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Governor

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Secretary
Energy and Environment Cabinet



Commonwealth of Kentucky
Public Service Commission

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Robert Cicero
Vice Chairman

Daniel E. Logsdon Jr.
Commissioner

June 27, 2016

PARTIES OF RECORD

RE: Case No. **2016-00169**

Cumberland Valley Electric, Inc.
(General Rates)

The Commission Staff has reviewed the filing submitted June 23, 2016 and has determined that the application in the above case now meets the minimum filing requirements. Attached please find a stamped filed copy of the first page of your filing. This case has been docketed and will be processed as expeditiously as possible.

If you need further assistance, please contact my staff at 502-564-3940.

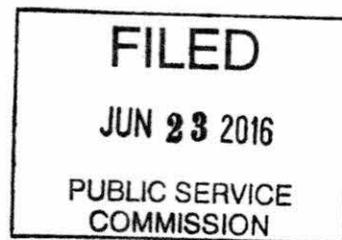
Sincerely,

A handwritten signature in cursive script that reads "Linda Faulkner".

Linda Faulkner
Filings Division Director

LF/rs

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION



In the Matter of Adjustment of Rates)
of Cumberland Valley Electric, Inc)

Case No. 2016-00169

APPLICATION

Cumberland Valley Electric, Inc (herein designated as “Cumberland Valley”) hereby makes application for an adjustment of rates, as follows:

1. Cumberland Valley informs the commission that it is engaged in the business of operation of a retail electric distributions system in portions of nine (9) counties in Kentucky and does hereby propose to adjust rates, effective **July 25, 2016** in conformity with the attached schedule. In this proposed adjustment of rates, Cumberland Valley is proposing to increase its electric rates and one nonrecurring charge by \$1,998,262. [807 KAR 5:001, Section 14]
2. The name and post office address of the applicant is Cumberland Valley Electric, Inc, PO Box 440 Gray, KY 40734. Cumberland Valley’s email address is psc@cumberlandvalley.coop. [807 KAR 5:001, Section 14(1)].
3. The Articles of Incorporation and all amendments thereto for Cumberland Valley are included in Case No. 7772 [807 KAR 5:001, Section 14(2)]. Cumberland Valley was incorporated July 12, 1940.
4. The application is supported by a twelve-month historical test period ending November 30, 2015 and includes adjustments for known and measurable changes [807 KAR 5:001, Section 16(1)(a)1].
5. Cumberland Valley states the reasons the rate adjustment is required pursuant to 807 KAR Section 16(1)(b)1 are as follows:
 - a. Cumberland Valley’s last filed an increase in rates in Case No. 2014-00159. Since then, Cumberland Valley has incurred increases in the cost of power, materials, equipment, labor, taxes, and other fixed and variable costs.
 - b. The financial condition of Cumberland Valley has deteriorated significantly during the test year while it is not meeting its mortgage requirements.

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