Matthew G. Bevin Governor

Charles G. Snavely Secretary Energy and Environment Cabinet



Commonwealth of Kentucky

Public Service Commission 211 Sower Blvd. P.O. Box 615 Frankfort Kentucky 40602-0615 Telephone: (502) 564-3940 Fax: (502) 564-3460 psc.ky.gov

September 01, 2016

Michael J. Schmitt Chairman

> Robert Cicero Vice Chairman

Daniel E. Logsdon Jr. Commissioner

PARTIES OF RECORD

RE: Case No. 2016-00174

Licking Valley R.E.C.C. (General Rates)

The Commission Staff has reviewed the filing submitted August 31, 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,

R. Mathews

Talina R. Mathews Executive Director

TM/rs

JE .

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COMMONWEALTH OF KENTUCKY BEFORE THE PUBLIC SERVICE COMMISSION

FILED AUG 31 2016 PUBLIC SERVICE COMMISSION

In the Matter of Adjustment of Rates of Licking Valley Rural Electric Cooperative Corporation)))
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Case No. 2016-00174

APPLICATION

Licking Valley Rural Electric Cooperative Corporation, (herein designated as "Licking Valley") hereby makes application for an adjustment of rates, as follows:

- Licking Valley informs the commission that it is engaged in the business of operation of a retail electric distributions system in portions of eight (8) counties in Kentucky and does hereby propose to adjust rates, effective September 08, 2016 in conformity with the attached schedule. In this proposed adjustment of rates, Licking Valley is proposing to increase its electric rates and one nonrecurring charge by \$1,562,659.
 [807 KAR 5:001, Section 14]
- The name and post office address of the applicant is Licking Valley Rural Electric Cooperative Corporation, Inc., 271 Main St., P.O. Box 605, West Liberty, KY 41472. Licking Valley's email address is psc@lvrecc.com. [807 KAR 5:001, Section 14(1)].
- The Articles of Incorporation and all amendments thereto for Licking Valley were included in Case No. 92-496 [807 KAR 5:001, Section 14(2)].
- The application is supported by a twelve-month historical test period ending October 31, 2015 and includes adjustments for known and measurable changes [807 KAR 5:001, Section 16(1)(a)1].
- Licking Valley states the reasons the rate adjustment is required pursuant to 807 KAR Section 16(1)(b)1 are as follows:
 - a. Licking Valley's last filed an increase in rates in the summer of 2009. Since then, Licking Valley has incurred increases in the cost of power, materials, equipment, labor, taxes, and other fixed and variable costs.
 - b. The financial condition of Licking Valley has deteriorated significantly during the test year while it is not meeting its mortgage requirements.

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