# COMMONWEALTH OF KENTUCKY BEFORE THE PUBLIC SERVICE COMMISSION

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APPLICATION OF NOLIN RURAL ELECTRIC	)	
COOPERATIVE CORPORATION FOR AN	)	CASE NO.
ADJUSTMENT OF RATES	)	2006-00466

### ORDER

On March 13, 2007, Nolin Rural Electric Cooperative Corporation ("Nolin") submitted an application to the Commission requesting authority to increase its base rates by \$2,934,263, a 6.6 percent increase over normalized revenues. A review of the application revealed that it did not meet the minimum filing requirements set forth in 807 KAR 5:001, Section 2(2), and a notice of the filing deficiency was issued. Nolin submitted additional information to correct the deficiencies on March 28, 2007, and the application was accepted for filing on that date.

Nolin is a consumer-owned rural electric cooperative organized pursuant to KRS Chapter 279 and is engaged in the sale and distribution of electric energy to approximately 30,600 customers in the Kentucky counties of Breckinridge, Bullitt, Grayson, Green, Hardin, Hart, LaRue, Meade, and Taylor. Nolin has a wholly-owned for-profit subsidiary, KVNet, which provides comprehensive Internet services. Nolin

also has two contracts with the U.S. Department of Defense for projects at Fort Knox, Kentucky. Nolin's last general base rate case was Case No. 2000-00482.

To determine the reasonableness of Nolin's proposal, the Commission suspended the proposed rates pursuant to KRS 278.190(2) for 5 months from their effective date up to and including September 28, 2007. The Attorney General of the Commonwealth of Kentucky, by and through his Office of Rate Intervention ("AG"), was granted full intervention in the proceeding on April 11, 2007.

During the proceeding, Nolin notified the Commission that the parties were engaged in settlement discussions. As a result of those discussions, the parties were able to reach a Joint Settlement Stipulation and Recommendation ("Joint Settlement") which was filed, with documentation, with the Commission on October 25, 2007 and a hearing was held on October 29, 2007.<sup>3</sup> The parties presented the Joint Settlement at the hearing and testified to its reasonableness. Nolin has filed information requested at the public hearing and the case now stands submitted for decision.

Under the provisions of the Joint Settlement, which is appended hereto as Appendix A, Nolin will be granted a revenue increase of \$2,598,845. As part of the

<sup>&</sup>lt;sup>1</sup> The contracts deal with the privatization contract for the operation and maintenance of the electric distribution facilities located at Fort Knox and a contract for demand-side management and energy efficiency services installations.

<sup>&</sup>lt;sup>2</sup> Case No. 2000-00482, The Application of Nolin Rural Electric Cooperative Corporation to Adjust the Payout of Capital Credits in Accordance with the Commission's Order of August 17, 1995 in Case No. 94-402, final Order dated August 2, 2001.

<sup>&</sup>lt;sup>3</sup> The hearing was originally scheduled to be held on August 28, 2007. However, due to a scheduling conflict for Nolin's attorney, the hearing was rescheduled to October 29, 2007.

Joint Settlement, Nolin and the AG submitted proposed tariff revisions that reflected the agreed-to increase in revenues.

After careful review of the Joint Settlement, an examination of the record, and being otherwise sufficiently advised, the Commission finds that the \$2,598,845 revenue increase provided for in the Joint Settlement will result in fair, just, and reasonable rates for Nolin to charge for electric energy service. The Commission further finds that the Joint Settlement is in the public interest and should be accepted.

The Commission's approval of the proposed Joint Settlement is based solely on its reasonableness in toto and does not constitute approval of any rate-making adjustment.

### IT IS THEREFORE ORDERED that:

- 1. The rates and charges proposed by Nolin in its application are denied.
- 2. The Joint Settlement, appended hereto as Appendix A, is incorporated into this Order as fully set forth herein.
  - 3. The Joint Settlement is adopted and approved in its entirety.
- 4. The rates set forth in Appendix B are approved for service rendered on and after January 1, 2008.
- 5. Within 20 days of the date of this Order, Nolin shall file new tariff sheets setting forth the rates and charges approved herein.

Done at Frankfort, Kentucky, this 19th day of December, 2007.

By the Commission

ATTEST:

Executive Director

### APPENDIX A

APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE COMMISSION IN CASE NO. 2006-00466 DATED December 19, 2007

### JOINT SETTLEMENT STIPULATION AND RECOMMENDATION

Dated October 25, 2007

### COMMONWEALTH OF KENTUCKY

# BEFORE THE PUBLIC SERVICE COMMISSIORECEIVED

In the Matter of:

ADJUSTMENT OF RATES OF NOLIN RURAL ELECTRIC COOPERATIVE CORPORATION OCT 26 2007
PUBLIC SERVICE
COMMISSION

CASE NO. 2006-00466

### JOINT SETTLEMENT STIPULATION AND RECOMMENDATION

It is the intent and purpose of the parties to this proceeding, namely the applicant, Nolin Rural Electric Cooperative Corporation (Nolin RECC) and the intervenor, Attorney General of the Commonwealth of Kentucky to express their agreement on a mutually satisfactory resolution of all of the issues in the instant proceeding which shall hereafter be referred to as the "Stipulation" and/or "Recommendation".

It is understood by all parties hereto that this Recommendation is not binding upon the Public Service Commission ("Commission"), nor does it represent agreement on any specific theory supporting the appropriateness of any recommended adjustments to Nolin RECC's rates. The parties have expended considerable efforts to reach the stipulation and agreements that form the basis for this Recommendation. The parties, representing diverse interests and divergent viewpoints, agree that this Recommendation, viewed in its entirety, constitutes a reasonable resolution of all issues in this proceeding.

In addition, the adoption of this Recommendation will eliminate the need for the Commission and the parties to expend significant resources in litigation of this proceeding, and eliminate the possibility of, and any need for, rehearing or appeals of the Commission's final order herein. Based upon the parties' participation in settlement conferences and the materials on file with the Commission, and upon the belief that these materials adequately support this Stipulation and Recommendation, the parties hereby stipulate and recommend the following:

- 1. Nolin RECC should be permitted to adjust its rates in order to permit it to recover more in annual revenue than it is recovering under its current rates, with such rates to be effective for service rendered after January 1, 2008. The exhibits attached hereto reflect a stipulated reduction of \$335,418 from the original rate increase requested amount of \$2,934,263 for an amended rate increase amount of \$2,598,845.
- 2. Nolin RECC's proposed tariff revisions should be adopted as are reflected in its original application as amended by this Stipulation and Recommendation. Amended tariffs for (Schedule 1) Residential, Farm, Non-Farm, Trailers, and Mobile Homes, (Schedule 2) Commercial, Small Power, Single Phase, and Three Phase Service, (Schedule 3) Large Power, (Schedule 5) Security Lights and (Schedule 6) Street Lighting are attached hereto as Attachment "A" which reflects the stipulated reduction in rates.

Attached to this Stipulation and Recommendation as Attachment B are proof-of-revenue sheets, showing that the rates set forth in Attachment A will generate the proposed revenue increase to which the parties have agreed in Paragraph number 1 hereof.

- 3. Each party hereto waives all cross-examination of witnesses of the other parties hereto unless the Commission disapproves this Recommendation, and each party further stipulates and recommends that the Notice of Intent, Notice of Application, testimony, pleadings and responses to data requests filed in this proceeding be admitted into the record.
- 4. This Recommendation is submitted for purposes of this case only and is not deemed binding upon the parties hereto in any other proceeding, nor is it to be offered or relied upon in any other proceeding involving Nolin RECC or any other utility.
- 5. If the Commission issues an order adopting this Recommendation in its entirety, each of the parties hereto agrees that it shall file neither an application for rehearing with the Commission, nor an appeal to the Franklin County Circuit Court with respect to such order.
- 6. If this Recommendation is not adopted in its entirety, each party reserves the right to withdraw from it and require that hearings go forward upon any or all matters involved herein, and that in such event the terms of this Recommendation shall not be deemed binding upon the parties hereto, nor

shall such Recommendation be admitted into evidence, or referred to, or relied upon in any manner by any party hereto, the Commission, or its Staff in any such hearing.

7. The parties hereto agree that the foregoing Recommendation is reasonable and in the best interests of all concerned, and urge the Commission to adopt the Recommendation in its entirety.

AGREED: this  $25^{15}$  day of October, 2007.

NOLIN RURAL ELECTRIC COOPERATIVE CORPORATION

MICHAEL L. MILLER.

PRESIDENT OF NOLIN RECC

KENTUCKY ATTORNEY GENERAL

ZAWRENCE W. COOK

ASSISTANT ATTORNEY GENERAL

NOLIN RURAL ELECTRIC COOPERATIVE CORPORATION

JOHN J. SCOTT ATTORNEY FOR NOLIN RECC

## ATTACHMENT "A"

PSC KY NO. 10

Nolin RECC 411 Ring Road Elizabethtown, KY 42701-6767 10th Revision Sheet No. 20

CANCELING PSC KY NO. 10

9<sup>th</sup> Revision Sheet No. 20

### CLASSIFICATION OF SERVICE

### SCHEDULE 1 - RESIDENTIAL, FARM, NON-FARM, TRAILERS AND MOBILE HOMES

APPLICABLE: Entire Service Area

AVAILABILITY OF SERVICE: Available to all residents for uses in the home or on the farm, including trailers, mobile homes, schools, churches, community halls and non-profit community welfare institutions where the required total transformer capacity is 50 KVA or less, single or three phase.

TYPE OF SERVICE: Single phase 120/240 volts and three phase service where available at available voltages.

### RATES PER MONTH:

- Customer Charge (I)
- \$8.13
- All KWH Charge

\$0,07341 per KWH

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

MINIMUM CHARGE: The minimum monthly charge for service shall be \$8.13. (I)

DATE OF ISSUE October 29, 2007 DATE EFFECTIVE January 1, 2008 411 Ring Road President & CEO Elizabethtown, KY 42701-6767 NAME TITLE ADDRESS

Issued by authority of an Order of the Public Service Commission of Kentucky in Case No. 2006-00466.

PSC KY NO. <u>10</u>

Nolin RECC 411 Ring Road Elizabethtown, KY 42701-6767 10<sup>th</sup> Revision Sheet No. 22

CANCELING PSC KY NO. 10

9th Revision Sheet No. 22

### **CLASSIFICATION OF SERVICE**

### SCHEDULE 2 - COMMERCIAL, SMALL POWER, SINGLE PHASE AND THREE PHASE SERVICE

APPLICABLE: Entire Service Area

AVAILABILITY OF SERVICE: Available to commercial members and small power loads requiring transformer capacity of 50 KVA or less, single phase and commercial members requiring three phase service with 50 KVA or less of total transformer capacity all subject to the established rules and regulations of the Cooperative.

TYPE OF SERVICE: Single phase 120/240 volts and three phase service where available at available voltages.

### RATES PER MONTH:

(I) Customer Charge \$15.13

All KWH Charge (I)

\$0.07949

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

MINIMUM CHARGE: The minimum monthly charge for service shall be \$15.13.

October 29, 2007 DATE EFFECTIVE January 1, 2008 DATE OF ISSUE 411 Ring Road President & CEO Elizabethtown, KY 42701-6767 NAME TITLE ADDRESS

Issued by authority of an Order of the Public Service Commission of Kentucky in Case No. 2006-00466.

PSC KY NO. 10 9<sup>th</sup> Revision Sheet No. 24

Nolin RECC 411 Ring Road Elizabethtown, KY 42701-6767

CANCELING PSC KY NO. 10 8<sup>th</sup> Revision Sheet No. 24

### CLASSIFICATION OF SERVICE

### SCHEDULE 3 - LARGE POWER

APPLICABLE: Entire Service Area

<u>AVAILABILITY OF SERVICE</u>: Available to consumers located on or near Cooperatives three phase lines whose transformer capacity would be more than 50 KVA and the demand would be 99 kw or less. All subject to the established rules and regulations of the Cooperative.

<u>TYPE OF SERVICE</u>: Three phase 60 cycle at available voltages, as agreed to in the five (5) year contract for service.

### RATES PER MONTH:

(N) Customer Charge

\$25.63

### Demand Charge:

\$4.45 per kilowatt of billing demand per month

### Energy Charge:

First 2,500 KWH per month

\$0.06664 net per KWH

Next 12,500 KWH per month

\$0.06207 net per KWH

Over 15,000 KWH per month

\$0.06070 net per KWH

MINIMUM CHARGE: The computed minimum monthly charge shall be as specified in the contract for service.

<u>DETERMINATION OF BILLING DEMAND</u>: The billing demand shall be the maximum kilowatt demand established by the member for any period of fifteen consecutive minutes during the month for which the bill is rendered, as indicated or recorded by a demand meter and adjusted for power factor as follows:

<u>POWER FACTOR ADJUSTMENT</u>: The member agrees to maintain unity power factor as nearly as practicable. Power factor may be measured at any time. Should such measurements indicate that the power factor at the time of his maximum demand is less than 90%, the demand for billing purposes shall be the demand as indicated or recorded by the demand meter multiplied by 90% and divided by the percent power factor.

DATE OF ISSUE October 29, 2007 DATE EFFECTIVE January 1, 2008

ISSUED BY Wille Z. Wille President & CEO Elizabethtown, KY 42701-6767

NAME TITLE ADDRESS

Issued by authority of an Order of the Public Service Commission of Kentucky in Case No. 2006-00466.

Nolin RECC 411 Ring Road Elizabethtown, KY 42701-6767 PSC KY NO. 10 10<sup>th</sup> Revision Sheet No. 28

CANCELING PSC KY NO. 10

9th Revision Sheet No. 28

### CLASSIFICATION OF SERVICE

### SCHEDULE 5 - SECURITY LIGHTS

APPLICABLE: Entire Service Area

AVAILABILITY OF SERVICE: Available to all Members of the Cooperative subject to the established rules and regulations of the Cooperative.

Tuic	TYPES OF SERVICES AVAILABLE	PER MONTH CHARGE PER UNIT	
	Mercury vapor 175 watt 120 volt or HPS 100 watt on a twenty-five foot (25') pole or an existing pole	\$8.75	(I)
	Directional floodlight 100 Watt HPS to be mounted on existing pole	\$7.75	(I)
	Directional floodlight 250 Watt HPS to be mounted on existing pole	\$12.96	(I)
	Directional floodlight 400 Watt HPS to be mounted on existing pole	\$17.54	(I)
	Lantern Type 100 Watt HPS with twenty-foot (20') fiberglass colonial post for underground service only	\$11.58	(I)
	Contemporary Type 400 Watt HPS - for underground service only; to be used with the thirty-foot fiberglass pole - (Charge does not include pole.)	\$18.87	(I)
	Thirty-foot (30') fiberglass pole; to be used with underground services only	\$9.94	(I)
	Twenty-five foot (25') wood pole for overhead services only - (charge does not include lighting fixture)	\$2.30	(I)
	Thirty-foot (30') wood pole for overhead services only - (charge does not include lighting fixture)	\$2.66	(I)
	Twenty-five foot (25') wood pole for underground services only - (charge does not include lighting fixture)	\$3.22	(I)
	Thirty-foot (30') wood pole for underground services only - (charge does not include lighting fixture)	\$3.58	(I)
DA	ATE OF ISSUE October 29, 2007 DATE EFFECTIVE January	71, 2008	
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Issued by authority of an Order of the Public Service Commission of Kentucky in Case No. 2006-00466.

PSC KY NO. 10 10<sup>th</sup> Revision Sheet No. 31

Nolin RECC 411 Ring Road Elizabethtown, KY 42701-6767

CANCELING PSC KY NO. 10 9th Revision Sheet No. 31

### CLASSIFICATION OF SERVICE

SCHEDULE 6 - STREET LIGHTING (Cont'd.)

### RATE:

Mercury Vapor (M.V.) or High Pressure Sodium (H.P.S.), Series or Multiple

### STANDARD OVERHEAD (WOOD POLE):

•	Watts/Light		
8,500 M.V. initial lumens	175	\$5.37 per light per mth	(I)
23,000 M.V. initial lumens	400	\$15.64 per light per mth	(I) <sub>(</sub>
9,500 H.P.S. initial lumens	100	\$8.49 per light per mth	(I)
27,500 H.P.S. initial lumens	250	\$12.75 per light per mth	(I)
50,000 H.P.S. initial lumens	400	\$16.61 per light per mth	(I)

### ORNAMENTAL SERVICE OVERHEAD (Aluminum Poles)

	Watts/Light		•
8,500 M.V. initial lumens	175	\$6.92 per light per mth	(I)
23,000 M.V. initial lumens	400	\$17.28 per light per mth	(I)
9,500 H.P.S. initial lumens	100	\$19.51 per light per mth	(I)
27,500 H.P.S. initial lumens	250	\$22.98 per light per mth	(I)
50,000 H.P.S. initial lumens	400	\$26.13 per light per mth	(I)

### ORNAMENTAL SERVICE UNDERGROUND (Fiberglass Poles)

	Watts/Light		
50,000 H.P.S. initial lumens	400	\$30.51 per light per mth	(I)

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

DATE OF ISSUE October 29, 2007	DATE EFFECTIVE	January 1, 2008
mil oppill	41	Ring Road
ISSUED BY Michael L. Milla	President & CEO Eli	zabethtown, KY 42701-6767
NAME	TITLE	ADDRESS

Issued by authority of an Order of the Public Service Commission of Kentucky in Case No. 2006-00466.

# ATTACHMENT "B"

### NOLIN RECC CASE NO. 2006 - 00466

### SETTLEMENT STIPULATION

### REVISED REVENUE REQUIREMENTS - BASED ON SETTLEMENT STIPULATION

	Rate Schedule	Normalized Test Year <u>Revenue</u>	Proposed Test Year <u>Revenue</u>	Original Increase <u>Amount</u>	Original Increase Percent	Settlement Increase Amount	Settlement Proposed Test Year Revenue
1	Farm and Home	28,405,982	30,844,151	2,438,169	83.17%	2,161,502	30,567,484
2	Small Commercial	2,062,916	2,338,903	275,987	9.41%	244,670	2,307,586
3	Large Power Rate	1,052,201	1,083,308	31,107	1.06%	27,577	1,079,778
-	Industrial Rate	4,264,072	4,264,072	-	0.00%	**	4,264,072
	Large Industrial Rate	42,457	42,457		0.00%		42,457
	Large Industrial Rate	2,207,449	2,207,449	٠	0.00%	•	2,207,449
	Large Industrial Rate	5,419,481	5,419,481	*	0.00%		5,419,481
5		616,770	740,124	123,354	4.21%	109,357	726,127
6		125,748	188,622	62,874	2.14%	55,739	181,487
	Envirowatts	7,838	7,838		0.00%	**	7,838
	Rounding differences		2,745	2,745	0.00%	***	**
	Total from Base Rates	44,204,914	47,139,150	2,934,236	100%	2,598,845	46,803,759
	Cattlemant Ingress Avenue						2 500 045
	Settlement Increase Amount		•				2,598,845
	Decrease in Increase Amount	per Settlement	- P	•		335,391	

SETTLEMENT STIPULATION

Property			1								***************************************	
Charge   Case No. 2006-00466   EMID   Case No. 2006-00466   EMO Residential, Fam. Mortal and Mobile Homes   EMO Residential,					Nolin Rural	Electric Coope	rative			***************************************	***************************************	
Schedule   August 31, 2006   August 31, 2006   Schedule   August 31, 2006   Schedule   August 31, 2006   August 31, 20					Case	No. 2006-0046	9			***************************************		
September   Page   Pa				0.00	8	Illing Analysis						
Schedule 1, Face Class 1   Schedule 1, Face Cl					AC	igust 31, 2006						
Schooling												
Page						Schedule 1						
Page Class 1   Page Class 1   Page Class 1   Page Class Normalized   EKPC Flow Throught Rates   FAC Rollin   Case No. 2004-00478				Residen	lial, Farm, Non	-Farm, Trailers ar	nd Mobile Hom	es				
Charge   Billing   Actual   Case No. 2004-0047e   Case 2006-00484   EVPC Flow Through Rates   FAC Rollin Case No. 2004-0047e   Case 2006-00484   2006-00521   Proposed Case 2006-00484   Safets   Revenues   Rates   Rates   Revenues   Rates   Rates   Revenues   Rates   Rates   Rates   Rates   Rates   Rates   Revenues   Rates   Ra					œ	ate Class 1						
Delerminants   Rate   Revenues   Rates   Revenues   Revenues   Revenues   Rates   Revenues   Revenues   Rates   Revenues   Revenues   Rates   Revenues   Revenues   Rates   Revenues   Reve	A PARTIE AND THE PART											
Dilling					Nom	nalized	EKPC Flow	Through Rates	FAC	Rollin	Case No. 2	006-00466
Charge         Determinants         Rate         Revenues         Rates         Rate		Billing	¥	ctual	Case No.	2004-00478	Case 20	06-00484	2006-	00521		Sed
Change         335,243         \$5.00         \$1,676,215         \$5,13         \$1,719,797         \$5.13         \$1,779,797         \$1,53         \$2,77           large Per KWh         426,321,373         \$0,05271         26,734,613         \$0,06276         26,734,613         \$0,06435         27,433,790         \$0,07070         \$30,140,921         \$0,07341         \$31,525           ustranchs         (4,846)	**************************************	Determinants	Rate	Revenues	Rates	Revenues	Rates	Revenues	Rates	Revenues	Rates	Revenues
Change         335,243         \$5.00         \$1,676,215         \$5.00         \$1,676,215         \$5.00         \$1,719,797         \$ 1,719,797												
leage per KWth         426,321,373         \$0.05271         26,734,613         \$0.05274         \$0.05274         \$0.05274         \$0.07070         \$30,140,921         \$0.07341         \$31,252           Leafments         (4,846)         (4,	Customer Charge	335,243	\$5.00	\$1,676,215	\$5.00	\$1,676,215	\$5,13	-}}-	5.13	] ]		] }
Ustiments     (4,846) <td>Energy charge per KWh</td> <td>426,321,373</td> <td>\$0.06271</td> <td>28,734,613</td> <td>\$0.06271</td> <td>26,734,613</td> <td>\$0.06435</td> <td></td> <td>0.07070</td> <td>) ;</td> <td></td> <td>1 1</td>	Energy charge per KWh	426,321,373	\$0.06271	28,734,613	\$0.06271	26,734,613	\$0.06435		0.07070	) ;		1 1
ustments         (4,845)         (4,845)         (4,845)         (4,845)         (4,845)         (4,845)         (331,855,672)         \$31,855,672         \$34,07           inherit         2,399,364         2,399,3647         \$31,48,731         \$31,855,672         \$34,07           entai suircharge         2,339,647         \$6         \$7707,141         \$2,16           mues         \$0         \$7742,749         \$2,707,141         \$2,16	The second secon							(4)		1000		(4 0.40)
strates         28,406,982         \$28,406,982         \$28,148,731         \$31,865,872         \$34,00           siment         2,396,856         2,336,647         2,336,6	Billing adjustments			(4,846)		(4,846)	+	(4,845)		(4,845)	***************************************	(4,040)
stment 2,988,869 ential surcharge 2,339,647 nuess 593,744,527 nues 50 8,742,749 8,2,107,141 8,2,16	Total from base rates			28,405,982		\$28,405,982		\$29,148,731		\$31,855,872		\$34,017,374
### 52.707,141 \$2.1/6 ### 52.707												
### \$533,744,527   \$53,744,527   \$5,000   \$7,000,141   \$5,116   \$2,176   \$2	Fuel adjustment			2,998,698								
\$33.744.527 \$0 \$7742.749 \$2.707,141 \$2.16 0.0% 2.61% 9.29%	Environmental surcharge			2,339,647								
\$0 \$742,749 \$2,707,141 \$2,16 0.0% 2.61% 9.29%	Total revenues			\$33,744,527								
\$0 \$/42/49 \$2/07/141 \$4.17								,	+	*** -02-00		60 404 800
0.0% 2.61% 9.29%	Amount					O.A.		\$142,(49		\$2,707,141		\$5, IO 1, JUZ
total kwh lights	Percent					%0.0		2.61%		9.29%		6,79%
total kwh lights										-		
9100	total kwh											
	lights						1					
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### SETTLEMENT STIPULATION

					100						
				Nolin R	ural Electric Coop	erative			<u> </u>		
					se No. 2006-004						
			1		Billing Analysis						
					August 31, 2006						
				57-0-	Schedule 2 mmercial and Sm	-11 ()					
				Smail Co		en Power		<del></del>			
					Rate 2, 2A						
				Non	malized	EKPC Flow	Through Rates	FAC	Rollin	Case No. 2	7006-00466
	Billing	A	ctual		2004-00478		006-00484	2006-			osed
	Determinants	Rate	Revenues	Rates	Revenues	Rates	Revenues	Rates	Revenues	Rates	Revenues
								ĺ			
Customer Charge	20,355	\$5.00	\$101,775	\$5.00	\$101,775	\$5.13	\$104,421	5.13	\$ 104,421	15.13	\$ 307,971
	28,076,462	\$0,06985	1,961,141	\$0.06985	1,961,141	\$0.07168	2,012,521	0.07803	\$ 2,190,806	\$0.07949	\$ 2,231,926
Energy charge per kWh	28,070,402	20.00902	1,901,141.	30.00300	1,001,141	\$0.07.100	2,012,021	0.01003	# £,180,000	\$0.07545	φ 2,201,020
Billing adjustments			0 1		Ó		0		0		0
Dining Dojeowiestee											
Total from base rates			2,062,916		\$2,062,916		\$2,116,942		\$2,295,227		\$2,539,897
Fuel adjustment			194,995						ļ		
Environmental surcharge			198,773								
			60 456 604								
Total revenues			\$2,456,684								
Amazin					\$0		\$54,026		\$178,285		\$244,670
Amount							030,500	1	0.70,200 /		4
Percent					0.0%		2.6%		8.4%		10.7%
7				***************************************							
total kwh											The same of the sa
lights											
			1				<u> </u>	<u>;</u>		<u> </u>	

### SETTLEMENT STIPULATION

											**
				Nolin F	tural Electric Coop	erative					
				C	ase No. 2006-004	66					
<u> </u>		<del></del>			Billing Analysis		<del> </del>				<u> </u>
	· · · · · · · · · · · · · · · · · · ·				August 31, 2005						
					Schedule 3						
					Large Power Rate						
					Rate 3						
					malized		Through Rates		Rollin	Case No.	2006-00466
	Billing	۵	ctual	Case No	. 2004-00478	Case 2	006-00484	2006	-00521	Pro	posed
	Determinants	Rate	Revenues	Rates	Revenues	Rates	Revenues	Rates	Revenues	Rates	Revenues
									***************************************		
Customer Charge	1,076	\$0.00	\$0	\$0.00	\$0	\$0.00	\$0	0	0	25.63	\$ 27,578
Customer Charge	1,070	\$0.00		\$0.00		40.00	- 40		<u>v</u>	20.00	27,070
Demand Charge	53,580.42	\$4.34	\$232,539	\$4.34	\$232,539	\$4.45	\$238,433	\$ 4.45	\$ 238,433	\$ 4,45	\$ 238,433
Energy charge per kwh						***************************************					
First 2,500 kwh per month	136,786	\$0.05875	8,036	\$0.05875	8,036	\$0.06029	8,247	0.06664	\$ 9,115	\$ 0.07	\$ 9,115
Next 12,500 kwh per month	4,668,446	\$0.05430	253,497	\$0.05430	253,497	\$0,05572	260,126	0.06207	\$ 289,770	\$ 0.06	\$ 289,770
Över 15,000 kwh per month	10,538,692	\$0.05296	558,129	\$0.05296	558,129	\$0.05435	572,778	0.0607	\$ 639,699	\$ 0.06	\$ 639,699
Energy charge per kWh	15,343,924										
(PS)			0		0		0	*******	0		0
Billing adjustments			<u> </u>		U	·	U		i U		<u> </u>
Total from base rates			1,052,201		\$1,052,201		\$1,079,583	*************	\$1,177,017		\$1,204,595
Fuel adjustment			108.154								
Environmental surcharge			104,658		***************************************						
Total revenues			\$1,265,013				***************************************				
1 Otal revenues			41,200,010		·						
Amount					\$0		\$27,382		\$97,434	\$0	\$27,578
Percent					0.0%		2.6%		9.0%		2.3%
total kwh			<u> </u>								
lights											

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### SETTLEMENT STIPULATION

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813,387			S81,878	~	<del> </del>		1 200 252	<del> </del>	1022 313	<del> </del>	1022 273	<del></del>	<del></del>	
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					<u> </u>		ļ	ļ	<del> </del>	}			1 330 050 1	······································
			<u> </u>		<del> </del>		<u> </u>	80.68	74	80.6\$	104	80.5\$	54	wood pole, u/g service
98	3,58	\$			30.8		1 02	177.58	86	177.52	EE	22.28	121	wood pale, u/g service
6¢	SS.E		33		77,2		86		818,1 86	\$2.29	616,1	82.28	858	wood pole, no light
2,229	89.S		616'1		2,29		916,1	86.18	897	86.12	657	86.12	722	wood pole, no light
þes	06,S	_\$	69Þ		86.1		697		918 08A	99.8\$	919	99.68	27	fiberglass pole W/ u/g
917	Þ6 <sup>-</sup> 6		818		99.8		919	99'8\$		79.418	879	78.418	96	nemporary type 400 wart for u/g
629	78.8r		985		16.24		245	90.81\$	929	79 6\$	869	79 6\$	196	nem type 100 waft colonial post
ายา,11	88.11		183,6		76.6		9,312	16'61\$	468,76 270,8	99.61\$	\$50 G	88.612	277.2	ections flood 400 watt HPS
789'85 78'285	pg.Tr		TS8, 1A		Tor.ar		168,86			61,018	12,561	1 23 513	1,240	ectional flood 250 walt HPS
750,81	96.Sr		13,838		91,11		12,896	07:01\$	12,561	20 9\$	2,938	\$6.02	687	ectional flood 100 wall HPS
187,6	BT.T	\$	3,255		79.9	\$	3,440	30.7\$	850 0	60.62	18500	CO 38	1 201	on walt on a 25' wood pole
					<u> </u>			1	000512000	1	1.000'1.00#	Z9'9\$	802,08	reury vapor 175 wart, or HPS
\$ 201,655	ST.8	-\$	476,508		£8,7	\$	E74,888\$	90.Y <b>\$</b>	\$221,036	78.0\$	950,188\$	28 93	502.08	333
						·	Kevenues	selen	sanuakay	Rates	Revenues	Sis A	SinsninneseO	والمراوية
гэилэхэЯ	Rates		syenues		2916			1	1	1	leui	_}	Buillia	
paso					-900Z		48400-900		2004-00478		1514	70	Dujiija	
99700-900	Case No.	ļ		niiloЯ	PAC		Тһғоидһ Расея	EKEC EIUM	bəzilər	i i	<del></del>	<del></del>	<del> </del>	
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				,	<u> </u>		<u> </u>	<del> </del>	Security Lights	ļ	<del></del>		<del></del>	
					<u> </u>		<u> </u>	<del> </del>	Schedule 5	<del> </del>	<del> </del>			
					<u> </u>		<del></del>	<b></b>	0007 170 150601	<u> </u>	<del> </del>			
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		- 1			1		L	- ( · · · · · · · · · · · · · · · · · ·	se No, 2005-00∢6					
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### SETTLEMENT STIPULATION

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				Nolin F	lural Electric Coop	erative					
				C	se No. 2006-004	36					
		***************************************			Billing Analysis				<u> </u>		
**************************************	*****************				August 31, 2006		*****		· · · · · · · · · · · · · · · · · · ·		
***************************************							····	***************************************			<u> </u>
					Schedule 6			<del>}</del>	<del> </del>	<del>                                     </del>	<del> </del>
					Street Lighting				<del> </del>		· ·
				·		^ <u></u>			<del> </del>		<del> </del>
				Nor	malized	EKPC Flow	Through Rates	FAC	Rollin	Case No.	2006-00466
	Billing	ΑΑ	ctual	Case No.	2004-00478	Case 2	006-00484	2006	5-00521	Pro	posed
	Determinants	Rate	Revenues	Rates	Revenues	Rates	Revenues	Rates	Revenues	Rates	Revenues
Standard:	+					<u> </u>	,	·		<del> </del>	<del> </del>
8,500 MV lumens	6,972	\$3,26	\$22,729	\$3.26	\$22,729	\$3.35	\$23,356	\$ 3.83	\$ 26,703	\$ 5,37	\$ 37,459.62
23,000 MV lumens	552	\$9.81	5,415	\$9,81	5,415	\$10.07	5,559				8,634
9,500 HPS lumens	10,035	\$5.58	55,995	\$5.58	55,995	\$5.73	57,501		50,712		
27,500 HPS lumens	468	\$8,20	3,838	\$8.20	3,838	\$8.42	3,941	\$ 9.09	4,254		
50,000 HPS lumens	180	\$10.64	1,915	\$10.64	1,915	\$10.92	1,966	\$ 11.84	2,131	\$ 16.61	2,990
Omamental Overhead											
8,500 MV lumens	0	\$4,34	O.	\$4,34	0	\$4.45	. 0			\$ 6.92	-
23,000 MV lumens	0	\$10.95	Q	\$10.95	0 (	\$11.24	0			\$ 17.28	
9,500 HPS lumens	0	\$13.24	0	\$13.24	0	\$13.59	0			\$ 19.51	<u> </u>
27,500 HPS lumens	408	\$15.31	6,246	\$15.31	6,246	\$15.71	6,410		6,683		9,375
50,000 HPS lumens	36	\$17.26	621	\$17.26	621	\$17.71	638	\$ 18.63	671	\$ 26.13	941
Örnamental Underground		400.00									ļ
50,000 HPS lumens	1,428	\$20.30	26,988	\$20.30	28,988	\$20.83	29,745	\$ 21.75	31,059	\$ 30.51	43,571
kWh	3,267,000							*			
Billing adjustments				······	0		0	-	0		0
Total from base rates	+		125,748		125,746		129,114	***************************************	138,367		194,107
			1								
Fuel adjustment			14,722								
Environmental Surcharge	-		0					~			
Total revenues			\$140,470								
Amount					\$0		\$3,366	······································	\$9,253	<u> </u>	\$55,739
Percent		i i			0.0%		2.7%	· · · · · · · · · · · · · · · · · · ·	7.2%		40.3%
								·	<u></u>		

### SETTLEMENT STIPULATION

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				<u>:</u>	<u> </u>	<u> </u>					<u> </u>
				Noin F	ural Electric Coo	perative					<u></u>
				Ç:	ase No. 2006-004	66					
					Billing Analysis						
**************************************			T		August 31, 2006						
***************************************						T					
/ · · · · · · · · · · · · · · · · · · ·					Summary:						
											[
					·	<u> </u>					{
	<u> </u>			Nor	nalized	EKPC Flow T	hrough Rates	FAC	Rollin	Case No.	2005-00466
Billing	Billing		Actual		2004-00478		006-00484	2006	-00521	Prop	osed .
Determinants	Determinants	Rate	Revenues	Rates	Revenues	Rates	Revenues	Revenues	Revenues	Revenues	Revenues
Total from base rates					·					***************************************	ļ
for Rate Classes with		******************		***************************************							[
Inceases 2006-00466	478,231,514		32,263,617		32,263,617		33,107,667		36,142,646		38,741,491
Increase in Revenue		·	<b>-</b>	····	0	<u> </u>	844,049		3,034,979		2,598,846
increase in revenue					<u>-</u>					<del></del>	
Percentage Increase			i i				2.62%		9,17%		7,19%
		*******		************	***************************************					·	
					***********	<b></b>			····		j
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### NOLIN RECC CASE NO. 2006-00466

### SETTLEMENT STIPULATION

# SUMMARY OF REVENUE FROM RATES NORMALIZED FOR TEST YEAR, FOR EKPC FLOW-THROUGH AND FAC ROLLIN AND WITH PROPOSED INCREASE

### FOR THOSE RATE CLASSES FOR WHICH AN INCREASE IS PROPOSED

	Rate Schedule		Normalized Test Year <u>Revenue</u>	Normalized Revenue 2006-00484 Flow Thru	Normalized Revenue 2006-00521 FAC Rollin	Normalized Revenue After Rate Increase	Increase <u>Amount</u>	Increase Percent
1	Farm and Home		28,405,982	29,148,731	31,855,872	34,017,374	2,161,502	7.61%
2	Small Commercial		2,062,916	2,116,942	2,295,227	2,539,897	244,670	11.86%
3	Large Power Rate		1,052,201	1,079,583	1,177,017	1,204,595	27,578	2.62%
5	Security Lights		616,770	633,296	676,162	785,518	109,357	17.73%
6	Street Lighting	••	125,748	129,114	138,367	194,107	55,739	44.33%
	Rounding Differences				0		0-	
	Total from Base Rates		32,263,617	33,107,667	36,142,646	38,741,491	2,598,846	8.06%

### NOLIN RECC CASE NO. 2006-00466

# SETTLEMENT STIPULATION RATE COMPARISON

	I					Case	C	ase		
			ļ		2	006-484		3-521		
			<del> </del>			ites After				
			Rat	es at Test				AC	Pı	roposed
	B 4- 01		·	ear End		hrough		ollin		Rates
· .	Rate Class			<u> </u>		11100911		Y 23.05.2		
1	Farm and Home		ļ							00.40
		Customer Charge per Month	\$	5.00		\$5.13	\$	5.13		\$8.13
		Energy Rate per kWh	\$	0.06271	\$	0.06435	\$0.	07070	\$	0.07341
2	Small Commercial		$\dagger$							
		Customer Charge per Month	\$	5.00	\$	5.13	\$	5.13	\$	15.13
		Energy Rate per kWh	\$	0.06985	\$	0.07168	\$0.	07803	\$	0.07949
3	Large Dawer Boto		╂							
<u> </u>	Large Power Rate	Demand	<del> </del>	\$4.34		\$4.45	\$	4.45	\$	4.45
		Customer Charge per Month	1	\$0.00		\$0.00	<del>                                     </del>	\$0.00		25.63
		First 2,500	\$	0.05875	\$	0.06029	\$0.	06664	\$	0.06664
		Next 12,500	\$	0.05430	\$	0.05572		.06207	\$	0.06207
		Over 15,000	\$	0.05296	\$	0.05435		.06070	\$	0.06070
			╂		-		<del> </del>			
5	Security Lights		<u> </u>							<del></del>
		Mercury vapor 175 watt, or HPS 100 watt		\$6.87		\$7.05	\$	7.53	\$	8.75
		on a 25' wood pole							<u> </u>	
		Directional flood 100 watt HPS		\$6.02		\$7.05	\$	6.67	\$	7.75
		Directional flood 250 watt HPS	I	\$10.13		\$10.40		11.16	\$	12.96
		Directional flood 400 watt HPS		\$13.55		\$13.91		15.10	\$	17.54
		Lantern type 100 watt colonial post		\$9,44		\$9.69		9.97	\$	11.58
		Contemporary type 400 watt for u/g		\$14.67		\$15.05		16.24		18.87
		30' fiberglass pole w/ u/g	T	\$8.56		\$8.56		8.56		9.94
		25' wood pole, no light		\$1.98		\$1.98		1.98	\$	2.30
		30' wood pole, no light		\$2.29		\$2,29		2.29	\$	2.66
		25' wood pole, u/g service		\$2.77		\$2.77		2.77	\$	3.22
		30' wood pole, u/g service	4	\$3.08	-	\$3,08	\$	3.08	\$	3.58
6	Street Lighting		┪		╁		1		<u> </u>	
	J	Standard:								
		8,500 MV lumens		\$3.26	]	\$3.35	\$	3.83		
		23,000 MV lumens		\$9.81		\$10.07		11.15		15.64
		9,500 HPS lumens		\$5.58		\$5.73		6.05		8.49
		27,500 HPS lumens	1	\$8.20		\$8.42	\$			
		50,000 HPS lumens		\$10,64		\$10.92	\$   \$	11.84	\$	16.61
<del>                                     </del>		Ornamental Overhead							_	
<b> </b>		8,500 MV lumens		\$4.34		\$4.46		4.93		
		23,000 MV lumens		\$10.95		\$11.24		12.32		
		9,500 HPS lumens		\$13.24		\$13.59		13.91		
Г		27,500 HPS lumens		\$15.31		\$15.7°		16.38		
		50,000 HPS lumens		\$17.26	-	\$17.7	\$	18.63	\$	26.13
		Ornamental Underground	- -	ტიი იი	-	\$20.83	3 \$	21.75		30.51
_	1	50,000 HPS lumens		\$20.30	<u>'</u>	φευ.ο.	) P	41.70	1 4	, 30,01

### APPENDIX B

# APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE COMMISSION IN CASE NO. 2006-00466 DATED December 19, 2007

The following rates and charges are prescribed for the customers in the area served by Nolin Rural Electric Cooperative Corporation. All other rates and charges not specifically mentioned herein shall remain the same as those in effect under authority of the Commission prior to the effective date of this Order.

# SCHEDULE 1 RESIDENTIAL, FARM, NON-FARM, TRAILERS AND MOBILE HOMES

RESIDENTIAL, FARM, NON-FARM, TRAILERS AND MOL	<u> 3ILE</u>	<u>HOMES</u>
Customer Charge All kWh per kWh Minimum Charge	\$ \$ \$	8.13 .07341 8.13
SCHEDULE 2		
COMMERCIAL, SMALL POWER, SINGLE PHASE AND TH		
Customer Charge	\$	15.13
All kWh per kWh	\$	.07949
Minimum Charge	\$	15.13
COULDINE 3		
SCHEDULE 3 LARGE POWER		4
Customer Charge	\$	25.63
Oustomer Onlarge	Ψ	20.00
SCHEDULE 5 SECURITY LIGHTS Monthly Charge:		
175 Watt Mercury Vapor	\$	8.75
100 Watt HPS Directional Floodlight		7.75
250 Watt HPS Directional Floodlight	\$ \$ \$	12.96
400 Watt HPS Directional Floodlight		17.54
100 Watt HPS Lantern Type with 20' fiberglass colonial post	\$	11.58
400 Watt HPS Contemporary to be used with 30' fiberglass pole	\$	18.87
30' fiberglass pole to be used with underground services	\$	9.94
25' wood pole for overhead service	\$	2.30
30 foot wood pole for overhead services only	\$ \$	2.66
25' wood pole for underground services		3.22
30' wood pole for underground services	\$	3.58

# SCHEDULE 6 STREET LIGHTING MERCURY VAPOR OR HIGH PRESSURE SODIUM SERIES OR MULTIPLE

Standard (	Overnead-Wood Poles:			٠	
8,500	M.V. Initial Lumens		% 	\$	5.37
23,000	M.V. Initial Lumens			. \$	15.64
9,500	H.P.S. Initial Lumens			\$	8.49
	H.P.S. Initial Lumens			\$	12.75
	H.P.S. Initial Lumens			\$	16.61
		•			
Ornament	al Service Overhead (Al	uminum Poles):			
8,500	M.V. Initial Lumens			\$	6.92
23,000	M.V. Initial Lumens		: .	\$	17.28
9,500	H.P.S. Initial Lumens	•	• •	\$	19.51
	H.P.S. Initial Lumens			\$	22.98
the state of the s	H.P.S. Initial Lumens			\$	26.13

· ·	the state of the s	and the second second
50,000 H.P.S. Initial Lumens		\$

Ornamental Service Underground (Fiberglass Poles):