# COMMONWEALTH OF KENTUCKY BEFORE THE PUBLIC SERVICE COMMISSION

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APPLICATION OF CLARK ENERGY	)	
COOPERATIVE, INC. FOR AN	)	CASE NO.
ADJUSTMENT OF RATES	)	2009-00314

### ORDER

On November 18, 2009, Clark Energy Cooperative, Inc. ("Clark Energy") filed an application requesting approval to increase its base rates for electric service to generate an additional \$4,086,994 in annual revenues, an increase of 9.6 percent over its normalized revenues. Clark Energy's application provided that its proposed rates be effective for service rendered on and after December 21, 2009. To determine the reasonableness of Clark Energy's proposal, the Commission suspended the proposed rates, pursuant to KRS 278.190(2), for five months from their effective date up to and including May 20, 2010. The Attorney General of the Commonwealth of Kentucky, by and through his Office of Rate Intervention ("AG"), was granted full intervention in this proceeding on January 5, 2010.

Clark Energy is a consumer-owned rural electric cooperative organized pursuant to KRS Chapter 279 and engaged in the distribution and sale of electric energy to approximately 26,170 customers in the Kentucky counties of Clark, Bath, Bourbon, Estill, Fayette, Madison, Menifee, Montgomery, Morgan, Powell and Rowan. It is one of the 16 member distribution cooperatives that own and receive their wholesale power from East Kentucky Power Cooperative, Inc.

A procedural schedule was issued in this matter which provided for discovery upon Clark Energy, intervenor testimony, discovery upon the intervenor testimony, and a public hearing. Clark Energy responded to three rounds of discovery from Commission Staff ("Staff") and one round of discovery from the AG. No intervenor testimony was filed.

On February 25, 2010, Clark Energy filed a Joint Settlement Stipulation and Recommendation ("Settlement") it had reached with the AG.<sup>1</sup> At that time, Clark Energy also filed a motion requesting an informal conference. After notice to all parties, an informal conference was held on March 3, 2010 to discuss the proposed Settlement. The Commission subsequently conducted a formal hearing on March 31, 2010 to take testimony concerning the reasonableness of the Settlement.

The Settlement contains the following provisions as agreed to between Clark Energy and the AG:

- 1. Clark Energy should be permitted an increase in its base rate revenues of \$3,897,049, which is \$189,945 less than the amount requested in its application.
- 2. The residential customer charge has been decreased from \$14.00 as proposed in the application to \$12.00 per month, and the energy charge for the residential class has been modified to make up the difference resulting from the change in the residential customer charge. The demand charges and customer charges for all other classes will remain the same as those proposed in the application.

<sup>&</sup>lt;sup>1</sup> The Settlement filed February 25, 2010 was subsequently amended for minor corrections and to specify the proposed depreciation rates. The amended Settlement was filed on March 25, 2010 and is attached to this Order as Appendix A.

- 3. The nonrecurring charges proposed by Clark Energy in the application have been agreed to by both parties.
- 4. The effective date of the proposed rates will be April 1, 2010, or as soon thereafter as ordered by the Commission.<sup>2</sup>
- 5. The revision in rates for Clark Energy will result in a 2.0 Times Interest Earned Ratio ("TIER"). The parties also agreed that Clark Energy will have relief from the Commission's Order in Case No. 92-219³ such that Clark Energy will no longer be required to retire capital credits earned in excess of a TIER of 2.0.
- 6. Clark Energy will implement, in conjunction with the effective date of this Order, the depreciation rates that were proposed in the application.

After a careful review of the Settlement and the evidentiary record, and being otherwise sufficiently advised, the Commission finds that the Settlement terms are reasonable, do not violate any generally accepted rate-making standards, are in the public interest, and should be accepted as a resolution of all the issues in this matter. The Commission also finds that the revenue increase contained in the Settlement is reasonable and that relief shall be granted from the Order in Case No. 92-219. This should permit Clark Energy a reasonable opportunity to maintain its financial integrity and comply with the requirements of its mortgage agreements. The Commission further finds that the rates contained in the Settlement should become effective for service

<sup>&</sup>lt;sup>2</sup> The Settlement provides for an effective date of April 1, 2010. At the March 3, 2010 informal conference, Clark Energy indicated that acceptance of the Settlement after the April 1, 2010 requested effective date, while a departure from the terms of the Settlement, would be acceptable.

<sup>&</sup>lt;sup>3</sup> Case No. 92-219, Application of Clark Rural Electric Cooperative Corporation to Adjust Electric Rates (Ky. PSC Apr. 23, 1993).

rendered on and after the date of this Order. Our approval of the Settlement is based solely on its reasonableness in toto and does not constitute approval of any specific rate-making adjustment or theory.

#### OTHER ISSUES

In its 2008 annual report to its members, Clark Energy states that it offers a number of programs to reduce energy inefficiencies.<sup>4</sup> In addition, at the public hearing, Clark Energy's President and CEO stated that the cooperative was considering expanding its demand-side management ("DSM") programs and would be transitioning to the most current automated meter-reading technology. The Commission believes that conservation, energy efficiency, and DSM will become more important and costeffective because more constraints will probably be placed upon utilities whose main source of supply is coal-based generation. The Governor's proposed energy plan, Intelligent Energy Choices for Kentucky's Future, November 2008, calls for an increase in DSM by 2025. In addition, the Commission stated its support for cost-effective demand-side programs in response to several recommendations included in Electric Utility Regulation and Energy Policy in Kentucky, the report the Commission submitted in July 2008 to the Kentucky General Assembly pursuant to Section 50 of the 2007 Energy Act. Although Clark Energy has a number of energy efficiency programs in place, the Commission believes that it is appropriate to encourage Clark Energy and all other electric energy providers to make a greater effort to offer cost-effective DSM and other energy efficiency programs.

<sup>&</sup>lt;sup>4</sup> Application, Exhibit P, Clark Energy-Power Partners, The 2008 Annual Report of Clark Energy.

### IT IS THEREFORE ORDERED that:

- 1. The rates and charges proposed by Clark Energy in its application are denied.
- 2. The Settlement appended hereto as Appendix A is incorporated into this Order as if fully set forth herein.
  - 3. The Settlement is adopted and approved in its entirety.
- 4. The rates attached hereto as Appendix B are the rates set forth in the Settlement, and those rates are approved for service rendered on and after the date of this Order.
- 5. Within 20 days of the date of this Order, Clark Energy shall file new tariff sheets setting forth the rates and charges approved herein and reflecting their effective date and that they were authorized by this Order.

By the Commission

APR 1'6 2010

ENTUCKY PUBLIC

ATTEST:

Éxecutive Director

### APPENDIX A

# APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE COMMISSION IN CASE NO. 2009-00314 DATED $_{\mbox{APR}}$ 1 6 2010

# FIRST AMENDED JOINT SETTLEMENT STIPULATION AND RECOMMENDATION

Filed March 25, 2010

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

HAS GE 1904

MAR 25 7010

In the Matter of:

PUBLIC SERVICE COMMISSION

THE APPLICATION OF CLARK ENERGY	)	
COOPERATIVE, INC. FOR AN ORDER	)	CASE NO. 2009-00314
AUTHORIZING THE ADJUSTMENT OF	)	
RETAIL RATES BASED ON HISTORICAL	)	
TEST YEAR ENDING JUNE 30, 2009	)	

# FIRST AMENDED JOINT SETTLEMENT STIPULATION AND RECOMMENDATION

It is the intent and purpose of the parties to this proceeding, being the applicant, Clark Energy Cooperative, Inc. ("Clark Energy"), and the intervenor, Attorney General of the Commonwealth of Kentucky ("Attorney General") 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 the "Recommendation."

It is understood by all parties hereto that this Recommendation is not binding upon the Kentucky Public Service Commission ("Commission"), nor does it represent agreement on any specific theory supporting the appropriateness of any recommended adjustment to Clark Energy's rates. Clark Energy and the Attorney General 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 considerable resources in litigation of this proceeding, and will eliminate the possibility of, and any need for, rehearing or appeals of the Commission's final order herein. Based upon the parties' participation in a settlement conference and the materials

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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. Clark Energy filed an application for a rate adjustment seeking a total increase in base rate revenue in the amount of \$4,086,994 on Clark Energy's normalized test year ending June 30, 2009. The parties agree that Clark Energy should be permitted to adjust its rates to permit a total increase in base rate revenue of only \$3,897,049 being \$189,945 less than sought in the application. All applicable rate schedules have been adjusted to reflect this change in retail rates. Clark Energy's customer charge per month for its residential class (Schedule R Residential) will be reduced from the \$14.00 requested in the application to \$12.00. The demand charges and customer charges for all other classes remain as contained in the original application. In addition, the non-recurring charges proposed by Clark Energy in the application have been agreed to by both parties.
- 2. Clark Energy's proposed tariff revisions are attached in "Exhibit A" and should be adopted and should become effective as of April 1, 2010, or as soon thereafter as ordered by the Commission. Attached as "Exhibit B" is the direct testimony of Alan Zumstein which explains the development of these rates.
- 3. Additional exhibits to this agreement include a comparative schedule of rates, "Exhibit D" which include the current rates, the rates proposed in the application and the rates that are a result of this agreement. Also attached is "Exhibit E" which provides the basis for the revenue requirements for each rate class as well as the proposed rate design.
- 4. It is the purpose and intent of the parties hereto that the revision in rates for Clark Energy will result in a 2.0 TIER (Times Interest Earned Ratio), and the revision in rates as proposed by this Recommendation and Stipulation will result in such a TIER rating. The parties

also agree that Clark Energy should have relief from the Commission's Order in Case No. 92-219 such that simultaneously with the effective date of the tariff revisions in this case Clark Energy shall no longer be required to retire capital credits earned in excess of a TIER of 2.0.

- 5. Clark Energy's Board of Directors has approved the stipulated and amended rate amount of \$3,897,049.
- 6. Clark Energy will implement the proposed depreciation rates included in the depreciation study that accompanied the Application. The depreciation rates will be implemented in conjunction with the effective date of the Commission's Order.
- 7. Each party hereto waives all cross-examination of the other parties' witnesses except for supporting this Recommendation, unless the Commission disapproves this Recommendation, and each party further stipulates and recommends that the Notice of Intent, Application, testimony, pleadings, and responses to data requests filed in this proceeding be admitted into the record.
- 8. 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 Clark Energy or any other utility.
- 9. 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.
- 10. 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 and 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.

- 11. Attached as "Exhibit C" is proof of revenue analysis showing that the proposed rate adjustments will generate the proposed revenue reduction to which the parties have agreed in paragraph (1) of this Stipulation.
- 12. The parties hereto agree that the foregoing Recommendation is reasonable and is in the best interests of all concerned, and urge the Commission to adopt this Recommendation in its entirety.

This day of March, 2010.

CLARK ENERGY COOPERATIVE, INC.

Paul Embs

President/CEO, Clark Energy Cooperative, Inc.

Mark David Goss

Attorney for Clark Energy Cooperative, Inc.

KEMTUCKY ATTORNEY/GENERAL

By Office of Attorney General

	For All Areas Served Community, Town or City			
	P.S.C. No. 2			
	3rd Revision SHEET NO. 43			
Clark Energy Cooperative Inc.	CANCELLING P.S.C. NO. 2			
Name of Issuing Corporation	2 <sup>nd</sup> Revision SHEET NO. 43			
CLASSIFICATION	OF SERVICE			
Schedule R: Resid	ential_			
AVAILABILITY				
Available to all residential consumers surand regulations of the Distributor.	bject to established rules			
CHARACTER OF SERVICE				
Single phase, 60 Hertz, at available second	ndary voltages.			
DELIVERY POINT				
The delivery point at which the secondary provided shall be specified by the Distriction				
RATES				
\$12.00 Facility Charge \$0.095773 per kWh for all energy	(I)(T) (I)			
MINIMUM MONTHLY CHARGE				
The minimum monthly charge shall be \$12.00.				
FUEL ADJUSTMENT CHARGE				
The above rate may be increased or decreatequal to the fuel adjustment amount per kind wholesale Power Supplier plus an allowance allowance for line losses will not exceed twelve month moving average of such losses.	Wh as billed by the e for line losses. The 10% and is based on a			
DATE OF ISSUE February 24, 2010 DATE	E EFFECTIVE April 1, 2010			
ISSUED BY Name of Officer	LE PRESIDENT & C.E.O.			
Issued by authority of an Order of the Pul Case No. 2009-00314 dated				

	For All Areas Served Community, Town or City
	P.S.C. No. 2
	3rd Revision SHEET NO. 44
Clark Energy Cooperative Inc.	CANCELLING P.S.C. NO. 2
Name of Issuing Corporation	2 <sup>nd</sup> Revision SHEET NO. 44
CLASSIFICAT	ION OF SERVICE
TERMS OF PAYMENT	
The above charges are net and payable of the bill.	within ten days from the date
LATE PAYMENT FEES	
An amount equal to five percent (5%) added to all accounts that are in a particle of the set will apply after 10 days from the fees will apply only to the net bill, tax and other assessments.	ast due condition. Late payment e date of the bill. Late payment
DATE OF ISSUE February 24, 2010	DATE EFFECTIVE April 1, 2010
ISSUED BYName of Officer	TITLE PRESIDENT & C.E.O.

Issued by authority of an Order of the Public Service Commission in Case No. 2009-00314 dated\_\_\_\_.

	For All Areas Served Community, Town or City
	P.S.C. No. 2
	3rd Revision SHEET NO. 45
Clark Energy Cooperative Inc.	CANCELLING P.S.C. NO. 2
Name of Issuing Corporation	2 <sup>nd</sup> Revision SHEET NO. 45
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### CLASSIFICATION OF SERVICE

#### Schedule D: Time of-Use Marketing Service

### AVAILABILITY

Available to all Rate "R" consumers for separately metered off peak requirements subject to the established time of use restrictions. Applicable to programs approved by the Kentucky PSC as a part of EKPC wholesale marketing rates.

### CHARACTER OF SERVICE

Single phase, 60 Hertz, at available secondary voltages.

### DELIVERY POINT

RATES

The delivery point at which the secondary or utilization voltage is provided shall be specified by the Distributor.

### TIME OF DAY RESTRICTIONS

MONTH	OFF PEAK HOURS		
October thru April	10:00 P.M. To 7:00 A.M., EST		
	12:00 Noon to 5:00 P.M., EST		
May thru September	10:00 P.M. thru 10:00 A.M., EST		

\$0.06489 per kWh for all energy		(
DATE OF ISSUE February 24, 2010	DATE EF	FECTIVE April 1, 2010
ISSUED BY	TITLE _	PRESIDENT & C.E.O.
Name of Officer		
Issued by authority of an Order of th	e Public	Service Commission in
Case No. 2009-00314 dated		•

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•	For All Areas Served	
	Community, Town or City	
	P.S.C. No. 2	
	3rd Revision SHEET NO. 46	
Clark Energy Cooperative Inc.	CANCELLING P.S.C. NO. 2	
Name of Issuing Corporation	2 <sup>nd</sup> Revision SHEET NO. 46	

#### CLASSIFICATION OF SERVICE

#### FUEL ADJUSTMENT CHARGE

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.

#### TERMS OF PAYMENT

The above charges are net and payable within ten days from the date of the bill.

### LATE PAYMENT FEES

An amount equal to five percent (5%) of the past due amount will be added to all accounts that are in a past due condition. Late payment fees will apply after 10 days from the date of the bill. Late payment fees will apply only to the net bill, exclusive of special charges, tax and other assessments.

DATE OF ISSUE February 24, 2010	DATE EFFECTIVE April 1, 2010	
ISSUED BY Name of Officer	TITLE PRESIDENT & C.E.O.	
Name of Officer		
Issued by authority of an Order of the Case No. 2009-00314 dated	e Public Service Commission in	

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•	For All Areas Served Community, Town or City
	P.S.C. No. 2
	3 <sup>rd</sup> Revision SHEET NO. 47
Clark Energy Cooperative Inc.	CANCELLING P.S.C. NO. 2
Name of Issuing Corporation	2 <sup>nd</sup> Revision SHEET NO. 47
CLASSIFICATION OF SER	VICE
Schedule T: Outdoor lighting	Facilities
AVAILABILITY	

Available for general outdoor lighting facilities.

#### RATES

Lamp Rating	Annual Rate Per Lamp	Average Annual Energy Use Per Lamp	Average Monthly Energy Use Per Lamp
400 Watt	\$18.07 per mo	1,848 kWh	154 kWh

### CONDITIONS OF SERVICE

Rates applicable only to lamps and associated appurtenances. Other facilities required may be provided subject to the Distributor's established contract policies and practices.

### TERMS OF PAYMENT

The above charges are net and payable within ten days from the date of the bill.

## FUEL ADJUSTMENT CHARGES

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.

DATE OF ISSUE February 24, 2010	DATE EFFECTIVE April 1, 2010
ISSUED BY	TITLE PRESIDENT & C.E.O.
Name of Officer	-
Issued by authority of an Order of th	ne Public Service Commission in
Case No. 2009-00314 dated	•

	For All Areas Served Community, Town or City
	P.S.C. No. 2
	3rd Revision SHEET NO. 48
Clark Energy Cooperative Inc.	CANCELLING P.S.C. NO. 2
Name of Issuing Corporation	2 <sup>nd</sup> Revision SHEET NO. 48

#### CLASSIFICATION OF SERVICE

allowance for line losses will not exceed 10% and is based on a twelve month moving average of such losses.

### LATE PAYMENT FEES

An amount equal to five percent (5%) of the past due amount will be added to all accounts that are in a past due condition. Late payment fees will apply after 10 days from the date of the bill. Late payment fees will apply to the net bill, exclusive of special charges, tax and other assessments.

DATE OF ISSUE February 24, 2010	DATE EFFECTIVE April 1, 2010
ISSUED BY	TITLE PRESIDENT & C.E.O.
Name of Officer	
Issued by authority of an Order of t	the Public Service Commission in
Case No. 2009-00314 dated	·

			l Areas Served nity, Town or City	
			No. 2	
		_	vision SHEET NO. 49	
		Section Control of Con		
Clark Energy Cooper Name of Issuing Cor		CANCEL	CANCELLING P.S.C. NO. 2	
		2 <sup>nd</sup> Rev	vision SHEET NO. 49	-
	CLASSIFICAT	ION OF SERVICE		
New Property and the Commission of the Commissio	Schedule S: Outdoo	or Lighting Facilit	ties	•
AVAILABILITY				
Available for gener	cal outdoor lighting	r facilities.		
-	ar outdoor righting	g racrification.		
RATES				
	Monthly Rate	Average	Average	
Lamp Rating	Per Lamp	Annual Energy Use Per Lamp	Monthly Energy <u>Use Per Lamp</u>	
175 Watt	\$9.75 per mo	840 kWh	70 kWh	(I)
CONDITIONS OF SERVI	CE			,
1. Rate applicable facilities required established policies	d may be provided su			
2. The Consumer sh schedule for a peri		eement for service of one year.	under this	
FUEL ADJUSTMENT CHA	ARGE			
		1 1	1 50	
The above rates may equal of the fuel a		<del>-</del>	_	
Wholesale Power Sur allowance for line				
twelve month moving			ed on a	
				-
DATE OF ISSUE Febru	ary 24, 2010	DATE EFFECTIVE Apr	<u>il 1, 2010</u>	
ISSUED BY	me of Officer	TITLE PRESI	DENŢ & C.E.O.	
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Issued by authority of an Order of the Public Service Commission in Case No. 2009-00314 dated .

	For All Areas Served Community, Town or City
•	P.S.C. No. 2
	3rd Revision SHEET NO. 50
Clark Energy Cooperative Inc.	CANCELLING P.S.C. NO. 2
Name of Issuing Corporation	2 <sup>nd</sup> Revision SHEET NO. 50
CLASSIFICATION OF SERV	ICE
LATE PAYMENT FEES	
An amount equal to five percent (5%) of the past	

An amount equal to five percent (5%) of the past due amount will be added to all accounts that are in a past due condition. Late payment fees will apply after 10 days from the date of the bill. Late payment fees will apply to the net bill, exclusive of special charges, tax and other assessments

DATE OF ISSUE February 24, 2010	DATE EFFECTIVE April 1, 2010
ISSUED BYName of Officer	TITLE PRESIDENT & C.E.O.
Issued by authority of an Order of the	Dublic Service Commission in
Case No. 2009-00314 dated dated	

	Community, Town or City
	P.S.C. No. 2
	3rd Revision SHEET NO. 51
Clark Energy Cooperative Inc.	CANCELLING P.S.C. NO. 2
Name of Issuing Corporation	2 <sup>nd</sup> Revision SHEET NO. 51
CLASSIFICATION OF SERV	TICE
Schedule E: Public Facili	ties
AVAILABILITY	
Available to public facilities with Kilowatt (kW) 50 kW subject to established rules and regulation Distributor. Not applicable to outdoor lighting	ns of the
CHARACTER OF SERVICE	•
Single phase, 60 Hertz, at available secondary vo	oltages.
DELIVERY POINT	
The delivery point at which the secondary or utiliprovided shall be specified by the Distributor.	lization voltage is
RATES	
\$ 16.00 Facility Charge \$ 0.10248 All kWh	(I)(T) (I)
MINIMUM MONTHLY CHARGE	
The minimum monthly charge shall be \$ 16.00.	(I)
FUEL ADJUSTMENT CHARGE	
The above rate may be increased or decreased by a equal to the fuel adjustment amount per kWh as by Wholesale Power Supplier plus an allowance for 1:	illed by the
DATE OF ISSUE February 24, 2010 DATE EFFECT	FIVE April 1, 2010
ISSUED BY TITLE Name of Officer	PRESIDENT & C.E.O.
Issued by authority of an Order of the Public Second Case No. 2009-00314 dated	rvice Commission in

	For All Areas Served Community, Town or City
	P.S.C. No. 2
	3rd Revision SHEET NO. 52
Clark Energy Cooperative Inc.	CANCELLING P.S.C. NO. 2
Name of Issuing Corporation	2 <sup>nd</sup> Revision SHEET NO. 52

#### CLASSIFICATION OF SERVICE

allowance for line losses will not exceed 10% and is based on a twelve month moving average of such losses.

### TERMS OF PAYMENT

The above charges are net and payable within ten days from the date of the bill.

### LATE PAYMENT FEES

An amount equal to five percent (5%) of the past due amount will be added to all accounts that are in a past due condition. Late payment fees will apply after 10 days from the date of the bill. Late payment fees will apply to the net bill, exclusive of special charges, tax and other assessments.

DATE OF IS	SSUE February 24,	2010	DATE EFE	FECTIVE April 1, 2010
ISSUED BY_	Name of Of		TITLE _	PRESIDENT & C.E.O.
_	authority of an C 2009-00314	order of thedated	Public	Service Commission in

	For All Areas Served Community, Town or City
	P.S.C. No. 2
	3 <sup>rd</sup> Revision SHEET NO. 53
Clark Energy Cooperative Inc.	CANCELLING P.S.C. NO. 2
Name of Issuing Corporation	2 <sup>nd</sup> Revision SHEET NO. 53
CLASSIFICATION OF	SERVICE
Schedule C: General Pow	ver Service (T
AVAILABILITY	
Available for all non-residential general por Kilowatt (kW) demands less than 50 kW subject and regulations of the Distributor.	
CHARACTER OF SERVICE	
Single or three phase, 60 Hertz, at available	e secondary voltages.
DELIVERY POINT	
The delivery point at which the secondary or provided shall be specified by the Distribut	
RATES	
\$24.46 Facility Charge-Single Phase	(I)(T)
\$48.42 Facility Charge-Three Phase \$0.10198 Per kWh for all energy	(I)(T) (I)
MINIMUM MONTHLY CHARGE	
The minimum monthly charge shall be \$24.46 s for three phase service.	ingle phase and \$48.42 (I)
·	
DATE OF ISSUE February 24, 2010 DATE E	FFECTIVE April 1, 2010
ISSUED BY Name of Officer	PRESIDENT & C.E.O.
Issued by authority of an Order of the Publi	c Service Commission in
Case No. 2009-00314 dated	•

	For All Areas Served
	Community, Town or City
	P.S.C. No. 2
	3 <sup>rd</sup> Revision SHEET NO. 54
Inc.	CANCELLING P.S.C. NO. 2
on	2 <sup>nd</sup> Revision <b>SHEET NO</b> . 54

Clark Energy Cooperative Inc. Name of Issuing Corporation

#### CLASSIFICATION OF SERVICE

#### FUEL ADJUSTMENT CHARGE

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.

#### TEMPORARY SERVICE

Temporary service shall be supplied in accordance with the foregoing rate except that the consumer shall pay in addition to the foregoing charges the total cost of connecting disconnecting service less the value of materials returned to stock. A deposit, in advance, may be required of the full amount of the estimated bill for service, including the cost of connection and disconnection.

#### TERMS OF PAYMENT

The above charges are net and payable within ten days from the date of the bill.

#### LATE PAYMENT FEES

An amount equal to five percent (5%) of the past due amount will be added to all accounts that are in a past due condition. Late payment fees will apply after 10 days from the date of the bill. Late payment fees will apply to the net bill, exclusive of special charges, tax and other assessments.

DATE OF ISSUE February 24, 2010	DATE EFFECTIVE April 1, 2010
ISSUED BYName of Officer	TITLE PRESIDENT & C.E.O.
Issued by authority of an Order of the Case No. 2009-00314 dated	Public Service Commission in

	For All Areas Served Community, Town or City
	P.S.C. No. 2
	3rd Revision SHEET NO. 56
Clark Energy Cooperative Inc.	CANCELLING P.S.C. NO. 2
Name of Issuing Corporation	2 <sup>nd</sup> Revision SHEET NO. 56
CLASSIFICATION OF SE	ERVICE
Schedule L: General Powe	r Service
AVAILABILITY	
Available to all commercial and industrial compower requirements with Kilowatt (kW) demands less than 500 kW.	sumers for general of 50 kW or greater but (T)
CONDITIONS OF SERVICE	
A power contract shall be executed by the consthis rate schedule. The power contract shall demand for minimum billing purposes of $50~\rm kW$ o $500~\rm kW$ .	specify a contract
CHARACTER OF SERVICE	
Limited to single or three phase, 60 Hertz, at voltage of 480 volts or less.	a secondary delivery (T)
DELIVERY POINT	
The delivery point shall be specified within t	he power contract.
RATES	
\$61.63 Facility Charge \$ 6.25 per kW of billing demand \$ 0.07539 per kWh for all energy	(N) (I) (I)
DETERMINATION OF BILLING DEMAND	
DATE OF ISSUE February 24, 2010 DATE EFF	ECTIVE April 1, 2010
ISSUED BY Name of Officer	PRESIDENT & C.E.O.
Issued by authority of an Order of the Public Case No. 2009-00314dated	Service Commission in

	For All Areas Served Community, Town or City	
	P.S.C. No. 2	
	3 <sup>rd</sup> Revision SHEET NO. 57	
Clark Energy Cooperative Inc.	CANCELLING P.S.C. NO. 2	
Name of Issuing Corporation	2 <sup>nd</sup> Revision SHEET NO. 57	
CLASSIFICATION	ON OF SERVICE	
The billing demand shall be the maximum established by the consumer for any fif consumer shall maintain unity power factor may be measured at any time indicate that the power factor at the than 90% lagging, the billing demand shall minute Kilowatt (kW) demand recorded by multiplied by 90% and divided by the measured.	teen (15) minute interval. The ctors as nearly as practicable. The ctors as nearly as practicable. The ctors as nearly as practicable. The ctors are considered as less and the constant of th	
Consistent with the Power Billings provisions of this rate schedule, the contract demand may be regarded as the billing demand.		
POWER BILLINGS		
The power billing each month shall be twith the rates herein as applied to (a)	the greater amount calculated or (b) as follows:	
(a) Contract demand as specified within the power contract and energy.		
(b) Current billing demand and energy.	•	
Should (a) above produce the greater power billing, the contract demand shall be regarded as billing demand.		
FUEL ADJUSTMENT CHARGE		
The above rates 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 losses. The allowance		
DATE OF ISSUE February 24, 2010	DATE EFFECTIVE April 1, 2010	
	ritle PRESIDENT & C.E.O.	
ISSUED BY Name of Officer	TINEDIDENI & C.E.U.	

Issued by authority of an Order of the Public Service Commission in Case No. 2009-00314 dated\_\_\_\_\_.

	For All Areas Served Community, Town or City
	P.S.C. No. 2
	3 <sup>rd</sup> Revision SHEET NO. 58
Clark Energy Cooperative Inc.	CANCELLING P.S.C. NO. 2
Name of Issuing Corporation	2 <sup>nd</sup> Revision SHEET NO. 58
CLASSIFICAT	ION OF SERVICE
for losses will not exceed 10% and is moving average of such losses.	based on a twelve (12) month
TERMS OF PAYMENT	
The above charges are net and payable date of the bill.	within ten (10) days from the
LATE PAYMENT FEES	
An amount equal to five percent (5%) of added to all accounts that are in a particle will apply after 10 days from the fees will apply to the net bill, exclusion and other assessments.	ast due condition. Late payment e date of the bill. Late payment
DATE OF ISSUE February 24, 2010	DATE EFFECTIVE April 1, 2010
ISSUED BYName of Officer	TITLE PRESIDENT & C.E.O.

Issued by authority of an Order of the Public Service Commission in Case No.  $\underline{\phantom{0}}$  2009-00314.  $\underline{\phantom{0}}$  dated  $\underline{\phantom{0}}$  .

			For All Areas Served Community, Town or Ci	<del>_</del>
			P.S.C. No. 2	
			3 <sup>rd</sup> Revision SHEET NO.	59
Clark Energy Co			CANCELLING P.S.C. NO	2_
Name of Issuing	J Corporation		2 <sup>nd</sup> Revision SHEET NO.	<u>59</u>
	CLASSIFICAT	TION OF SERVI	CE	Maria de Caracteria de Cara
	Schedule P: Genera	l Power Servi	ice	**************************************
AVAILABILITY				
	l commercial and indusents with Kilowatt (kW)			(D)
CONDITIONS OF S	SERVICE			
this rate sched	et shall be executed by dule. The power contract mum billing purposes of	ct shall spec	cify a contract	
CHARACTER OF SE	CRVICES			
	ee phase, 60 Hertz, at and the power contract.	a secondary c	of delivery voltage	(T)
DELIVERY POINT				
The delivery po	oint shall be specified	within the p	oower contract.	
RATES				
\$ 6.00	Facility Charge per kW of billing demar per kWh for all energy	nd		(N) (I) (I)
DATE OF ISSUE_F	ebruary 24, 2010	DATE EFFECTI	<b>VE</b> April 1, 2010	
ISSUED BY	Name of Officer	TITLE	PRESIDENT & C.E.O.	
	rity of an Order of the O9-00314 dated	e Public Serv	ice Commission in	

For All Areas Served Community, Town or City
P.S.C. No. 2
3 <sup>rd</sup> Revision SHEET NO. 60
CANCELLING P.S.C. NO. 2
2 <sup>nd</sup> Revision SHEET NO. 60

Clark Energy Cooperative Inc. Name of Issuing Corporation

#### CLASSIFICATION OF SERVICE

### DETERMINATION OF BILLING DEMAND

The billing demand shall be the maximum Kilowatt (kW) demand established by the consumer for any fifteen (15) minute interval. The consumer shall maintain unity power factors as nearly as practicable. Power factor may be measured at any time. Should such measurements indicate that the power factor at the time of maximum demand is less than 90% lagging, the billing demand shall be the maximum fifteen minute Kilowatt (kW) demand recorded by metering instrumentation multiplied by 90% and divided by the measured percent power factor. Consistent with the Power Billings provisions of this rate schedule, the contract demand may be regarded as the billing demand.

#### POWER BILLINGS

The power billing each month shall be the greater amount calculated with the rates herein as applied to (a) or (b) as follows:

- (a) Contract demand as specified within the power contract and energy.
- (b) Current billing demand and energy.

Should (a) above produce the greater power billing, the contract demand shall be regarded as billing demand.

#### FUEL ADJUSTMENT CLAUSE

The above rates 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 losses. The allowance

DATE OF ISSUE February 24, 2010	DATE EFFECTIVE April 1, 2010
ISSUED BY Name of Officer	TITLE PRESIDENT & C.E.O.
Issued by authority of an Order of the Case No. 2009-00314 dated	e Public Service Commission in

	For All Areas Served
	Community, Town or City
	P.S.C. No. 2
	3rd Revision SHEET NO. 61
Clark Energy Cooperative Inc.	CANCELLING P.S.C. NO. 2
	2 <sup>nd</sup> Revision SHEET NO. 61

#### CLASSIFICATION OF SERVICE

for losses will not exceed 10% and is based on a twelve (12) month moving average of such losses.

#### TERMS OF PAYMENT

The above charges are net and payable within ten (10) days from the date of the bill.

### LATE PAYMENT FEES

An amount equal to five percent (5%) of the past due amount will be added to all accounts that are in a past due condition. Late payment fees will apply after 10 days from the date of the bill. Late payment fees will apply to the net bill, exclusive of special charges, tax and other assessments.

DATE OF ISSUE February 24, 2010	DATE EFFECTIVE April 1, 2010
ISSUED BYName of Officer	TITLE PRESIDENT & C.E.O.
Issued by authority of an Order of the Case No2009-00314dated	e Public Service Commission in

	Community, Town or City
	P.S.C. No. 2
	3 <sup>rd</sup> Revision SHEET NO. 62
Clark Energy Cooperative Inc.	CANCELLING P.S.C. NO. 2
Name of Issuing Corporation	2 <sup>nd</sup> Revision SHEET NO. 62
CLASSIFICATION OF SERV	ICE
Schedule M: General Power Serv	ice
AVAILABILITY	
Available to all commercial and industrial consum power requirements at primary delivery voltage widemands of 1,000 kW or greater but less than 5,00	th Kilowatt (kW) (T)
CONDITIONS OF SERVICE	
A power contract shall be executed by the consume this rate schedule. The power contract shall spe demand for minimum billing purposes of 1,000 or g 5,000 kW.	cify a contract
CHARACTER OF SERVICE	
Three phase, 60 Hertz, at a delivery voltage spec power contract.	ified within the
DELIVERY POINT	
The delivery point shall be specified within the	power contract.
RATES	
Demand Charge: \$9.73 per kW of billing de	emand (I)
Energy Charge: \$0.06886 per kWh for all energy	gy
DATE OF ISSUE February 24, 2010 DATE EFFECT	IVE April 1, 2010
ISSUED BYTITLE	PRESIDENT & C.E.O.
Name of Officer	
Issued by authority of an Order of the Public Ser Case No. 2009-00314 dated	vice Commission in

ved or City
NO. 63
NO2_
<b>NO.</b> 63

Clark Energy Cooperative Inc. Name of Issuing Corporation

#### CLASSIFICATION OF SERVICE

#### DETERMINATION OF BILLING DEMAND

The billing demand shall be the maximum Kilowatt (kW) demand established by the consumer for any fifteen (15) minute interval within the following calendar months and time intervals.

October - April:

7:00 AM - 12:00 AM EST 5:00 PM - 10:00 PM EST

May - September:

10:00 AM - 10:00 PM EST

Maximum Kilowatt demands established not within the prescribed time intervals shall be disregarded for billing purposes.

The consumer shall maintain unity power factors as nearly as practicable. Power factor may be measured at any time. Should such measurements indicate that the power factor at the time of maximum demand is less than 90% lagging, the billing demand shall be the maximum fifteen minute Kilowatt (kW) demand recorded by metering instrumentation multiplied by 90% and divided by the measured percent power factor.

Consistent with the Power Billings provisions of this rate schedule, the contract demand may be regarded as the billing demand.

#### POWER BILLINGS

The power billings each month shall be the greater amount calculated with the rates herein as applied to (a), (b), or (c) as follows:

(a) Minimum energy requirements as specified within the power contract.

DATE OF ISSUE February 24, 2010	DATE EFFECTIVE April 1, 2010
ISSUED BYName of Officer	TITLE PRESIDENT & C.E.O.
Issued by authority of an Order of the Case No. 2009-00314 dated	Public Service Commission in

	For All Areas Served
	Community, Town or City
	P.S.C. No. 2
	3rd Revision SHEET NO. 64
Clark Energy Cooperative Inc.	CANCELLING P.S.C. NO. 2
value or resulting corporation	2 <sup>nd</sup> Revision SHEET NO. 64

#### CLASSIFICATION OF SERVICE

- (b) Contract demand as specified within the power contract and energy.
- (c) Current billing demand and energy.

Should (b) above produce the greater power billing, the contract demand shall be regarded as billing demand.

#### FUEL ADJUSTMENT CLAUSE

The above rates 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 losses. The allowance for losses will not exceed 10% and is based on a twelve (12) month moving average of such losses.

#### TERMS OF PAYMENT

The above charges are net and payable within ten (10) days from the date of the bill.

#### LATE PAYMENT FEES

An amount equal to five percent (5%) of the past due amount will be added to all accounts that are in a past due condition. Late payment fees will apply after 10 days from the date of the bill. Late payment fees will apply to the net bill, exclusive of special charges, tax and other assessments.

DATE OF ISSUE February 24, 2010	DATE EFFECTIVE April 1, 2010
ISSUED BYName of Officer	TITLE PRESIDENT & C.E.O.
Issued by authority of an Order of the Case No. 2009-00314 dated	Public Service Commission in

	For All Areas Served Community, Town or City
	P.S.C. No. 2
	1 <sup>st</sup> Revision SHEET NO. 11
Clark Energy Cooperative Inc. Name of Issuing Corporation	CANCELLING P.S.C. NO. 2
	Original SHEET NO. 11
RULES AND REGULATION	<b>1</b> S
11 CHARGES FOR MEMBER REQUESTED RECONNECTION	
The Cooperative will make no charge for conr discontinuance of service. There shall be a service connection thereafter occurring more twelve month period for the member.	a fee of $$25.00$ for each (I)

DATE OF ISSUE February 24, 2010 DATE EFFECTIVE April 1, 2010

TITLE PRESIDENT & C.E.O.

ISSUED BY Name of Officer

	For All Areas Served
	Community, Town or City
	P.S.C. No. 2
	1 <sup>st</sup> Revision SHEET NO. 32
Clark Energy Cooperative Inc. Name of Issuing Corporation	CANCELLING P.S.C. NO. 2
Make of issuing corporation	Original SHEET NO. 32
RULES AND REGULATIONS	
26 FIELD COLLECTION CHARGE	

A charge of thirty dollars (\$30.00) will be assessed when a cooperative representative makes a trip to the premises of a consumer for the purpose of terminating service. The charge may be assessed if the cooperative representative actually terminates service or if, in the course of the trip, the consumer pays the delinquent bill to avoid termination. The charge may also be made if the cooperative representative agrees to delay termination based on the customer's agreement to pay the delinquent bill by a specific date. The cooperative may make a field collection charge only once in any billing period.

DATE OF ISSUE February 24, 2010	DATE EFFECTIVE April 1, 2010
ISSUED BYName of Officer	TITLE PRESIDENT & C.E.O.

	For All Areas Served Community, Town or City
	P.S.C. No. 2
	1 <sup>st</sup> Revision SHEET NO. 33
Clark Energy Cooperative Inc.	CANCELLING P.S.C. NO. 2
Name of Issuing Corporation	Original SHEET NO. 33
RULES AND	REGULATIONS
27 RECONNECTION CHARGE FOR DISCONNECTION	ON OF SERVICE
the utility's rules or commission dollars (\$40.00) will be made for payable at time of such reconnect	
DATE OF ISSUE February 24, 2010	PATE EFFECTIVE April 1, 2010
Name of Officer	PRESIDENT & C.E.O.

	For All Areas Served Community, Town or City
	P.S.C. No. 2
	1 <sup>st</sup> Revision SHEET NO. 36
Clark Energy Cooperative Inc. Name of Issuing Corporation	CANCELLING P.S.C. NO. 2
Name of issuing corporation	Original SHEET NO. 36
RULES AND	D REGULATIONS
29 RETURN CHECK CHARGE	
The cooperative will apply to a five dollars ( $\$25.00$ ) for each $\pi$ cooperative.	member's account a charge of twenty- member's check returned to the (I)
p.	
DATE OF ISSUE February 24, 2010	DATE EFFECTIVE April 1, 2010
ISSUED BYName of Officer	TITLE PRESIDENT & C.E.O.

# Clark Energy Cooperative, Inc. Case No. 2009-00314

### Direct Testimony of Alan M. Zumstein

- Q1 What is the purpose of your testimony?
- Al The purpose of my testimony is to explain the development of the rates based on the settlement that has been reached with the Office of the Attorney General ("OAG") and Clark Energy Cooperative, Inc. ("Clark Energy") The OAG has agreed to allow Clark Energy to increase its rates by the amount of \$3,897,049. This amount is \$189,945 less than the original request.
- Q2 What rates have been changed to accomplish this reduction in the amount of increase?
- A2 This change has been accomplished by placing the full reduction of the increase amount upon the increase that is being sought for Schedule R Residential. Clark Energy has reduced its requested facility charge from \$14.00 to \$12.00 as agreed upon, then increased the energy charge only slightly from \$0.094560 to \$0.095773.
- Q3 How can it be determined that he proposed rate design will provide the amount of revenue agreed upon in the settlement?
- As part of this settlement agreement, a billing analysis is attached as Exhibit C, which develops the amount of revenues that Clark Energy would receive from its current rates applied to the test year billing units and from its proposed rates, applied to the test year billing units. Since there were no proposed changes to any of the other rates schedules, only the proposal for Schedule R Residential accompanies Exhibit C. The proof of revenues results in an increase in the amount of \$3,897,049.
- Q4 Will the proposed rates meet the needs of Clark Energy?
- A4 The proposed rates as a result of this settlement will provide for the immediate financial needs of Clark Energy and should insure that Clark Energy will meet its mortgage requirements for several years.

- Q5 What documentation is Clark Energy providing in support of this settlement?
- A5 The following additional documents are provided as support:
  - The proposed tariffs,
  - Billing analysis settlement proof of revenues,
  - Current rates, proposed rates from Application, and Settlement proposed rates, and,
  - Change in rate design for Schedule R Residential for the Settlement agreement.
- Q6 Have you made any other changes that need to be identified?
- A6 No, there are none.
- Q7 Does this conclude you testimony?
- A6 This concludes my testimony.

# COMMONWEALTH OF KENTUCKY BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:
APPLICATION OF CLARK ENERGY COOPERATIVE, INC. FOR AN ORDER AUTHORIZING THE ADJUSTMENT OF RETAIL RATES BASED ON HISTORICAL TEST YEAR ENDING JUNE 30, 2009 )
<u>AFFIDAVIT</u>
STATE OF KENTUCKY )
COUNTY OF FAYETTE )
Alan M. Zumstein, being duly sworn, states that he has read the foregoing prepared
testimony and that he would respond in the same manner to the questions if so asked upon taking
the stand, and that the matters and things set forth therein are true and correct to the best of his
knowledge, information and belief.
ALAN M. ZUMSTEIN
Subscribed and sworn before me on this 28 day of February, 2010.
Notary Public
My Commission Expires: Supt. Zo12

Exhibit C	page 1 of 2	Witness: Alan Zumstein
Clark Energy Cooperative	Case No. 2009-00314	Revenue Analysis

Revenue Analysis June 30, 2009

norease	Amount Percent		\$3,138,766 10%	18,504 18%			158,560 5%	47,047 11%	252,451 5%	13,385 2%	18,162 2%	248,882 26%	%0 0	1,292		\$3,897,049 8%								
Percent	Total		74%	%0			%2	1%	11%	1%	2%	3%	%0	l		100%								
Settlement	Revenue		\$34,329,725	120,800			3,329,467	474,655	5,305,270	678,738	923,762	1,220,492	864	1,292		\$46,385,065					(\$189,945)			
Percent	Total		74%	%0			4.2	1%	11%	1%	2%	3%	%0	Ĭ		100%								
Application Proposed	Revenue		\$34,519,670	120,800			3,329,467	474,655	5,305,270	678,738	923,762	1,220,492	864	1,292		\$46,575,010					\$4,086,994			
Percent	Total		73%	%0	4%	3%	%0	1%	12%	2%	2%	2%	%0	1		100%								
Normalized Case No	2008-0525		\$31,190,959	102,296	1,754,533	1,416,374	0	427,608	5,052,819	665,353	905,600	971,610	864			100% \$42,488,016					\$6,663,263			ç
Percent	Total		73%	%0	4%	3%	%0	1%	12%	2%	2%	2%	%0	'		100%								ho Annlinativ
Test Year	Revenue		\$26,240,115	85,106	1,515,341	1,212,054	0	363,188	4,263,891	558,244	757,037	828,913	864			35,824,753		4,069,581	2,253,595	\$42,147,929				. changed from ti
Xw	Useage		322,074,113	1,861,608	14,529,508	12,933,755	0	4,084,927	52,272,438	7,301,084	10,118,100	8,900,276	30,580	Control of the Contro		434,106,389			1	II				and to that had
S. ezer	Schedule		R - Residential	D - Time of Day	A - General Power Service	B - General Power Service	C - General Power Service	E - Public Facilities	L - General Power Service	M - General Power Service	P - General Power Service	S & T - Outdoor Lighting Service	Envirowatts	Rounding differences		Total from base rates		Fuel adjustment billed	Environmental surcharge billed		Increase			Schodule D. Desidential is the only schedule that has changed from the Amplication
1 Q 21	- დ თ	10	Ξ	12	51	14	15	16	17	18	19	20	21	22	23	24	25	56	27	28	58	30	33	; ;

Exhibit C page 2 of 2 Witness: Alan Zumstein

Clark Energy Cooperative Case No. 2009-00314

Billing Analysis June 30, 2009

Schedule R - Residential

		Test	Norn	Normalized		******		
	Billing	Year	Case No.	Case No. 2008-00525	Pro	Proposed	Settlement Proposed	Proposed
Description	Determinants	Revenues	Rates	Revenues	Rates	Revenues	Rates	Revenues
Facility charge - R	290,310	\$1,608,142	\$5.84	\$1,695,412	\$14.00	\$4,064,343	\$12.00	\$3,483,722
Energy charge per kWh	322,074,113	24,631,972	\$0.091580	29,495,547	\$0.094560	30,455,328	\$0.095773	30,846,003
Total from base rates		26,240,115	. "	\$31,190,959	. "	\$34,519,671	. "	\$34,329,725
Fuel adjustment Environmental surcharge		3,028,494						
Total revenues		\$30,976,086	n					
Amount Percent				\$4,950,844 18.9%		\$3,328,712 10.7%		\$3,138,767 9.1%
Average monthly bill Amount Percent		\$90.39		\$107.44 \$17.05 18.9%		\$118.91 \$11.47 10.7%		\$118.25 \$10.81 9.1%

# Clark Energy Cooperative Case No. 2009-00314

[#<u>]</u>

Exhibit D
Page 1 of 1
Witness: Alan Zumstein

# Current Rates, Proposed Rates from Application, and Settlement Proposed Rates

Rate Class	Present	Application Proposed	Settlement Proposed
Schedule R - Residential			
Facility charge	\$5.84	\$14.00	\$12.00
Energy charge	\$0.091580	\$0.094560	\$0.095773
Schedule D - Time of Use Marketing			
Energy charge	\$0.054950	\$0.064890	\$0.064890
Schedule C - General Power Service (formerly A8	kB)		
Customer Charge A	\$5.76		
Energy charge A	\$0.113510		
Customer Charge B	\$5.28		
Energy charge B	\$0.092980		
Demand charge	\$5.89		
Schedule C - General Power Service			
Facility charge - Single phase		\$24.46	\$24.46
Facility charge - Three phase		\$48.42	\$48.42
Demand charge		\$0.00	\$0.00
Energy charge		\$0.101980	\$0.101980
Schedule E - Public Facilities			
Facility charge	\$5.89	\$16.00	\$16.00
Energy charge	\$0.099630	\$0.102480	\$0.102480
Schedule L - General Power Service			
Facility charge	\$0.00	\$61.63	\$61.63
Demand charge	\$5.89	\$6.25	\$6.25
Energy charge	\$0.073490	\$0.075390	\$0.075390
Schedule M - General Power Service			
Demand charge	\$8.99	\$9.73	\$9.73
Energy charge	\$0.068860	\$0.068860	\$0.068860
Schedule P - General Power Service			***
Facility charge	\$0.00	\$83.91	\$83.91
Demand charge	\$5.89	\$6.00	\$6.00
Energy charge	\$0.064610	\$0.065580	\$0.065580
Schedule S, Outdoor Lighting Facilities			
175 Watt	\$7.75	\$9.75	\$9.75
Schedule T, Outdoor Lighting Facilities			0.1
400 Watt Sodium	\$14.36	\$18.07	\$18.07
Nonrecurring charges			<b>.</b>
Return check	\$13.00	\$25.00	\$25.00
Collection fee	\$25.50	\$30.00	\$30.00
Reconnect for disconnect	\$38.00	\$40.00	\$40.00
Reconnect, request	\$15.00	\$25.00	\$25.00
Overtime reconnect	\$48.00	\$65.00	\$65.00

Exhibit E Page 1 of 1

Witness: Alan Zumstein

# Clark Energy Cooperative Case No. 2009-00314

# Change in Rate Design for Schedule R - Residential Settlement Agreement

# A. Change in Revenue Requirement and Reate Design for Schedule R - Residential

Increase requested in Application	\$	4,086,994
Amount of increase from Settlement Stipulation	\$3,897,049	
Decrease in amount of increase	_\$	189,945
Revenue requirement Schedule R of Application	\$ 3	4,519,670
Decrease in revenue requirement for Schedule R		189,945
Revised revenue requirement	\$ 3	4,329,725

### B. Calculation of Rate Design

# 1. Facility Charge

Rate agreed to	\$ 12.00	
Number of billing determinants	290,310	
		_

Revenue from Facility Charge \$ 3,483,722

# 2. Energy Charge

Revenue requirement from Energy Charge	\$ 3	30,846,003
Energy sales in kWh	322,074,113	
Energy Rate	\$	0.095773

#### APPENDIX B

# APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE COMMISSION IN CASE NO. 2009-00314 DATED APR 1 6 2010

The following rates and charges are prescribed for the customers in the area serviced by Clark Energy Cooperative, Inc. 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 R RESIDENTIAL

Facility Charge per Month	\$	12.00
Energy Charge per kWh	\$ .0	95773

# SCHEDULE D TIME OF USE MARKETING

Energy Charge per kWh \$ .064890

# SCHEDULE C GENERAL POWER SERVICE

Facility Charge per Month – Single Phase	\$ 24.46
Facility Charge per Month – Three Phase	\$ 48.42
Demand Charge per kW	\$ 0.00
Energy Charge per kWh	\$ .101980

# SCHEDULE E PUBLIC FACILITIES

Facility Charge per Month	\$ 16.00
Energy Charge per kWh	\$ .102480

# SCHEDULE L GENERAL POWER SERVICE

Facility Charge per Month Demand Charge per kW Energy Charge per kWh		\$ \$ \$ .0	61.63 6.25 075390
	SCHEDULE M GENERAL POWER SERVICE		
Demand Charge per kW Energy Charge per kWh		\$ \$ .0	9.73 068860
	SCHEDULE P GENERAL POWER SERVICE		
Facility Charge per Month Demand Charge per kW Energy Charge per kWh		\$ \$ \$ .0	83.91 6.00 065580
<u>C</u>	SCHEDULE S DUTDOOR LIGHTING FACILITIES		
Monthly Rate:			
175 Watt	·	\$	9.75
<u>C</u>	SCHEDULE T OUTDOOR LIGHTING FACILITIES		
Monthly Rate:			
400 Watt		\$	18.07
	NONRECURRING CHARGES		
Return Check Collection Fee		\$ \$	25.00 30.00
Reconnect for Disconnect		\$ \$ \$	40.00
Reconnect, Request Overtime Reconnect		\$ \$	25.00 65.00
	-2-	Onna N.	Appendix

Appendix B Case No. 2009-00314 Paul G Embs Clark Energy Cooperative, Inc. 2640 Ironworks Road P. O. Box 748 Winchester, KY 40392-0748

Mark David Goss Frost, Brown, Todd, LLC 250 West Main Street Suite 2700 Lexington, KY 40507

Mr. Dennis Howard Assistant Attorney General 1024 Capital Center Drive Frankfort, KY 40601

Honorable Robert L Rose Attorney at Law 51 South Main Street Winchester, KY 40391