.00</u>
Total Expense	<u>10,092.38</u>
Net Ordinary Income	<u>-10,092.38</u>
Net Income	<u><u>-10,092.38</u></u>

Shelby Energy Cooperative, Inc.
Commission Staff's Post-Hearing Request for Information
Case No. 2016-00434

7. Provide the Vice-President of Operation's and the Manager of Accounting and Finance's 2015 and 2016 annual performance evaluations as examples of Shelby Energy's performance and appraisal process used to determine annual employee salary increases.

Response 7.

Refer to **Exhibit 5-7** filed under seal and subject to a Motion for Confidentiality that is being provided with this response.

Shelby Energy Cooperative, Inc.
Commission Staff's Post-Hearing Request for Information
Case No. 2016-00434

8. Provide the annual percentage of increase in payroll for the union and non-union employees from 2012 through the most recent year such information is available.

Response 8.

Listed below is the annual percentage of increase in payroll for non-union and union employees:

Non-Union

2012 – 3.63%
2013 – 3.21%
2014 – 2.38%
2015 – 3.69%
2016 – 3.45%
2017 – 2.04%

Union

2012 – 2.64%
2013 – 2.04%
2014 – 2.04%
2015 – 2.13%
2016 – 2.47%
2017 – 2.93%

Shelby Energy Cooperative, Inc.
Commission Staff's Post-Hearing Request for Information
Case No. 2016-00434

9. For each calendar year 1998 through 2016, provide the number of union and non-union employees, total operating revenues, and the revenue per employee (calculated by dividing total operating revenues by the total number of employees in each year).

Response 9.

Refer to **Exhibit 5-9**, which is included as part of this response, for the number of union and non-union employees, total operating revenues and revenue per employee from 1998 through 2016.

Shelby Energy Cooperative, Inc.
Commission Staff's Post-Hearing Request
Case No. 2016-00434

Year	Union Employees	Non-Union Employees	Operating Revenue	Revenue Per Employee
1998	0	34	\$ 17,186,809	\$ 505,494
1999	0	34	18,348,387	539,658
2000	0	32	19,701,723	615,679
2001	0	31	21,680,231	699,362
2002	0	31	22,254,707	717,894
2003	0	31	22,957,284	740,558
2004	0	31	25,024,265	807,234
2005	0	31	30,169,137	973,198
2006	0	29	31,601,475	1,089,706
2007	0	31	34,786,484	1,122,145
2008	0	30	35,961,185	1,198,706
2009	11	23	35,884,338	1,055,422
2010	14	20	38,537,551	1,133,457
2011	15	21	40,644,626	1,129,017
2012	15	22	41,361,548	1,117,880
2013	15	24	43,188,090	1,107,387
2014	15	24	44,968,917	1,153,049
2015	15	26	42,819,888	1,044,388
2016	15	26	44,008,532	1,073,379

Shelby Energy Cooperative, Inc.
Commission Staff's Post-Hearing Request for Information
Case No. 2016-00434

10. Refer to Staff's Third Request, Items 1 and 4. Provide the payroll tax adjustment associated with the responses to Items 1 and 4 of Staff's Third Request.

Response 10.

Refer to **Exhibit 5-10(3-1)** and **Exhibit 5-10(3-4)**, which are included as part of this response, for the respective payroll tax adjustments associated with the Staff's Third Request, Items 1 and 4.

Shelby Energy Cooperative
Case No. 2016-00434
Post Hearing Request for Information
Payroll Taxes - Staff's Third Request, Item 1

The employer's portion of FICA and Medicare rates remain the same for 2016 as they were for 2015. The FICA rate is 6.2% and Medicare is 1.45%. The wage limit increased to \$118,500 in 2016 and was \$117,000 in 2015 for FICA; all wages are subject to Medicare.

Federal unemployment rates are 0.80% for the first \$7,000 of wages and state unemployment rate is 2.01% for the first \$10,200 of wages.

Proposed FICA amounts

FICA	173,040	
Medicare	40,887	
	<u>213,927</u>	
Proposed FUTA	5,626	
Proposed SUTA	9,048	228,601

Test year amount

FICA and Medicare	221,625	
Test year FUTA	3,910	
Test year SUTA	9,313	234,848

Increase (6,247)

		<u>Revised</u>	
Adjustment:		<u>Percent</u>	<u>Amount</u>
107	Capitalized	32.95%	(2,058)
163 - 416	Clearing and others	7.36%	(460)
580	Operations	13.39%	(836)
590	Maintenance	19.31%	(1,206)
901	Consumer accounts	8.10%	(506)
908	Customer service	10.04%	(627)
912	Sales	0.32%	(20)
920	Administrative and general	8.53%	(533)
		<u>100.00%</u>	<u>(\$6,247)</u>
Amount expensed			<u><u>(\$3,728)</u></u>

Shelby Energy Cooperative

Exhibit 5-10 (3-1)

Case No. 2016-00434

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Post Hearing Request for Information

Witness: James Adkins

Payroll Tax Adjustment - Staff's Third Request, Item 1

Employee Number	Normalized Wages	Social Security Wages		Medicare Wages		Federal Unemployment		State Unemployment	
		Up To \$118,500	@ 6.20%	All Wages	1.45%	Up to \$7,000	1.80%	Up to \$10,200	2.010%
1313									
1314									
1315									
1317									
1403									
1701									
1801									
1902									
1911									
1912									
2306									
2309									
2312									
2315									
Subtotal hour	2,068,413	2,068,413	128,242	2,068,413	29,992	231,000	4,158	336,600	6,766
Summer and Part Time Employees:									
708									
1318									
1319									
1802									
2316									
Subtotal sum:	50,757	50,757	3,147	50,757	736	25,568	460	31,968	643
Retirees:									
1305	0	0	0	0	0	0	0	0	0
Subtotal retir	0	0	0	0	0	0	0	0	0
Total	2,819,811	2,790,962	173,040	2,819,811	40,887	312,568	5,626	450,168	9,048

Shelby Energy Cooperative
Case No. 2016-00434
Post Hearing Request for Information

Payroll Taxes for Staff's Third Request, Item 4

The employer's portion of FICA and Medicare rates remain the same for 2016 as they were for 2015. The FICA rate is 6.2% and Medicare is 1.45%. The wage limit increased to \$118,500 in 2016 and was \$117,000 in 2015 for FICA; all wages are subject to Medicare.

Federal unemployment rates are 0.80% for the first \$7,000 of wages and state unemployment rate is 2.01% for the first \$10,200 of wages.

Proposed FICA amounts

FICA	172,225	
Medicare	40,697	
	<u>212,921</u>	
Proposed FUTA	5,626	
Proposed SUTA	9,048	227,596

Test year amount

FICA and Medicare	221,625	
Test year FUTA	3,910	
Test year SUTA	9,313	234,848

Increase (7,252)

		<u>Revised</u>	
Adjustment:		<u>Percent</u>	<u>Amount</u>
107	Capitalized	32.95%	(2,390)
163 - 416	Clearing and others	7.36%	(534)
580	Operations	13.39%	(971)
590	Maintenance	19.31%	(1,400)
901	Consumer accounts	8.10%	(588)
908	Customer service	10.04%	(728)
912	Sales	0.32%	(23)
920	Administrative and general	8.53%	(619)
		<u>100.00%</u>	<u>(\$7,252)</u>
Amount expensed			<u><u>(\$4,329)</u></u>

Shelby Energy Cooperative

Exhibit 5-10 (3-4)

Case No. 2016-00434

Page 3 of 3

Post Hearing Request for Information

Witness: James Adkins

Payroll Tax Adjustment for Staff's Third Request, Item 4

Employee Number	Normalized Wages	Social Security Wages		Medicare Wages		Federal Unemployment		State Unemployment	
		Up To \$118,500	@ 6.20%	All Wages	1.45%	Up to \$7,000	1.80%	Up to \$10,200	2.010%
1313									
1314									
1315									
1317									
1403									
1701									
1801									
1902									
1911									
1912									
2306									
2309									
2312									
2315									
Subtotal hour	2,068,413	2,068,413	128,242	2,068,413	29,992	231,000	4,158	336,600	6,766
Summer and Part Time Employees:									
708									
1318									
1319									
1802									
2316									
Subtotal sum	50,757	50,757	3,147	50,757	736	25,568	460	31,968	643
Retirees:									
1305	0	0	0	0	0	0	0	0	0
Subtotal retir	0	0	0	0	0	0	0	0	0
Total	2,806,665	2,777,817	172,225	2,806,665	40,697	312,568	5,626	450,168	9,048

Shelby Energy Cooperative, Inc.
Commission Staff's Post-Hearing Request for Information
Case No. 2016-00434

11. Provide an updated Exhibit S with the following adjustments identified in discovery and at the hearing.
- a. The current annualized cost of long-term debt.
 - b. The payroll and payroll tax adjustment to the test year using the 2017 payroll increases of 2.04 percent for non-union employees and 2.93 percent for union employees.
 - c. The updated rate case expenses.
 - d. The adjustment to health insurance expense using the information from hearing Exhibit 1 from the Bureau of Labor Statistics which identifies the amount of the employee contribution of 16 percent for employees with single coverage and a 23 percent contribution for employees with all other types of coverage.
 - e. The amount of life insurance premium paid by Shelby for coverage over the \$50,000 threshold of \$6,243.
 - f. The amount of the matching 401(k) paid by Shelby for employees who are under the NRECA R&S Plan (pre-2009) of \$24,046.
 - g. The amount of regulatory asset amortization, if any, as identified in response to Item 5 herein.

Shelby Energy Cooperative, Inc.
Commission Staff's Post-Hearing Request for Information
Case No. 2016-00434

h. The lower of the amount of net income from SES for calendar year 2016 or the most recent 12 months as compared to the test-year amount.

Response 11 a-h.

Please refer to **Exhibit 5-11** and **USB Drive 5-A** for the updated Exhibit S with adjustments included in questions 11a. through 11i.

i. The amount of the Public Service Commission Assessment Fee based on the resulting increase as determined herein and using a rate of 1.966 mills.

Response 11i.

Please see the calculation of this fee based on the requested increase of \$1,997,640.

PSC Assessment for Requested Increase Amount	
Increase Requested	\$ 1,997,640
PSC Assessment Rate	0.001966
Additional Assessment	\$ 3,927.36

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

Exhibit S
Page 1 of 4
Witness: James Adkins

	<u>Actual</u> <u>Test Year</u>	<u>Normalized</u> <u>Adjustments</u>	<u>Normalized</u> <u>Test Year</u>	<u>Proposed</u> <u>Increase</u>	<u>Proposed</u> <u>Test Year</u>
Operating Revenues:					
Base rates	\$ 39,969,502	\$ -	\$ 39,969,502	\$ 1,997,640	\$ 41,967,142
Fuel and surcharge	2,763,519	(2,763,519)	-		-
Other electric revenue	634,621	2,909	637,530		637,530
	<u>43,367,642</u>	<u>(2,760,610)</u>	<u>40,607,032</u>	<u>1,997,640</u>	<u>42,604,672</u>
Operating Expenses:					
Cost of power:					
Base rates	30,352,946	(40)	30,352,906		30,352,906
Fuel and surcharge	2,427,842	(2,427,842)	-		-
Distribution - operations	1,639,712	17,204	1,656,916		1,656,916
Distribution - maintenance	3,433,368	(516,497)	2,916,871		2,916,871
Consumer accounts	510,028	(8,912)	501,116		501,116
Customer service	428,204	(11,190)	417,014		417,014
Sales	(11,891)	(362)	(12,253)		(12,253)
Administrative and general	987,129	(106,930)	880,199		880,199
Total operating expenses	<u>39,767,338</u>	<u>(3,054,569)</u>	<u>36,712,769</u>	<u>-</u>	<u>36,712,769</u>
Depreciation	2,617,512	422,492	3,040,004		3,040,004
Taxes - other	53,103	3,927	57,030		57,030
Interest on long-term debt	1,471,969	149,699	1,621,668		1,621,668
Interest expense - other	15,561	(11,597)	3,964		3,964
Other deductions	6,869	(6,868)	1		1
Total cost of electric service	<u>43,932,352</u>	<u>(2,496,916)</u>	<u>41,435,436</u>	<u>-</u>	<u>41,435,436</u>
Utility operating margins	<u>(564,710)</u>	<u>(263,694)</u>	<u>(828,404)</u>	<u>1,997,640</u>	<u>1,169,236</u>
Nonoperating margins, interest	39,459	-	39,459		39,459
Income from equity investments	35,101	75,993	111,094		111,094
Nonoperating margins, other	5,493	-	5,493		5,493
G&T capital credits	1,810,069	(1,810,069)	-		-
Other capital credits	62,300	-	62,300		62,300
Net Margins	<u>\$ 1,387,712</u>	<u>\$ (1,997,770)</u>	<u>\$ (610,058)</u>	<u>\$ 1,997,640</u>	<u>\$ 1,387,582</u>
TIER	1.94		0.62		1.86
(Net margins + long-term interest / long-term interest)					
OTIER	0.66		0.53		1.76
(Operating margins + long-term interest + other capital credits / long-term interest)					

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

Exhibit S
Page 2 of 4
Witness: James Adkins

<u>Assets</u>	<u>Actual Test Year</u>	<u>Adjustments to Test Year</u>	<u>Adjusted Test Year</u>
Electric Plant:			
In service	\$ 88,069,787		\$ 88,069,787
Under construction	773,290		773,290
	<u>88,843,077</u>		<u>88,843,077</u>
Less accumulated depreciation	17,810,020	425,821	18,235,841
	<u>71,033,057</u>	<u>(425,821)</u>	<u>70,607,236</u>
Investments	<u>23,313,171</u>		<u>23,313,171</u>
Current Assets:			
Cash and temporary investments	979,041		979,041
Accounts receivable, net	3,838,184		3,838,184
Material and supplies	766,261		766,261
Prepayments and current assets	122,406		122,406
	<u>5,705,892</u>		<u>5,705,892</u>
Net change in assets and defer debits	<u>-</u>	<u>425,691</u>	<u>425,691</u>
Total	<u>\$ 100,052,120</u>	<u>\$ (130)</u>	<u>\$ 100,051,990</u>
<u>Equity and Liabilities</u>			
Margins:			
Other equities	\$ 2,063,480		\$ 2,063,480
Patronage capital	38,247,532	(130)	38,247,402
	<u>40,311,012</u>	<u>(130)</u>	<u>40,310,882</u>
Long Term Debt	<u>51,057,115</u>		<u>51,057,115</u>
Accumulated postretirement benefits	<u>1,995,976</u>		<u>1,995,976</u>
Current Liabilities:			
Notes payable	205,652		205,652
Accounts payable	3,934,965		3,934,965
Consumer deposits	1,540,868		1,540,868
Accrued expenses	640,094		640,094
	<u>6,321,579</u>		<u>6,321,579</u>
Consumer advances for construction	<u>366,438</u>		<u>366,438</u>
Total	<u>\$ 100,052,120</u>	<u>\$ (130)</u>	<u>\$ 100,051,990</u>

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

Exhibit S
Page 3 of 4
Witness: James Adkins

	Exhibit 1	Exhibit 2	Exhibit 3	Exhibit 4	Exhibit 5	Exhibit 6	Exhibit 7	Exhibit 8	Exhibit 9	Exhibit 10	Exhibit 11	Exhibit 12	Exhibit 13	Exhibit 14	Exhibit 15	Exhibit 16	Post-Hearing Adjustments							Total
	Post-Hearing	Payroll	Deprec	Property	Post-Hearing	R-O-W	Retirement	Donations	Professional	Directors	Misc	Rate	Post-Hearing	Normalize	Additional	Health Ins	Life Ins	401K	Amortize	Shelby	PSC			
	Salaries	Taxes		Tax	Interest	Contract			Fees		Expenses	Case	EKPC	Purchase	Revenue	Revenue	Premiums	< \$50k	Match	Meters	Services	Assessment		
Operating Revenues:																								
Base rates																								
Fuel and surcharge															(2,763,519)								(2,763,519)	
Other electric revenue																2,809							2,809	
	-	-	-	-	-	-	-	-	-	-	-	-	-	-	(2,763,519)	2,809	-	-	-	-	-	-	(2,760,610)	
Operating Expenses:																								
Cost of power:																								
Base rates																								
Fuel and surcharge														(40)									(40)	
Distribution - operations	(5,602)	(676)	778	31,741			(1,226)							(2,427,842)			(3,756)	(836)	(3,219)				(2,427,842)	
Distribution - maintenance	(8,081)	(975)	1,391			(495,798)	(1,768)										(5,418)	(1,205)	(4,843)				(516,497)	
Consumer accounts	(3,391)	(409)	358				(742)										(2,274)	(506)	(1,948)				(8,912)	
Customer service	(4,201)	(507)	295				(919)										(2,817)	(627)	(2,414)				(11,190)	
Sales	(132)	(18)					(29)										(89)	(20)	(76)				(362)	
Administrative and general	(3,571)	(431)	507	1,168			(781)		(31,332)	(73,181)	(17,562)	23,232					(2,394)	(533)	(2,052)				(108,930)	
Total operating expenses	(24,978)	(3,015)	3,329	32,909	-	(495,798)	(5,464)	-	(31,332)	(73,181)	(17,562)	23,232	-	(2,427,882)	-	-	(16,748)	(3,727)	(14,352)	-	-	-	(3,054,569)	
Depreciation			422,492																				422,492	
Taxes - other																							3,927	
Interest on long-term debt					149,699																		149,699	
Interest expense - other					(11,597)																		(11,597)	
Other deductions							(6,868)																(6,868)	
Total cost of electric service	(24,978)	(3,015)	425,821	32,909	138,102	(495,798)	(5,464)	(6,868)	(31,332)	(73,181)	(17,562)	23,232	-	(2,427,882)	-	-	(16,748)	(3,727)	(14,352)	-	-	3,927	(2,486,916)	
Utility operating margin:	24,978	3,015	(425,821)	(32,909)	(138,102)	495,798	5,464	6,868	31,332	73,181	17,562	(23,232)	-	2,427,882	(2,763,519)	2,809	16,748	3,727	14,352	-	-	(3,927)	(283,694)	
Nonoperating margins, interest																							-	
Income from equity investments																						75,993	75,993	
Nonoperating margins, other													(1,810,069)										-	
G&T capital credits																							(1,810,069)	
Other capital credits														(1,810,069)									-	
	-	-	-	-	-	-	-	-	-	-	-	-	(1,810,069)	-	-	-	-	-	-	-	75,993	-	(1,734,076)	
Net Margins	24,978	3,015	(425,821)	(32,909)	(138,102)	495,798	5,464	6,868	31,332	73,181	17,562	(23,232)	(1,810,069)	2,427,882	(2,763,519)	2,809	16,748	3,727	14,352	-	75,993	(3,927)	(1,997,770)	

Shelby Energy Cooperative
Case No. 2016-00434

Post Hearing - Benefit Adjustments

		Question 4 and 11.d.	Question 11.e.	Question 11.d. 401(k) for Employees with R&S
		Health Insurance	Life Insurance	
Exhibit S amounts				
Capital and others	40.313%	(\$11,311)	(\$2,517)	(\$9,694)
Distribution - operations	13.387%	(3,756)	(836)	(3,219)
Distribution - maintenance	19.309%	(5,418)	(1,205)	(4,643)
Consumer accounts	8.103%	(2,274)	(506)	(1,948)
Customer service	10.039%	(2,817)	(627)	(2,414)
Sales	0.316%	(89)	(20)	(76)
Administrative and general	8.534%	(2,394)	(533)	(2,052)
Total	100.000%	(\$28,059)	(\$6,243)	(\$24,046)

Shelby Energy Cooperative, Inc.
Commission Staff's Post-Hearing Request for Information
Case No. 2016-00434

12. What would be the proposed rate design for Large Industrial Rate – Schedule B2 if the increase amount was placed one third in Phase 1, one third in Phase 2, and one third in Phase 3 instead the amounts filed in the application of sixty percent in Phase 1, twenty percent in Phase 2, and twenty percent in Phase 3. What is Shelby Energy's preference for the increase amounts for this rate schedule.

Response 12.

It is Shelby's preference to have the increase for Large Industrial Rate – Schedule B2 to be applied to one third in Phase 1, one third in Phase 2, and one third in Phase 3 instead of the amounts provided in the application. On **Exhibit 5-12** of this response is the original filing on this schedule with the proposed rate design and increase amounts for each phase. Also on **Exhibit 5-12** of this response is similar information for the proposed change in the phasing end of the increase for this rate schedule. Refer to **Exhibit 5-12(1)** and **USB Drive 5-A** for a revised Exhibit J.

Shelby Energy Cooperative, Inc.
Case No. 2016-00434
Billing Analysis
July 31, 2016
Post Hearing Request for Information
Residential Service - Rate 12

Exhibit 5-12(1)
Revise Exhibit J with B2 Changes
Page 2 of 10
Witness: James Adkins

Description	Billing Determinants	Test Year Revenues	Normalized 2010-00509		Phase 1 Proposed		Phase 2 Proposed		Phase 3 Proposed	
			Rates	Revenues	Rates	Revenues	Rates	Revenues	Rates	Revenues
Consumer Facility Charge	145,617	\$1,476,556	\$10.14	\$1,476,556	\$13.06	\$1,901,758	\$14.03	\$2,043,007	\$15.00	\$2,184,255
Energy charge per kWh	195,123,986	17,289,936	\$0.08861	17,289,936	\$0.08989	17,539,695	\$0.09039	17,637,257	\$0.09088	17,732,868
Difference to partials		<u>10,427</u>		<u>10,427</u>		<u>10,427</u>		<u>10,427</u>		<u>10,427</u>
Total from base rates		18,776,920		<u>\$18,776,920</u>		<u>\$19,451,880</u>		<u>\$19,690,691</u>		<u>\$19,927,550</u>
Fuel adjustment		(817,558)								
Environmental surcharge		<u>2,328,108</u>								
Total revenues		<u>\$20,287,470</u>								
Amount				\$0		\$674,960		\$238,810		\$236,859
Percent				0.0%		3.6%		1.2%		1.2%
Average monthly bill	1,340	\$128.95		\$128.95		\$133.58		\$135.22		\$136.85
Amount				\$0.00		\$4.64		\$1.64		\$1.63
Percent				0.0%		3.6%		1.2%		1.2%

Shelby Energy Cooperative, Inc.
Case No. 2016-00434
Billing Analysis
July 31, 2016
Post Hearing Request for Information
Off-Peak Retail Marketing Rate (ETS)

Exhibit 5-12(1)
Revise Exhibit J with B2 Changes
Page 3 of 10
Witness: James Adkins

Description	Billing Determinants	Test Year Revenues	Normalized 2010-00509		Phase 1 Proposed		Phase 2 Proposed		Phase 3 Proposed	
			Rates	Revenues	Rates	Revenues	Rates	Revenues	Rates	Revenues
Consumer Facility Charge	667									
Energy charge per kWh	253,124	15,486	\$0.06118	15,486	\$0.06216	15,734	\$0.06248	15,815	\$0.06281	15,899
Total from base rates		15,486		<u>\$15,486</u>		<u>\$15,734</u>		<u>\$15,815</u>		<u>\$15,899</u>
Fuel adjustment		(936)								
Environmental surcharge		<u>1,888</u>								
Total revenues		<u>\$16,438</u>								
Amount				\$0		\$248		\$81		\$84
Percent				0.0%		1.6%		0.5%		0.5%
Average monthly bill	379	\$23.22		\$23.22		\$23.59		\$23.71		\$23.84
Amount				\$0.00		\$0.37		\$0.12		\$0.13
Percent				0.0%		1.6%		0.5%		0.5%

Shelby Energy Cooperative, Inc.
Case No. 2016-00434
Billing Analysis
July 31, 2016
Post Hearing Request for Information
Prepay Service - Rate 15

Exhibit 5-12(1)
Revise Exhibit J with B2 Changes
Page 4 of 10
Witness: James Adkins

Description	Billing Determinants	Test Year Revenues	Normalized 2010-00509		Phase 1 Proposed		Phase 2 Proposed		Phase 3 Proposed	
			Rates	Revenues	Rates	Revenues	Rates	Revenues	Rates	Revenues
Consumer Facility Charge (per day)	7,166	\$51,896	\$0.338	\$51,896	\$0.4350	\$93,516	\$0.4680	\$100,611	\$0.5000	\$107,490
Energy charge per kWh	9,471,107	839,235	\$0.08861	839,235	\$0.08989	851,358	\$0.09039	856,093	\$0.09088	860,734
Prepay Service Fee (per day)	7,166	15,354	\$0.100	15,354	\$0.100	21,797	\$0.100	21,797	\$0.100	21,797
Number of Members DR3-12	597.17									
Total from base rates		906,485		<u>\$906,485</u>		<u>\$966,671</u>		<u>\$978,501</u>		<u>\$990,021</u>
Fuel adjustment		(43,891)								
Environmental surcharge		<u>113,313</u>								
Total revenues		<u>\$975,907</u>								
Amount				(\$0)		\$60,186		\$11,830		\$11,520
Percent				0.0%		6.6%		1.2%		1.2%
Average monthly bill	1,322	\$126.50		\$126.50		\$134.90		\$136.55		\$138.16
Amount				(\$0.00)		\$8.40		\$1.65		\$1.61
Percent				0.0%		6.6%		1.2%		1.2%

Shelby Energy Cooperative, Inc.
Case No. 2009-00410
Billing Analysis
July 31, 2009
Post Hearing Request for Information
General Service - Rate 11

Exhibit 5-12(1)
Revise Exhibit J with B2 Changes
Page 5 of 10
Witness: James Adkins

Description	Billing Determinants	Test Year Revenues	Normalized 2010-00509		Phase 1 Proposed		Phase 2 Proposed		Phase 3 Proposed	
			Rates	Revenues	Rates	Revenues	Rates	Revenues	Rates	Revenues
Consumer Facility Charge										
Single phase	35,906	\$467,855	\$13.03	\$467,855	\$16.01	\$574,855	\$17.01	\$610,761	\$18.00	\$646,308
Three phase	2,778	94,119	\$33.88	94,119	\$37.55	104,314	\$38.78	107,731	\$40.00	111,120
Demand charge (contract)	0	0	\$5.17	0	\$5.17	0	\$5.17	0	\$5.17	0
Energy charge per kWh	31,793,552	2,867,778	\$0.09020	2,867,778	\$0.09193	2,922,781	\$0.09250	2,940,904	\$0.09308	2,959,344
Primary metering discount 5% Rate 23		(371)		(371)		(390)		(396)		(402)
Total from base rates		\$3,429,381		\$3,429,381		\$3,601,560		\$3,658,999		\$3,716,370
Fuel adjustment		(135,228)								
Environmental surcharge		424,585								
Total revenues		\$3,718,738								
Amount				\$0		\$172,179		\$57,439		\$57,370
Percent				0.0%		5.0%		1.6%		1.6%
Average monthly bill	822	\$95.51		\$95.51		\$100.31		\$101.90		\$103.50
Amount				\$0.00		\$4.80		\$1.60		\$1.60
Percent				0.0%		5.0%		1.6%		1.6%

Shelby Energy Cooperative, Inc.
Case No. 2016-00434
Billing Analysis
July 31, 2016
Post Hearing Request for Information
Large Power Service - Rate 2

Exhibit 5-12(1)
Revise Exhibit J with B2 Changes
Page 6 of 10
Witness: James Adkins

Description	Billing Determinants	Test Year Revenues	Normalized 2010-00509		Phase 1 Proposed		Phase 2 Proposed		Phase 3 Proposed	
			Rates	Revenues	Rates	Revenues	Rates	Revenues	Rates	Revenues
Consumer Facility Charge	636	\$33,186	\$52.18	33,186	\$58.06	\$36,926	\$64.12	\$40,780	\$70.00	\$44,520
Demand charge	157,131	812,367	\$5.17	812,367	\$5.46	857,935	\$5.76	905,075	\$6.05	950,643
Interruptible Credit \$4.90 - Rate 5	0	0	(\$4.90)	0	(\$4.90)	0	(\$4.90)	0	(\$4.90)	0
Energy charge per kWh	52,584,285	3,383,799	\$0.06435	3,383,799	\$0.06419	3,375,385	\$0.06402	3,366,446	\$0.06385	3,357,507
Primary meter discount 5% - Rate 32		<u>(50,630)</u>		<u>(50,630)</u>		<u>(51,120)</u>		<u>(51,623)</u>		<u>(52,107)</u>
Total from base rates		4,178,722		<u>\$4,178,722</u>		<u>\$4,219,127</u>		<u>\$4,260,678</u>		<u>\$4,300,562</u>
Fuel adjustment		(220,288)								
Environmental surcharge		<u>495,351</u>								
Total revenues		<u>\$4,453,785</u>								
Amount				\$0		\$40,404		\$41,551		\$39,884
Percent				0.0%		1.0%		1.0%		0.9%
Average monthly bill	82,680	\$6,570.32		\$6,570.32		\$6,633.85		\$6,699.18		\$6,761.89
Amount				\$0.00		\$63.53		\$65.33		\$62.71
Percent				0.0%		1.0%		1.0%		0.9%

Shelby Energy Cooperative, Inc.
Case No. 2016-00434
Billing Analysis
July 31, 2016
Post Hearing Request for Information
Large Industrial Rate - Schedule B1

Exhibit 5-12(1)
Revise Exhibit J with B2 Changes
Page 7 of 10
Witness: James Adkins

Description	Billing Determinants	Test Year Revenues	Normalized 2010-00509		Phase 1 Proposed		Phase 2 Proposed		Phase 3 Proposed	
			Rates	Revenues	Rates	Revenues	Rates	Revenues	Rates	Revenues
Consumer Facility Charge	167	\$102,585	\$614.28	\$102,585	\$614.28	\$102,585	\$614.28	\$102,585	\$614.28	\$102,585
Demand Charge										
Contract Demand	240,100	1,483,818	\$6.18	1,483,818	\$6.51	1,563,051	\$6.84	1,642,284	\$7.17	1,721,517
Excess of contract Demand	25,252	226,763	\$8.98	226,763	\$9.31	235,096	\$9.65	243,682	\$9.98	252,015
Energy charge	126,170,360	6,606,280	\$0.05236	6,606,280	\$0.05232	6,601,233	\$0.05231	6,599,972	\$0.05230	6,598,710
Energy charge, contract minimum	3,955,428	207,106	\$0.05236	207,106	\$0.05232	206,948	\$0.05231	206,908	\$0.05230	206,869
Primary meter discount 5% - Rate 38		<u>(114,999)</u>		<u>(114,999)</u>		<u>(116,097)</u>		<u>(117,250)</u>		<u>(118,400)</u>
Total from base rates		8,511,553		<u>\$8,511,553</u>		<u>\$8,592,816</u>		<u>\$8,678,181</u>		<u>\$8,763,295</u>
Fuel adjustment		(534,455)								
Environmental surcharge		<u>994,045</u>								
Total revenues		<u>\$8,971,143</u>								
Amount				\$0		\$81,263		\$85,364		\$85,115
Percent				0.0%		1.0%		1.0%		1.0%
Average monthly bill	779,196	\$50,967.38		\$50,967.38		\$51,453.99		\$51,965.15		\$52,474.82
Amount				\$0.00		\$486.61		\$511.16		\$509.67
Percent				0.0%		1.0%		1.0%		1.0%

Shelby Energy Cooperative, Inc.
Case No. 2016-00434
Billing Analysis
July 31, 2016
Post Hearing Request for Information
Large Industrial Rate - Schedule B2

Exhibit 5-12(1)
Revise Exhibit J with B2 Changes
Page 8 of 10
Witness: James Adkins

Description	Billing Determinants	Test Year Revenues	Normalized 2010-00509		Phase 1 Proposed		Phase 2 Proposed		Phase 3 Proposed	
			Rates	Revenues	Rates	Revenues	Rates	Revenues	Rates	Revenues
Consumer Facility Charge	12	\$14,729	\$1,227.41	\$14,729	\$1,227.41	\$14,729	\$1,227.41	\$14,729	\$1,227.41	\$14,729
Demand Charge										
Contract Demand	97,500	602,550	\$6.18	602,550	\$6.51	634,725	\$6.84	666,900	\$7.17	699,075
Excess of contract Demand	3,389	30,433	\$8.98	30,433	\$9.31	31,552	\$9.64	32,670	\$9.98	33,822
Energy charge	63,560,133	2,963,173	\$0.04662	2,963,173	\$0.04641	2,949,826	\$0.04620	2,936,478	\$0.04600	2,923,766
Total from base rates		3,610,886		<u>\$3,610,886</u>		<u>\$3,630,831</u>		<u>\$3,650,777</u>		<u>\$3,671,392</u>
Fuel adjustment		(263,048)								
Environmental surcharge		417,184								
Total revenues		<u>\$3,765,021</u>								
Amount				\$0		\$19,946		\$19,946		\$20,615
Percent				0.0%		0.6%		0.5%		0.6%
Average monthly bill	5,296,678	\$300,907.13		\$300,907.13		\$302,569.27		\$304,231.42		\$305,949.35
Amount				\$0.00		\$1,662.15		\$1,662.15		\$1,717.94
Percent				0.0%		0.6%		0.5%		0.6%

Shelby Energy Cooperative, Inc.

Case No. 2016-00434

Billing Analysis

July 31, 2016

Post Hearing Request for Information

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

Exhibit 5-12(1)

Revise Exhibit J with B2 Changes

Page 9 of 10

Witness: James Adkins

Description	Billing Determinants	Test Year Revenues	Normalized 2010-00509		Phase 1 Proposed		Phase 2 Proposed		Phase 3 Proposed	
			Rates	Revenues	Rates	Revenues	Rates	Revenues	Rates	Revenues
Rate 3:										
100 Watt HPS Security Light	41,041	\$387,017	\$9.43	\$387,017	\$9.86	\$404,664	\$10.03	\$411,641	\$10.17	\$417,387
100 Watt Decorative Colonial Light	2,055	26,057	\$12.68	26,057	\$13.29	27,311	\$13.49	27,722	\$13.69	28,133
400 Watt Directional Flood Light	2,038	39,109	\$19.19	39,109	\$20.11	40,984	\$20.42	41,616	\$20.73	42,248
250 Watt Directional Flood Light	4,590	63,709	\$13.88	63,709	\$14.55	66,785	\$14.77	67,794	\$14.99	68,804
150 Watt Decorative Acorn	207	3,136	\$15.15	3,136	\$15.88	3,287	\$16.12	3,337	\$16.36	3,387
Rate 3L:										
Standard	1,224	12,264	\$10.02	12,264	\$10.50	12,852	\$10.66	13,048	\$10.82	13,244
Decorative Colonial	170	2,118	\$12.46	2,118	\$13.06	2,220	\$13.26	2,254	\$13.46	2,288
Cobra Head	4	55	\$13.63	55	\$14.28	57	\$14.50	58	\$14.72	59
Directional Flood Light	155	2,889	\$18.64	2,889	\$19.53	3,027	\$19.83	3,074	\$20.13	3,120
kWh	<u>2,450,356</u>			<u>0</u>		<u>0</u>		<u>0</u>		<u>0</u>
Total from base rates		536,355		<u>\$536,355</u>		<u>\$561,188</u>		<u>\$570,544</u>		<u>\$578,669</u>
Fuel adjustment		(766)								
Environmental surcharge		<u>5,215</u>								
Total revenues		<u>\$540,804</u>								
Amount				\$0		\$24,833		\$9,356		\$8,125
Percent				0.0%		4.6%		1.7%		1.4%
Average monthly bill	48	\$10.42		\$10.42		\$10.90		\$11.08		\$11.24
Amount				\$0.00		\$0.48		\$0.18		\$0.16
Percent				0.0%		4.6%		1.7%		1.4%

Post Hearing Request for Information

Envirowatts

Description	Billing Determinants	Test Year Revenues	Normalized 2010-00509		Phase 1 Proposed		Phase 2 Proposed		Phase 3 Proposed	
			Rates	Revenues	Rates	Revenues	Rates	Revenues	Rates	Revenues
Envirowatts kWh	<u>131,500</u>	3,616	\$0.02750	3,616	\$0.02750	3,616	\$0.02750	3,616	\$0.02750	3,616
Billing Correction adjustments										
Total from base rates		3,616		<u>\$3,616</u>		<u>\$3,616</u>		<u>\$3,616</u>		<u>\$3,616</u>
Fuel adjustment										
Environmental surcharge										
Total revenues		<u>\$3,616</u>								
Amount				\$0		\$0		\$0		\$0
Percent				0.0%		0.0%		0.0%		0.0%