




Shelby Energy
Cooperative

® A Touchstone Energy Cooperative 

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PUBLIC SERVICE
COMMISSION

November 5, 2016

Ms. Talina R. Matthews
Executive Director
Kentucky Public Service Commission
211 Sower Blvd
P O Box 615
Frankfort, KY 40602-0615

RE: Case No. 2016-00335

Dear Ms. Matthews:

Enclosed are an original and eight (8) copies of Shelby Energy Cooperative Inc.'s response to the commission staff's first request for information to East Kentucky Power

Cooperative and each of its sixteen member cooperatives dated October 12, 2016. The information has been provided by email to all parties of record.

Should you have any questions or need further information, please let me know.

Sincerely,

Mary Federle
Billing Manager

Enclosures

www.shelbyenergy.com

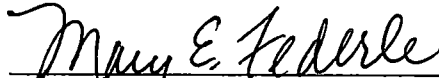
620 Old Finchville Road • Shelbyville, Kentucky 40065-1714
1-800-292-6585 • Shelby Co. (502) 633-4420 • Trimble Co. (502) 255-3001 • Fax: (502) 633-2387

This institution is an equal opportunity provider and employer.

COMMISSION STAFF'S FIRST REQUEST FOR INFORMATION
CASE NO. 2016-00335

VERIFICATION

The undersigned, Mary E. Federle, Billing Manager of Shelby Energy Cooperative, Inc. certifies that the responses contained in this document are true and accurate to the best of her knowledge, information and belief formed after a reasonable inquiry.

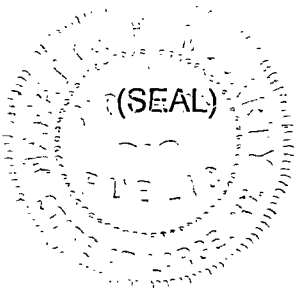


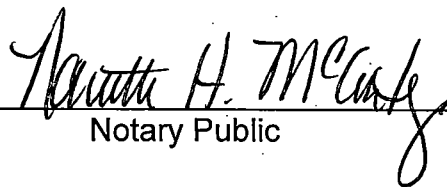
Mary E. Federle

COMMONWEALTH OF KENTUCKY

COUNTY OF SHELBY

Subscribed and sworn to before me by Mary E. Federle, Billing Manager of Shelby Energy Cooperative, Inc., to be her free act and deed this 5th day of November, 2016.





Notary Public

My Commission Expires:

4/25/20

ID: 555678

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

AN EXAMINATION BY THE PUBLIC SERVICE)	
COMMISSION OF THE ENVIRONMENTAL)	
SURCHARGE MECHANISM OF EAST KENTUCKY)	
POWER COOPERATIVE, INC. FOR THE SIX-)	CASE NO.
MONTH BILLING PERIOD ENDING JUNE 30, 2016,)	2016-00335
AND THE PASS THROUGH MECHANISM)	
FOR ITS SIXTEEN MEMBER DISTRIBUTION)	
COOPERATIVES)	

RESPONSE OF SHELBY ENERGY COOPERATIVE, INC. TO COMMISSION
STAFF'S FIRST REQUEST FOR INFORMATION TO EAST KENTUCKY
POWER COOPERATIVE, INC.'S AND EACH OF ITS SIXTEEN MEMBER
COOPERATIVES

DATED: November 5, 2016

**Shelby Energy Cooperative's Response to the
Commission Staff's First Request for Information
Case No. 2016-00335**

Question:

2. This question is addressed to EKPC and the Member Cooperatives. For each of the 16-member distribution cooperatives, prepare a summary schedule showing the distribution cooperative's pass-through revenue requirement for the months corresponding with the six-month review. Include a calculation of any additional over-or-under-recovery amount the distribution cooperative believes needs to be recognized for the six-month review. Provide the schedule and all supporting calculations and documentation in Excel spreadsheet format with all cells and formulas intact and unprotected.

Response

2. Please see EKPC's response to the Commission Staff's first data request dated October 12, 2016.

Witness: Mary E. Federle

**Shelby Energy Cooperative's Response to the
Commission Staff's First Request for Information
Case No. 2016-00335**

Question:

7. This question is addressed to each of the 16 Member Cooperatives. For your particular Member Cooperative, provide the actual average residential customer's monthly usage for the 12 months ended May 31, 2016. Based on this usage amount, provide the dollar impact any over- or under-recovery will have on the average residential customer's monthly bill for the requested recovery period.

Response

7. Using billing data ending May 31, 2016, the average monthly residential usage is 1,438 kWh resulting in an average residential monthly bill of \$153.70 when no over-or-under-recovery amount is included. When the over-or-under-recovery is included in the calculation for the same period of time, \$153.62 is the monthly bill. The result is a dollar impact of (\$.08) to the customer. Please refer to Exhibit A, Pages 1-4, for supporting calculations and documentation.

**Shelby Energy Cooperative's Response to the
Commission Staff's First Request for Information
Case No. 2016-00335**

Question:

9. This question is addressed to the Member Cooperatives. Explain in detail the process by which the environmental surcharge amounts billed by EKPC are recorded and billed to member customers. Include in the response a discussion of timing and accounting methodology.

Response

The current process begins with East Kentucky Power Cooperative ("EKPC") requesting revenue data from the 16 member cooperatives approximately the first week of each month. For EKPC's expense month of December, 2015, Shelby submits net monthly retail revenues for the expense month of November, 2015. At the time EKPC requests the information, Shelby's December, 2015 revenue sales to the retail customer have not been reconciled and the books have not been closed, therefore; the most recent expense month closed for Shelby is used which is November, 2015. The timing is a regular occurrence which results in Shelby always using one expense month behind EKPC.

The environmental surcharge pass through mechanism factor is calculated by EKPC by using the monthly revenues billed by EKPC to its members for December, 2015. An EKPC 12-months ended average monthly revenue from sales to Shelby is calculated and using the EKPC current period environmental surcharge factor ("CESF%"), a revenue requirement for Shelby's applicable surcharge is calculated, then

**Shelby Energy Cooperative's Response to the
Commission Staff's First Request for Information
Case No. 2016-00335**

any (Over)/Under Recovery is added to equal Shelby's net revenue requirement.

Based on the CESF%, this is the amount necessary to bill and collect from Shelby's retail customers.

Shelby's net monthly retail revenue is listed for the month of November, 2015 then Shelby's 12-months ended average net revenues is calculated. The net revenue requirement mentioned above is divided by Shelby's 12-months average net revenues to determine the pass-through surcharge mechanism factor that will be applied to each of Shelby's retail customers.

The calculation spreadsheet is submitted by EKPC to Shelby for review, verification and confirmation a couple of days prior to EKPC filing the information with the Kentucky Public Service Commission ("Commission") on approximately the 20th day of each month.

With the first billing cycle, applicable to February, 2016, Shelby applies the pass-through surcharge mechanism factor to any accounts billed for that expense month.

For example; the pass-through surcharge factor calculated by EKPC for EKPC's expense month ended December, 2015 was 13.52%. This factor was applied to any retail customer accounts billed for energy usage beginning February 16, 2016 through March 15, 2016. This factor applies to each retail customer and any environmental surcharge amount billed to each retail customer is recorded and reflects in the expense/revenue month of February, 2016.

**Shelby Energy Cooperative's Response to the
Commission Staff's First Request for Information
Case No. 2016-00335**

When the books are closed for the February, 2016 expense/revenue month, the environmental surcharge amount billed to each retail customer is included with the credit to the energy sales income account for the applicable service classification and a total debit is posted to the account receivables for customer energy sales. As customers pay their bill the accounts receivables are reduced for the total of each payment.

**Shelby Energy Cooperative's Response to the
Commission Staff's First Request for Information
Case No. 2016-00335**

Question:

12. This question is addressed to the Member Cooperatives. Refer to your response to Staff's First Request, Item 2.

a. Explain how the amount recorded in the column labeled "EKPC Invoice Month Recorded Member's Books" correspond with EKPC's expense month. For example, EKPC's monthly report for December 2015 indicates that the December 2015 expense month would be billed beginning February 2016 for service rendered in January 2016. Explain in which month the Member Cooperative would reflect its portion of the December 2015 expense billed by EKPC.

b. Explain whether the amounts reported in this column reflect only the actual amount billed by EKPC, or if the amount does or can include adjustments to the billed amount. Explain the adjustments that may be included, if any.

c. Refer to the column labeled "Billed to Retail Consumer & Recorded on Member's Books." Confirm that these amounts are the actual environmental surcharge amounts billed and not environmental surcharge amounts actually collected from retail customers.

**Shelby Energy Cooperative's Response to the
Commission Staff's First Request for Information
Case No. 2016-00335**

Response

12. a. The month in which Shelby Energy Cooperative would reflect its portion of the December 2015 expense billed by EKPC is in the February, 2016 revenue month which are accounts billed from February 16, 2016 thru March 15, 2016.

b. EKPC prepares the response to Request 2 and the Members provide the surcharge revenues shown in Column 3. The surcharge amount in Column 2 reflects the total gross surcharge shown on EKPC's invoice minus the Direct Load Control program surcharge credit. The Direct Load Control program provides demand credits to Members based on the involvement of the Members' customers in the Direct Load Control program. The demand credit impacts the revenues included to determine the surcharge and a separate surcharge credit is calculated. However, this adjustment is reflected on the invoice EKPC sends to the Member.

c. The column labeled "Billed to Retail Consumer & Recorded on Member's Books" represents the actual environmental surcharge amounts billed to Shelby Energy's retail customers and not the amounts collected.

**Shelby Energy Cooperative's Response to the
Commission Staff's First Request for Information
Case No. 2016-00335**

Question:

13. This question is addressed to the Member Cooperatives. Refer to the Member Cooperatives Pass Through Mechanism Report in EKPC's monthly environmental surcharge report. Provide the revenue month to which the pass through factor (Column 15) calculated for the expense month will be applied.

Response

13. The pass through factor is applied two months after the expensed month for EKPC. For example, for the December 2015 expensed month for EKPC, the 13.52% pass through factor will be applied to the bills calculated for Shelby's retail customers for the February 2016 revenue month.

Shelby - Calculation of (Over)/Under Recovery

Line No.	Month & Year	EKPC Invoice Month recorded Member's Books (2)	Billed to Retail Consumer & recorded on Member's Books (3)	Monthly (Over) or Under (4)	Cumulative (Over) or Under (5)
1	Previous (Over)/Under-Recovery Remaining to be Amortized				
1a	From Case No. 2014-00051 (Over)/Under-Recovery				\$11,662
1b	From Case No. 2015-00281 (Over)/Under-Recovery				\$19,730
1c	From Case No. 2016-00144 (Over)/Under-Recovery				\$57,076
1d	Total Previous (Over)/Under-Recovery				\$88,468
2	Jan-16	\$537,423	\$545,735	(\$8,312)	\$80,156
3	Feb-16	\$422,848	\$505,476	(\$82,628)	(\$2,472)
4	Mar-16	\$238,616	\$357,354	(\$118,738)	(\$121,210)
5	Apr-16	\$280,726	\$228,252	\$52,474	(\$68,736)
6	May-16	\$365,760	\$282,668	\$83,092	\$14,356
7	Jun-16	\$455,167	\$413,943	\$41,224	\$55,580
Post Review	Jul-16	\$514,318	\$480,099	\$34,219	\$89,799
	Aug-16	\$452,519	\$519,463	(\$66,944)	\$22,855
Less Adjustment for Order amounts remaining to be amortized at end of review period June 2016					
8		Amount Per Case Order Remaining to be Amortized at beginning of Review Period	Amortization of Previous (Over)/Under Recoveries During Review Period		Amount Per Case Order Remaining to be Amortized at end of Review Period
8a	Case No. 2014-00051 Rec	(\$11,662)	\$11,664		\$2
8b	Case No. 2015-00281 Rec	(\$19,730)	\$9,864		(\$9,866)
8c	Case No. 2016-00144 Rec	(\$57,076)	\$0		(\$57,076)
8d	Total Order amounts remaining - Over/(Under):				(\$66,940)
9	Cumulative six month (Over)/Under-Recovery [Cumulative net of remaining Case amort				(\$11,360)
10	Monthly recovery (per month for six months)				(\$1,893)
Reconciliation:					
11	Previous (Over)/Under-Recovery Remaining to be Amortized, beginning of Review Peric				\$88,468
12	Previous (Over)/Under-Recovery Remaining to be Amortized, ending of Review Period				(\$66,940)
13	Total Amortization during Review Period				\$21,528
14	(Over)/Under-Recovery from Column 5, Line 9				(\$11,360)
15	Less: Total Monthly (Over)/Under-Recovery for Review Period (Column 4, Lines 2 thru				(\$32,888)
16	Difference				\$21,528

Amortization Detail, Column 3, Line 8:

Month & Year	Case No. 2014-00051	Case No. 2015-00281	Case No. 2016-00144
Jan-16	\$5,832	\$0	\$0
Feb-16	\$5,832	\$0	\$0
Mar-16	\$0	\$0	\$0
Apr-16	\$0	\$3,288	\$0
May-16	\$0	\$3,288	\$0
Jun-16	\$0	\$3,288	\$0
Totals	\$11,664	\$9,864	\$0

East Kentucky Power Cooperative, Inc. - Distribution Cooperatives
 Pass Through Mechanism Report for Shelby Energy Cooperative

For the Month Ending September 2016

Exhibit A
 Page 2 of 4
 Initial Calculation

Surcharge Factor Expense Month	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)	(15)
	EKPC CESF %	EKPC BESF %	EKPC MESF %	EKPC Monthly Revenues from Sales to Shelby	On-peak Revenue Adjustment	EKPC Net Monthly Sales to Shelby	EKPC 12-months Ended Average Monthly Revenue from Sales to Shelby	Shelby Revenue Requirement	Amortization of (Over)/Under Recovery	Shelby Net Revenue Requirement	Shelby Total Monthly Retail Revenues	On-Peak Retail Revenue Adjustment	Shelby Net Monthly Retail Revenues	12-months ended Avg. Retail Revenues, Net	Shelby Pass Through Mechanism Factor
			Col. (1) - Col. (2)			Col. (4) - Col. (5)		Col (3) x Col (7)		Col (8) + Col (9)			Col. (11) - Col. (12)		Col (10) / Col (14)
Mar-14	11.62%	0.00%	11.62%	\$ 2,739,976		\$ 2,739,976	\$ 2,506,661	\$ 291,274	\$ (11,605)	\$ 279,669	\$ 4,157,604		\$ 4,157,604	\$ 3,290,016	8.59%
Apr-14	13.47%	0.00%	13.47%	\$ 2,167,068		\$ 2,167,068	\$ 2,508,532	\$ 337,899	\$ (11,605)	\$ 326,294	\$ 3,401,885		\$ 3,401,885	\$ 3,293,843	9.92%
May-14	15.84%	0.00%	15.84%	\$ 2,253,181		\$ 2,253,181	\$ 2,511,055	\$ 397,751	\$ (11,605)	\$ 386,146	\$ 2,764,273		\$ 2,764,273	\$ 3,290,695	11.72%
Jun-14	15.67%	0.00%	15.67%	\$ 2,548,258		\$ 2,548,258	\$ 2,522,986	\$ 395,352	\$ (11,605)	\$ 383,747	\$ 2,808,862		\$ 2,808,862	\$ 3,298,145	11.66%
Jul-14	14.38%	0.00%	14.38%	\$ 2,616,203		\$ 2,616,203	\$ 2,542,223	\$ 365,572	\$ (11,605)	\$ 353,967	\$ 3,343,967		\$ 3,343,967	\$ 3,319,949	10.73%
Aug-14	12.62%	0.00%	12.62%	\$ 2,719,966		\$ 2,719,966	\$ 2,563,924	\$ 323,567	\$ (11,605)	\$ 311,962	\$ 3,384,596		\$ 3,384,596	\$ 3,321,469	9.40%
Sep-14	13.53%	0.00%	13.53%	\$ 2,397,957		\$ 2,397,957	\$ 2,582,910	\$ 349,468	\$ -	\$ 349,468	\$ 3,402,021		\$ 3,402,021	\$ 3,333,010	10.52%
Oct-14	15.57%	0.00%	15.57%	\$ 2,140,163		\$ 2,140,163	\$ 2,592,360	\$ 403,630	\$ -	\$ 403,630	\$ 3,095,973		\$ 3,095,973	\$ 3,354,849	12.11%
Nov-14	16.95%	0.00%	16.95%	\$ 2,536,778		\$ 2,536,778	\$ 2,605,435	\$ 441,621	\$ -	\$ 441,621	\$ 2,952,706		\$ 2,952,706	\$ 3,371,953	13.16%
Dec-14	13.88%	0.00%	13.88%	\$ 2,629,514		\$ 2,629,514	\$ 2,591,663	\$ 359,723	\$ -	\$ 359,723	\$ 3,548,100		\$ 3,548,100	\$ 3,401,501	10.67%
Jan-15	13.67%	0.00%	13.67%	\$ 2,977,849		\$ 2,977,849	\$ 2,559,437	\$ 349,875	\$ -	\$ 349,875	\$ 3,745,006		\$ 3,745,006	\$ 3,407,289	10.29%
Feb-15	11.49%	0.00%	11.49%	\$ 3,029,412		\$ 3,029,412	\$ 2,563,027	\$ 294,492	\$ -	\$ 294,492	\$ 3,943,011		\$ 3,943,011	\$ 3,379,000	8.64%
Mar-15	10.90%	0.00%	10.90%	\$ 2,510,563		\$ 2,510,563	\$ 2,543,909	\$ 277,286	\$ -	\$ 277,286	\$ 4,286,098		\$ 4,286,098	\$ 3,389,708	8.21%
Apr-15	14.44%	0.00%	14.44%	\$ 1,866,869		\$ 1,866,869	\$ 2,518,893	\$ 363,728	\$ -	\$ 363,728	\$ 3,225,113		\$ 3,225,113	\$ 3,374,977	10.73%
May-15	18.09%	0.00%	18.09%	\$ 1,957,255		\$ 1,957,255	\$ 2,494,232	\$ 451,207	\$ -	\$ 451,207	\$ 2,700,216		\$ 2,700,216	\$ 3,369,639	13.37%
Jun-15	18.44%	0.00%	18.44%	\$ 2,499,139		\$ 2,499,139	\$ 2,490,139	\$ 459,182	\$ -	\$ 459,182	\$ 2,718,292		\$ 2,718,292	\$ 3,362,091	13.63%
Jul-15	15.91%	0.00%	15.91%	\$ 2,617,471		\$ 2,617,471	\$ 2,490,245	\$ 396,198	\$ -	\$ 396,198	\$ 3,070,753		\$ 3,070,753	\$ 3,339,324	11.78%
Aug-15	16.25%	0.00%	16.25%	\$ 2,471,895		\$ 2,471,895	\$ 2,469,572	\$ 401,305	\$ 5,832	\$ 407,137	\$ 3,144,231		\$ 3,144,231	\$ 3,319,293	12.19%
Sep-15	17.07%	0.00%	17.07%	\$ 2,266,873		\$ 2,266,873	\$ 2,458,648	\$ 419,691	\$ 5,832	\$ 425,523	\$ 3,428,938		\$ 3,428,938	\$ 3,321,536	12.82%
Oct-15	18.51%	0.00%	18.51%	\$ 1,958,079		\$ 1,958,079	\$ 2,443,475	\$ 452,287	\$ 5,832	\$ 458,119	\$ 2,995,536		\$ 2,995,536	\$ 3,313,167	13.79%
Nov-15	18.81%	0.00%	18.81%	\$ 2,163,292		\$ 2,163,292	\$ 2,412,351	\$ 453,763	\$ 5,832	\$ 459,595	\$ 2,721,866		\$ 2,721,866	\$ 3,293,930	13.87%
Dec-15	18.40%	0.00%	18.40%	\$ 2,348,457		\$ 2,348,457	\$ 2,388,930	\$ 439,563	\$ 5,832	\$ 445,395	\$ 2,952,256		\$ 2,952,256	\$ 3,244,276	13.52%
Jan-16	16.00%	0.00%	16.00%	\$ 2,920,781		\$ 2,920,781	\$ 2,384,174	\$ 381,468	\$ 5,832	\$ 387,300	\$ 3,157,597		\$ 3,157,597	\$ 3,195,326	11.94%
Feb-16	10.92%	0.00%	10.92%	\$ 2,642,798		\$ 2,642,798	\$ 2,351,956	\$ 256,834	\$ -	\$ 256,834	\$ 3,934,308		\$ 3,934,308	\$ 3,194,600	8.04%
Mar-16	14.30%	0.00%	14.30%	\$ 2,185,129		\$ 2,185,129	\$ 2,324,837	\$ 332,452	\$ 3,288	\$ 335,740	\$ 3,738,304		\$ 3,738,304	\$ 3,148,951	10.51%
Apr-16	17.59%	0.00%	17.59%	\$ 1,964,057		\$ 1,964,057	\$ 2,332,936	\$ 410,363	\$ 3,288	\$ 413,651	\$ 2,992,582		\$ 2,992,582	\$ 3,129,573	13.14%
May-16	18.99%	0.00%	18.99%	\$ 2,079,379		\$ 2,079,379	\$ 2,343,113	\$ 444,957	\$ 3,288	\$ 448,245	\$ 2,838,283		\$ 2,838,283	\$ 3,141,079	14.32%
Jun-16	19.60%	0.00%	19.60%	\$ 2,397,910		\$ 2,397,910	\$ 2,334,677	\$ 457,597	\$ 3,288	\$ 460,885	\$ 2,687,294		\$ 2,687,294	\$ 3,138,496	14.67%
Jul-16	16.50%	0.00%	16.50%	\$ 2,626,236		\$ 2,626,236	\$ 2,335,407	\$ 385,342	\$ 3,288	\$ 388,630	\$ 3,149,928		\$ 3,149,928	\$ 3,145,094	12.38%
Aug-16	14.29%	0.00%	14.29%	\$ 2,742,551		\$ 2,742,551	\$ 2,357,962	\$ 336,953	\$ 12,801	\$ 349,754	\$ 3,352,320		\$ 3,352,320	\$ 3,162,434	11.12%
Sep-16	14.76%	0.00%	14.76%	\$ 2,416,818		\$ 2,416,818	\$ 2,370,457	\$ 349,879	\$ 9,513	\$ 359,392	\$ 3,540,595		\$ 3,540,595	\$ 3,171,739	11.36%

East Kentucky Power Cooperative, Inc. - Distribution Cooperatives
 Pass Through Mechanism Report for Shelby Energy Cooperative

For the Month Ending September 2016

Surcharge Factor Expense Month	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)	(15)
	EKPC CESF %	EKPC BESF %	EKPC MESF %	EKPC Monthly Revenues from Sales to Shelby	On-peak Revenue Adjustment	EKPC Net Monthly Sales to Shelby	EKPC 12-months Ended Average Monthly Revenue from Sales to Shelby	Shelby Revenue Requirement	Amortization of (Over)/Under Recovery	Shelby Net Revenue Requirement	Shelby Total Monthly Retail Revenues	On-Peak Retail Revenue Adjustment	Shelby Net Monthly Retail Revenues	12-months ended Avg. Retail Revenues, Net	Shelby Pass Through Mechanism Factor
			Col. (1) - Col. (2)			Col. (4) - Col. (5)		Col (3) x Col (7)		Col (8) + Col (9)			Col. (11) - Col. (12)		Col (10) / Col (14)
Mar-14	11.62%	0.00%	11.62%	\$ 2,739,976		\$ 2,739,976	\$ 2,506,661	\$ 291,274	\$ (11,605)	\$ 279,669	\$ 4,157,604	\$ -	\$ 4,157,604	\$ 3,290,016	8.59%
Apr-14	13.47%	0.00%	13.47%	\$ 2,167,068		\$ 2,167,068	\$ 2,508,532	\$ 337,899	\$ (11,605)	\$ 326,294	\$ 3,401,885	\$ -	\$ 3,401,885	\$ 3,293,843	9.92%
May-14	15.84%	0.00%	15.84%	\$ 2,253,181		\$ 2,253,181	\$ 2,511,055	\$ 397,751	\$ (11,605)	\$ 386,146	\$ 2,764,273	\$ -	\$ 2,764,273	\$ 3,290,695	11.72%
Jun-14	15.67%	0.00%	15.67%	\$ 2,548,258		\$ 2,548,258	\$ 2,522,886	\$ 395,352	\$ (11,605)	\$ 383,747	\$ 2,808,862	\$ -	\$ 2,808,862	\$ 3,298,145	11.66%
Jul-14	14.38%	0.00%	14.38%	\$ 2,616,203		\$ 2,616,203	\$ 2,542,223	\$ 365,572	\$ (11,605)	\$ 353,967	\$ 3,343,967	\$ -	\$ 3,343,967	\$ 3,319,949	10.73%
Aug-14	12.62%	0.00%	12.62%	\$ 2,719,966		\$ 2,719,966	\$ 2,563,924	\$ 323,567	\$ (11,605)	\$ 311,962	\$ 3,384,596	\$ -	\$ 3,384,596	\$ 3,321,469	9.40%
Sep-14	13.53%	0.00%	13.53%	\$ 2,397,957		\$ 2,397,957	\$ 2,582,910	\$ 349,468	\$ -	\$ 349,468	\$ 3,402,021	\$ -	\$ 3,402,021	\$ 3,333,010	10.52%
Oct-14	15.57%	0.00%	15.57%	\$ 2,140,163		\$ 2,140,163	\$ 2,592,360	\$ 403,630	\$ -	\$ 403,630	\$ 3,095,973	\$ -	\$ 3,095,973	\$ 3,354,849	12.11%
Nov-14	16.95%	0.00%	16.95%	\$ 2,536,778		\$ 2,536,778	\$ 2,605,435	\$ 441,621	\$ -	\$ 441,621	\$ 2,952,706	\$ -	\$ 2,952,706	\$ 3,371,953	13.16%
Dec-14	13.88%	0.00%	13.88%	\$ 2,629,514		\$ 2,629,514	\$ 2,591,663	\$ 359,723	\$ -	\$ 359,723	\$ 3,548,100	\$ -	\$ 3,548,100	\$ 3,401,501	10.67%
Jan-15	13.67%	0.00%	13.67%	\$ 2,977,849		\$ 2,977,849	\$ 2,559,437	\$ 349,875	\$ -	\$ 349,875	\$ 3,745,006	\$ -	\$ 3,745,006	\$ 3,407,289	10.29%
Feb-15	11.49%	0.00%	11.49%	\$ 3,029,412		\$ 3,029,412	\$ 2,563,027	\$ 294,492	\$ -	\$ 294,492	\$ 3,943,011	\$ -	\$ 3,943,011	\$ 3,379,000	8.64%
Mar-15	10.90%	0.00%	10.90%	\$ 2,510,563		\$ 2,510,563	\$ 2,543,909	\$ 277,286	\$ -	\$ 277,286	\$ 4,286,098	\$ -	\$ 4,286,098	\$ 3,389,708	8.21%
Apr-15	14.44%	0.00%	14.44%	\$ 1,866,869		\$ 1,866,869	\$ 2,518,893	\$ 363,728	\$ -	\$ 363,728	\$ 3,225,113	\$ -	\$ 3,225,113	\$ 3,374,977	10.73%
May-15	18.09%	0.00%	18.09%	\$ 1,957,255		\$ 1,957,255	\$ 2,494,232	\$ 451,207	\$ -	\$ 451,207	\$ 2,700,216	\$ -	\$ 2,700,216	\$ 3,369,639	13.37%
Jun-15	18.44%	0.00%	18.44%	\$ 2,499,139		\$ 2,499,139	\$ 2,490,139	\$ 459,182	\$ -	\$ 459,182	\$ 2,718,292	\$ -	\$ 2,718,292	\$ 3,362,091	13.63%
Jul-15	15.91%	0.00%	15.91%	\$ 2,617,471		\$ 2,617,471	\$ 2,490,245	\$ 396,198	\$ -	\$ 396,198	\$ 3,070,753	\$ -	\$ 3,070,753	\$ 3,339,324	11.78%
Aug-15	16.25%	0.00%	16.25%	\$ 2,471,895		\$ 2,471,895	\$ 2,469,572	\$ 401,305	\$ 5,832	\$ 407,137	\$ 3,144,231	\$ -	\$ 3,144,231	\$ 3,319,293	12.19%
Sep-15	17.07%	0.00%	17.07%	\$ 2,266,873		\$ 2,266,873	\$ 2,458,648	\$ 419,691	\$ 5,832	\$ 425,523	\$ 3,428,938	\$ -	\$ 3,428,938	\$ 3,321,536	12.82%
Oct-15	18.51%	0.00%	18.51%	\$ 1,958,079		\$ 1,958,079	\$ 2,443,475	\$ 452,287	\$ 5,832	\$ 458,119	\$ 2,995,536	\$ -	\$ 2,995,536	\$ 3,313,167	13.79%
Nov-15	18.81%	0.00%	18.81%	\$ 2,163,292		\$ 2,163,292	\$ 2,412,351	\$ 453,763	\$ 5,832	\$ 459,595	\$ 2,721,866	\$ -	\$ 2,721,866	\$ 3,293,930	13.87%
Dec-15	18.40%	0.00%	18.40%	\$ 2,348,457		\$ 2,348,457	\$ 2,388,930	\$ 439,563	\$ 5,832	\$ 445,395	\$ 2,952,256	\$ -	\$ 2,952,256	\$ 3,244,276	13.52%
Jan-16	16.00%	0.00%	16.00%	\$ 2,920,781		\$ 2,920,781	\$ 2,384,174	\$ 381,468	\$ 5,832	\$ 387,300	\$ 3,157,597	\$ -	\$ 3,157,597	\$ 3,195,326	11.94%
Feb-16	10.92%	0.00%	10.92%	\$ 2,642,798		\$ 2,642,798	\$ 2,351,956	\$ 256,834	\$ -	\$ 256,834	\$ 3,934,308	\$ -	\$ 3,934,308	\$ 3,194,600	8.04%
Mar-16	14.30%	0.00%	14.30%	\$ 2,185,129		\$ 2,185,129	\$ 2,324,837	\$ 332,452	\$ 3,288	\$ 335,740	\$ 3,738,304	\$ -	\$ 3,738,304	\$ 3,148,951	10.51%
Apr-16	17.59%	0.00%	17.59%	\$ 1,964,057		\$ 1,964,057	\$ 2,332,936	\$ 410,363	\$ 3,288	\$ 413,651	\$ 2,992,582	\$ -	\$ 2,992,582	\$ 3,129,573	13.14%
May-16	18.99%	0.00%	18.99%	\$ 2,079,379		\$ 2,079,379	\$ 2,343,113	\$ 444,957	\$ 1,395	\$ 446,352	\$ 2,838,283	\$ -	\$ 2,838,283	\$ 3,141,079	14.26%
Jun-16	19.60%	0.00%	19.60%	\$ 2,397,910		\$ 2,397,910	\$ 2,334,677	\$ 457,597	\$ 3,288	\$ 460,885	\$ 2,687,294	\$ -	\$ 2,687,294	\$ 3,138,496	14.67%
Jul-16	16.50%	0.00%	16.50%	\$ 2,626,236		\$ 2,626,236	\$ 2,335,407	\$ 385,342	\$ 3,288	\$ 388,630	\$ 3,149,928	\$ -	\$ 3,149,928	\$ 3,145,094	12.38%
Aug-16	14.29%	0.00%	14.29%	\$ 2,742,551		\$ 2,742,551	\$ 2,357,962	\$ 336,953	\$ 12,801	\$ 349,754	\$ 3,352,320	\$ -	\$ 3,352,320	\$ 3,162,434	11.12%
Sep-16	14.76%	0.00%	14.76%	\$ 2,416,818		\$ 2,416,818	\$ 2,370,457	\$ 349,879	\$ 9,513	\$ 359,392	\$ 3,540,595	\$ -	\$ 3,540,595	\$ 3,171,739	11.36%

Notes:
 Shelby Total Monthly Retail Revenues in Column (11) includes demand and energy charges, customer charges, and FAC revenues.
 Revenues reported in Columns (4), (6), (7), (11), (13), and (14) are net of Green Power Revenues.

Shelby Energy Cooperative, Inc

Actual Average Residential Monthly Bill

Average Monthly Residential kWh:		1,438
Residential Rate:		
Facility Charge	\$10.14	\$10.14
kWh Charge	\$0.08861	127.42
Fuel Adjustment Factor	(\$0.00489)	(7.03)
Surcharge (May 2016)	14.32%	18.69
<i>** Refer to Exhibit A - Page 2 of 4</i>		
County Tax	3.00%	<u>\$4.48</u>
		\$153.70

Actual Average Residential Monthly Bill with Recovery

Average Monthly Residential kWh:		1,438
Residential Rate:		
Facility Charge	\$10.14	\$10.14
kWh Charge	\$0.08861	127.42
Fuel Adjustment Factor	(\$0.00489)	(7.03)
Surcharge (May 2016)	14.26%	18.61
<i>** Refer to Exhibit A - Page 3 of 4</i>		
County Tax	3.00%	<u>\$4.47</u>
		\$153.62

Dollar Impact: (\$0.08)